



London Borough of Bromley

External Audit Plan 2012/13

Government and Public
Sector

March 2013



Audit Sub-Committee,
London Borough of Bromley,
Civic Centre,
Stockwell Close,
Bromley,
BR1 3UH

13 March 2013

Ladies and Gentlemen,

We are pleased to present to you our 2012/13 external audit plan, which includes an analysis of our assessment of significant audit risk, our proposed audit strategy, our audit and reporting timetable and other matters. Discussion of our strategy with you enables us to understand your views of risks and to agree on mutual needs and expectations so that we provide you with a high quality service.

If you would like to discuss any aspect of our Audit Plan please do not hesitate to contact either Janet Dawson on 0207 213 5244 or Matthew Williams 020 7212 5290.

We look forward to presenting our audit plan to you at the Audit Sub-Committee meeting on 13 March 2013.

Yours faithfully,

PricewaterhouseCoopers LLP

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In March 2010 the Audit Commission issued a revised version of the 'Statement of responsibilities of auditors and of audited bodies'. It is available from the Chief Executive of each audited body and on the Audit Commission's website. The purpose of the statement is to assist auditors and audited bodies by explaining where the responsibilities of auditors begin and end and what is to be expected of the audited body in certain areas. Our reports are prepared in the context of this Statement. Reports and letters prepared by appointed auditors and addressed to members or officers are prepared for the sole use of the audited body and no responsibility is taken by auditors to any Member or officer in their individual capacity or to any third party.

Introduction

The purpose of this plan

This plan:

- is required by International Standards on Auditing (ISAs);
- sets out our responsibilities as external auditor under the Audit Commission's requirements;
- gives you the opportunity to comment on our proposed audit approach and scope for the 2012/13 audit;
- records our assessment of audit risks, including fraud, and how we intend to respond to them;
- tells you about our team; and
- provides an estimate of our fees.

We ask the Audit Sub-Committee to:

- consider our proposed scope and confirm that you are comfortable with the audit risks and approach;
- approve our proposed de minimis level reporting level;
- consider and respond to the matters relating to fraud; and
- approve our proposed audit fees for the year.

Our work in 2012/13

We will:

- audit the annual report and statutory financial statements, assessing whether they provide a true and fair view;
- check compliance with International Financial Reporting Standards (IFRS);
- check compliance with the code of practice on local authority accounting;
- consider whether the disclosures in the Annual Report are complete;
- see whether the other information in the financial statements is consistent with the financial statements;
- report on the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources; and
- tell you promptly when we find anything significant during the audit, directly to management and as soon as practicable to the Audit Sub-Committee throughout the year.

Additional procedures for the National Audit Office (NAO)

Last year, the NAO issued procedures via the Audit Commission in respect of us undertaking specific audit procedures in order to provide them with additional assurance over the amounts recorded in the Whole of Government Accounts (WGA) schedules. For this year we again expect to receive similar procedures.

We will seek to comply with them and to report to the NAO in accordance with their requirements. In the unlikely event that we cannot comply with aspects of the instructions, we will raise the issue with the Audit Commission.

Risk assessment

We considered the London Borough of Bromley's operations and assessed:

- business and audit risks that need to be addressed by our audit;
- how your control procedures mitigate these risks; and
- the extent of our financial statements and value for money work as a result.

Our risk assessment shows:

- those risks which are significant, and which therefore require special audit attention under auditing standards; and
- our response to significant and other risks, including reliance on internal and other auditors, and review agencies.

Responsibilities

Officers and members of each local authority are accountable for the stewardship of public funds. It is our responsibility to carry out an audit in accordance with the Audit Commission's Code of Audit Practice ("the Code"), supplemented by the Statement of Responsibilities of Auditors and of Audited Bodies. Both documents are available from the Chief Executive or the Audit Commission's website.

It is your responsibility to identify and address your operational and financial risks, and to develop and implement proper arrangements to manage them, including adequate and effective systems of internal control. In planning our audit work, we assess the significant operational and financial risks that are relevant to our responsibilities under the Code and the Audit Commission's Standing Guidance. This exercise is only performed to the extent required to prepare our plan so that it properly tailors the nature and conduct of audit work to your circumstances. It is not designed to identify all risks affecting your operations nor all internal control weaknesses.

Risk assessment

Risk assessment results

Our risk assessment forms the basis for planning and guiding all subsequent audit activities. It allows us to determine where our audit effort should be focused and whether we can place reliance on the effective operation of controls implemented by management. Risks are categorised as follows:

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- | | | |
|---|--------------------|--|
| ● | <i>Significant</i> | Risk of material misstatement due to the likelihood, nature and magnitude of the balance or transaction. These require specific focus in the year. |
| ● | <i>Elevated</i> | Although not considered significant, the nature of the balance/area requires specific consideration. |
| ● | <i>Normal</i> | We perform standard audit procedures to address normal risks in all other material financial statement line items. |
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Financial statements risks

Risk	Significant risk	Reason for risk identification	Audit approach
Fraud and management override of controls	<p style="text-align: center;">● Significant</p>	<p>In any organisation, management may be in a position to override the financial controls that are in place. A control breach of this nature may result in a material misstatement.</p> <p>For all of our audits, we are required in accordance with ISA (UK&I), to consider this significant risk and adapt our audit procedures accordingly.</p> <p>Areas that are susceptible to management override include those involving complex transactions, those involving management judgement and estimates, and journals that are manual rather than automated.</p>	<p>We will:</p> <ul style="list-style-type: none"> • test the appropriateness of journal entries, and utilise computer assisted audit techniques (CAATs) to do this; • understand and evaluation internal control processes and procedures as part of the planning work; • review accounting estimates for biases and evaluate whether circumstances producing any bias, represent a risk of material misstatement due to fraud; • evaluate the business rationale underlying significant transactions; and • perform other audit procedures if necessary. <p>In addition, our audit procedures are also planned to include an unpredictable element that varies year on year.</p>
Recognition of income and expenditure	<p style="text-align: center;">● Significant</p>	<p>Under ISA (UK&I) 240 there is a (rebuttable) presumption that there are risks of fraud in revenue recognition.</p> <p>We extend this presumption to the recognition of expenditure in Local Government.</p> <p>We will consider income and expenditure streams on an individual basis and focus our work on those streams most susceptible to incorrect recognition in the financial statements.</p> <p>For income, we would expect the areas of grants, and sales, fees and charges to be the main areas of focus for our audit of the Authority.</p> <p>For expenditure, we would expect the area of non-payroll expenditure for services to be the main area of focus.</p>	<p>We will:</p> <ul style="list-style-type: none"> • obtain an understanding of revenue and expenditure controls; • evaluate the accounting policies for income and expenditure recognition to ensure this is consistent with the requirements of the Code; • perform detailed testing of revenue and expenditure transactions, focussing on the areas we consider to be of greatest risk; and • review accounting estimates for income and expenditure, for example, provisions.

<p>Valuation of investment properties</p>	<p style="text-align: center;">● Significant</p>	<p>Investment properties represent a significant balance on the Authority’s Balance Sheet.</p> <p>The Authority measures its properties at fair value involving a range of assumptions and the use of external valuation expertise</p> <p>ISAs (UK&I) 500 and 540 require us to undertake certain procedures on the use of external expert valuers and processes and assumptions underlying fair value estimates.</p> <p>Specific areas of risk include:</p> <ul style="list-style-type: none"> • the accuracy and completeness of detailed information on assets; • whether the Authority’s assumptions underlying the classification of properties are appropriate; and • the valuer’s methodology, assumptions and underlying data, and our access to these. 	<p>We will:</p> <ul style="list-style-type: none"> • agree the source data used by your valuer to supporting records; • assess the work of your Valuer through use of our own internal valuation experts; and • agree the outputs to your Fixed Asset Register and financial statements. <p>Where assets are not re-valued in year, we will review your impairment assessment, and evaluate whether your assets are held at an appropriate value in your financial statements at the year-end.</p>
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Other Audit Code responsibilities risks

Risk	Elevated risk	Reason for risk identification	Audit approach
Medium Term Financial Strategy – savings plans	<p style="text-align: center;">● Elevated</p>	<p>Auditors should consider the risk that failure to set a realistic Medium Term Financial Strategy and achieve its savings plan may indicate that the Authority is unable to demonstrate that it is financially resilient.</p> <p>The Authority continues to experience increased pressures on all its budgets in the current economic climate and savings required to be made in the current and future years.</p> <p>Budget holders may feel under pressure to try and push costs in to future periods, or to miscode expenditure to make use of resources intended for different purposes.</p> <p>There is a risk that savings plans may not be robust and the Authority is unable to demonstrate that it has achieved value for money in its use of resources.</p>	<p>We will:</p> <ul style="list-style-type: none"> • review the Authority's budget monitoring process to identify any areas of concern. We will also bear these risks in mind when carrying out cut-off testing; and • consider the accounting implications of any savings plans and would welcome early discussion of any new and unusual proposals. In particular, we will consider the impact of the efficiency challenge on the recognition of both income and expenditure. <p>From your Medium Term Financial Strategy, we will review:</p> <ul style="list-style-type: none"> • how you have managed your 2012/13 savings programme; • your arrangements to review the value for money which your services provide; and • the adequacy of your planned level of reserves and contingencies against your stated policy and the level of future risk in delivering the Medium Term Financial Strategy.

Audit approach

Code of Audit Practice

Under the Audit Commission's Code there are two aspects to our work:

- Financial statements, including a review of the Annual Governance Statement; and
- Value for money.

We are required to issue a two-part audit report covering both of these elements.

Financial statements

Our audit of your financial statements is carried out in accordance with the Audit Commission's Code objective, which requires us to comply with International Standards on Auditing (ISAs) (UK & Ireland) issued by the Auditing Practices Board (APB). We are required to comply with them for the audit of your 2012/13 financial statements.

We plan and perform our audit to be able to provide reasonable assurance that the financial statements are free from material misstatement and give a true and fair view. We use professional judgement to assess what is material. This includes consideration of the amount and nature of transactions.

Our audit approach is based on a thorough understanding of your business and is risk-driven. It first identifies and then concentrates resources on areas of higher risk and issues of concern to you. This involves breaking down the financial statements into components. We assess the risk characteristics of each component to determine the audit work required.

Our audit approach is based on understanding and evaluating your internal control environment and where appropriate validating these controls, if we wish to place reliance on them. This work is supplemented with substantive audit procedures, which include detailed testing of transactions and balances and suitable analytical procedures.

Materiality

We plan and perform our audit to be able to provide reasonable assurance that the financial statements are free from material misstatement and give a true and fair view. We use professional judgement to assess what is material. This includes consideration of the amount and nature of transactions.

Our audit approach is based on an understanding of your business and is risk-driven. It first identifies and then concentrates resources on areas of higher risk and issues of concern to you. This involves breaking down the financial statements into components. We assess the risk characteristics of each component to determine the audit work required.

Materiality is another factor which helps us to determine our audit approach. Materiality is more than just a quantitative concept. Judgements about materiality are subjective and may change during the course of the engagement. The judgements about materiality are often implicit, and will be reflected in our assessments of risk and our decisions about which business units or locations, account balances, disclosures and other items are of greater or lesser significance.

We identify and assess the risks of material misstatement at two levels: the overall financial statement level; and in relation to financial statement assertions for classes of transactions, account balances and disclosures.

ISAs require us to keep a record of identified misstatements in order to assess their impact on the financial statements both individually and in aggregate. In order to avoid the need to record difference which are clearly trivial, individually or in aggregate, to the financial statements as a whole we propose a de minimis level of £500,000 for formal reporting to the Committee. If any differences above this limit are not adjusted we ask the Committee to explain the reason in the letter of representation.

We may still bring smaller misstatements to your attention if they are associated with control deficiencies identified or if there is any indication of possible financial loss to the Fund.

Value for Money

Our Value for Money Code responsibility requires us to carry out sufficient and relevant work in order to conclude on whether you have put in place proper arrangements to secure economy, efficiency and effectiveness in the use of resources.

In accordance with recent guidance issued by the Audit Commission, in 2012/13 our conclusion will be based on two criteria:

- The organisation has proper arrangements in place for securing financial resilience; and
- The organisation has proper arrangements for challenging how it secures economy, efficiency and effectiveness.

We will be carrying out sufficient work to allow us to reach a conclusion on your arrangements based on your circumstances.

Internal Audit

We also aim to rely on the work done by internal audit wherever this is appropriate to do so. We will ensure that a continuous dialogue is maintained with internal audit throughout the year. We receive copies of all relevant internal audit reports, allowing us to understand the impact of their findings on our planned audit approach.

We meet regularly with the Head of Internal Audit to discuss the annual internal audit plan and the work that has been performed. Where internal audit reviews performed relate to financial controls (such as Key Financial Systems) we seek to place reliance on those reviews if appropriate. Where reviews undertaken are focused on operational and business controls (such as development, rents and procurement) we use these reviews to inform our risk assessment procedures which helps with our understanding of the Authority and to tailor our audit approach accordingly.

Local government pension fund

We have prepared a separate audit plan for work on the pension fund. This and other matters relating to the pension fund audit were presented to the Pensions Investment Sub-Committee on 12 February 2013, as well as to the officers and Members of the Authority.

Risk of fraud

International Standards on Auditing (UK&I) state that we as auditors are responsible for obtaining reasonable assurance that the financial statements taken as a whole are free from material misstatement, whether caused by fraud or error. The respective responsibilities of auditors, management and those charged with governance are summarised below:

Auditors' responsibility

Our objectives are:

- to identify and assess the risks of material misstatement of the financial statements due to fraud;
- to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and
- to respond appropriately to fraud or suspected fraud identified during the audit.

Management's responsibility

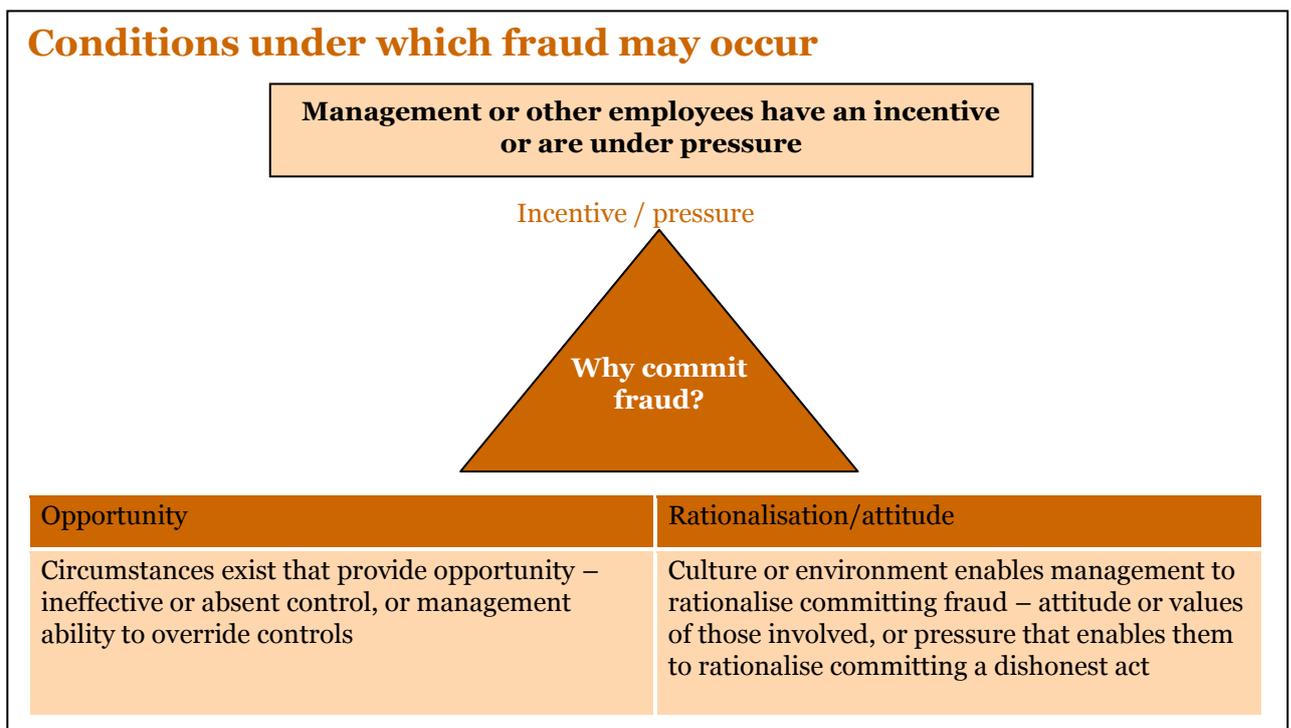
Management's responsibilities in relation to fraud are:

- to design and implement programmes and controls to prevent, deter and detect fraud;
- to ensure that the entity's culture and environment promote ethical behaviour; and
- to perform a risk assessment that specifically includes the risk of fraud addressing incentives and pressures, opportunities, and attitudes and rationalisation.

Responsibility of the Audit Sub-Committee

Your responsibility as part of your governance role is:

- to evaluate management's identification of fraud risk, implementation of antifraud measures and creation of appropriate "tone at the top"; and
- to investigate any alleged or suspected instances of fraud brought to your attention.



Your views on fraud

We would like to discuss with the Audit Sub-Committee:

- Whether you have knowledge of fraud, either actual, suspected or alleged, including those involving management?
- What fraud detection or prevention measures (e.g. whistleblower lines) are in place in the entity?
- What role you have in relation to fraud?
- What protocols / procedures have been established between those charged with governance and management to keep you informed of instances of fraud, either actual, suspected or alleged?

If any cases of fraud, either actual, suspected or alleged, come to the attention of the Committee members, we should be informed so that we can perform appropriate procedures.

Your team and independence

Your audit team has been drawn from our government and public sector team based in London. Your audit team consists of the key members listed below, but is further supported by our specialists both in the sector, and across other services:

<i>Audit team</i>	<i>Responsibilities</i>
<p>Janet Dawson <i>Engagement Leader</i> 0207 213 5244 janet.r.dawson@uk.pwc.com</p>	<p>Janet is responsible for independently delivering the audit in line with the Code of Audit Practice, including agreeing the Audit Plan, ISA (UK&I) 260 report and Annual Audit Letter, the quality of outputs and signing of opinions and conclusions. Also responsible for liaison with the Chief Executive and Members.</p>
<p>Katy Elstrup <i>Engagement Senior Manager</i> 0207 213 3070 katy.elstrup@uk.pwc.com</p>	<p>Katy is responsible for overall control of the audit engagement, ensuring delivery to timetable, delivery and management of targeted work and overall review of audit outputs. Completion of the Audit Plan, ISA (UK&I) 260 report and Annual Audit Letter.</p>
<p>Matthew Williams <i>Engagement Manager</i> 020 7212 5290 matthew.w.williams@uk.pwc.com</p>	<p>Matthew is responsible for the management and control of the external audit service, and for ensuring that our approach is focused on significant risk areas and reporting significant findings from our work.</p>
<p>Charles Martin <i>Engagement Assistant Manager</i> 07732 864 432 charles.martin@uk.pwc.com</p>	<p>Charlie will work closely with Matthew in the management and control of the external audit service. Also, Charlie is responsible for managing the audit team and liaison with finance staff on the scope and timing of our work.</p>
<p>Jennifer Ledger-Lomas <i>Team Leader</i> 07725 590 781 jennifer.ledger-lomas@uk.pwc.com</p>	<p>Jen is responsible for leading our audit team on site during the interim and final audit fieldwork visits, for coaching and briefing our staff and for carrying out audit work in complex areas.</p>

Our team members

It is our intention that, wherever possible, staff work on the London Borough of Bromley audit each year, developing effective relationships and an in depth understanding of your business. We are committed to properly controlling succession within the core team, providing and preserving continuity of team members.

We will hold periodic client service meetings with you, separately or as part of other meetings, to gather feedback, ensure satisfaction with our service and identify areas for improvement and development year on year. These reviews form a valuable overview of our service and its contribution to the business. We use the results to brief new team members and enhance the team's awareness and understanding of your requirements.

Independence and objectivity

As external auditors of the Authority we are required to be independent of the Authority in accordance with the Ethical Standards established by the Auditing Practices Board (APB). These standards require that we disclose to those charged with governance all relationships that, in our professional judgement, may reasonably be thought to bear on our independence.

We have a demanding approach to quality assurance which is supported by a comprehensive programme of internal quality control reviews in all offices in the UK. Our quality control procedures are designed to ensure that we meet the requirements of our clients and also the regulators and the appropriate auditing standards within the markets that we operate. We also place great emphasis on obtaining regular formal and informal feedback.

We have made enquiries of all PricewaterhouseCoopers' teams providing services to you and of those responsible in the UK Firm for compliance matters.

There are no matters which we perceive may impact our independence and objectivity of the audit team.

Other services provided to the Authority

In addition to our audit under the Code, the Firm is expected to undertake other work for you:

Tax Work: We are due to perform a piece of tax advice work commencing in April 2013. This work relates to the provision of a multi tax helpline for a fixed fee of £3,000.

We will confirm the exact nature of the work in our Report to those charged with governance (ISA (UK&I) 260), along with any other additional services provided.

Relationships and Investments

Senior officers should not seek or receive personal financial or tax advice from PwC. Non-executives who receive such advice from us (perhaps in connection with employment by a client of the firm) or who also act as director for another audit or advisory client of the firm should notify us, so that we can put appropriate conflict management arrangements in place.

Independence conclusion

At the date of this plan we confirm that in our professional judgement, we are independent accountants with respect to the London Borough of Bromley, within the meaning of UK regulatory and professional requirements and that the objectivity of the audit team is not impaired.

Communicating with you

Communications plan and timetable

ISA (UK&I) 260 (revised) 'Communication of audit matters with those charged with governance' requires auditors to plan with those charged with governance the form and timing of communications with them. We have assumed that 'those charged with governance' are the Audit Committee. Our team works on the engagement throughout the year to provide you with a timely and responsive service. Below are the dates when we expect to provide the Audit Committee with the outputs of our audit.

Stage of the audit	Output	Date
Audit planning	Audit Fee Letter	December 2012
	Audit Plan	March 2013
Audit findings	Internal control issues and recommendations for improvement (if applicable - may form part of the Audit Memorandum)	September 2013
	Report to those charged with governance (ISA (UK&I) 260) report incorporating specific reporting requirements, including: <ul style="list-style-type: none"> Any expected modifications to the audit report; Uncorrected misstatements, i.e. those misstatements identified as part of the audit that management have chosen not to adjust; Material weaknesses in the accounting and internal control systems identified as part of the audit; Our views about significant qualitative aspects of your accounting practices including accounting policies, accounting estimates and financial statements disclosures; Any significant difficulties encountered by us during the audit; Any significant matters discussed, or subject to correspondence with, management; Any other significant matters relevant to the financial reporting process; and Summary of findings from our value for money audit work to support our value for money conclusion 	September 2013
Audit reports	Audit report on the Financial Statements	September 2013
	Value for Money conclusions	
	Audit report on the Pension Fund	
	Report on the Whole of Government Accounts return	
	Pension Fund Annual Report	
Other public reports	Annual Audit Letter	October 2013
	A brief summary report of our work, produced for Members and to be available to the public.	

Audit fees

The Audit Commission has provided indicative audit fee levels for the 2012/13 financial year. The base fee scale for your audit is £200,418 (excluding VAT).

The fees are not on a like for like basis as the 2011/12 fee includes a mandatory recharge paid to the Audit Commission, which is not required in 2012/13.

The fee is broken down as follows:

	2012/13	2011/12
Financial statements, local value for money conclusion and Whole of Government Accounts	156,168	260,280
Pension fund audit	21,000	35,000
Certification of claims and returns	23,250	38,750
Total	200,418	334,030

We have based the fee level on the following assumptions:

- Officers meeting the timetable of deliverables, which we will agree in writing;
- We are able to place reliance, as planned, upon the work of internal audit;
- We are able to draw comfort from your management controls;
- We are required to review no more than a maximum of 2 drafts of the financial statements
- No significant changes being made by the Audit Commission to the value for money criteria on which our conclusion will be based; and
- Our value for money conclusion and financial statements opinion being unqualified.

If these prove to be unfounded, we will seek a variation order to the agreed fee, to be discussed in advance with you.

Certification of grant claims

Our fee for the certification of grant claims is based on the amount of time required to complete individual grant claims at standard hourly rates. We will discuss and agree this with management.

Appendices

Appendix - Other engagement information

The Audit Commission appoint us as auditors to the London Borough of Bromley and the terms of our appointment are governed by:

- The Code of Audit Practice; and
- The Standing Guidance for Auditors.

There are four further matters which are not currently included within the guidance, but which our firm's practice requires that we raise with you.

Electronic communication

During the engagement we may from time to time communicate electronically with each other. However, the electronic transmission of information cannot be guaranteed to be secure, virus or error free and such information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete or otherwise be adversely affected or unsafe to use.

PwC partners and staff may also need to access PwC electronic information and resources during the engagement. You agree that there are benefits to each of us in their being able to access the PwC network via your internet connection and that they may do this by connecting their PwC laptop computers to your network. We each understand that there are risks to each of us associated with such access, including in relation to security and the transmission of viruses.

We each recognise that systems and procedures cannot be a guarantee that transmissions, our respective networks and the devices connected to these networks will be unaffected by risks such as those identified in the previous two paragraphs. We each agree to accept the risks of and authorise (a) electronic communications between us and (b) the use of your network and internet connection as set out above. We each agree to use commercially reasonable procedures (i) to check for the then most commonly known viruses before either of us sends information electronically or we connect to your network and (ii) to prevent unauthorised access to each other's systems.

We shall each be responsible for protecting our own systems and interests and you and PwC (in each case including our respective directors, members, partners, employees, agents or servants) shall have no liability to each other on any basis, whether in contract, tort (including negligence) or otherwise, in respect of any error, damage, loss or omission arising from or in connection with the electronic communication of information between us and our reliance on such information or our use of your network and internet connection.

The exclusion of liability in the previous paragraph shall not apply to the extent that such liability cannot by law be excluded.

Access to audit working papers

We may be required to give access to our audit working papers to the Audit Commission or the National Audit Office for quality assurance purposes.

Quality arrangements

We want to provide you at all times with a high quality service to meet your needs. If at any time you would like to discuss with us how our service could be improved or if you are dissatisfied with any aspect of our services, please raise the matter immediately with the partner responsible for that aspect of our services to you. If, for any reason, you would prefer to discuss these matters with someone other than that partner, please contact Paul Woolston, our Audit Commission Lead Partner at our office at 89 Sandyford Road, Newcastle Upon Tyne, NE1 8HW, or James Chalmers, UK Head of Assurance, at our office at 7 More London, Riverside, London, SE1 2RT.

In this way we can ensure that your concerns are dealt with carefully and promptly. We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. This will not affect your right to complain to the Institute of Chartered Accountants in England and Wales or to the Audit Commission.

Events arising between signature of financial statements and their publication

ISA (UK&I) 560 (revised) places a number of requirements on us in the event of material events arising between the signing of the financial statements and their publication. You need to inform us of any such matters that arise so we can fulfil our responsibilities.

If you have any queries on the above, please let us know before approving the Audit Plan or, if arising subsequently, at any point during the year.

In the event that, pursuant to a request which the London Borough of Bromley has received under the Freedom of Information Act 2000, it is required to disclose any information contained in this report, it will notify PwC promptly and consult with PwC prior to disclosing such report. The London Borough of Bromley agrees to pay due regard to any representations which PwC may make in connection with such disclosure and the London Borough of Bromley shall apply any relevant exemptions which may exist under the Act to such report. If, following consultation with PwC, the London Borough of Bromley discloses this report or any part thereof, it shall ensure that any disclaimer which PwC has included or may subsequently wish to include in the information is reproduced in full in any copies disclosed.

This report has been prepared for and only for the London Borough of Bromley in accordance with the Statement of Responsibilities of Auditors and of Audited Bodies (Local Government) published by the Audit Commission in March 2010 and for no other purpose. We do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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