



Annual Audit Letter 2015/16

North London Waste Authority

—

October 2016



Contents

The contacts at KPMG in connection with this report are:

Philip Johnstone

Director
KPMG LLP (UK)

Tel: +44 207 311 2091
philip.johnstone@kpmg.co.uk

Antony Smith

Manager
KPMG LLP (UK)

Tel: +44 207 311 2355
antony.smith@kpmg.co.uk

Ishpal Chaggar

Assistant Manager
KPMG LLP (UK)

Tel: +44 207 694 4492
Ishpal.chaggar@kpmg.co.uk

Page

Report sections

— Headlines 3

Appendices

1. Summary of reports issued 4

This report is addressed to the Authority and has been prepared for the sole use of the Authority. We take no responsibility to any member of staff acting in their individual capacities, or to third parties. Public Sector Audit Appointments issued a document entitled Statement of Responsibilities of Auditors and Audited Bodies summarising where the responsibilities of auditors begin and end and what is expected from audited bodies. We draw your attention to this document which is available on Public Sector Audit Appointment's website (www.psaa.co.uk).

External auditors do not act as a substitute for the audited body's own responsibility for putting in place proper arrangements to ensure that public business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

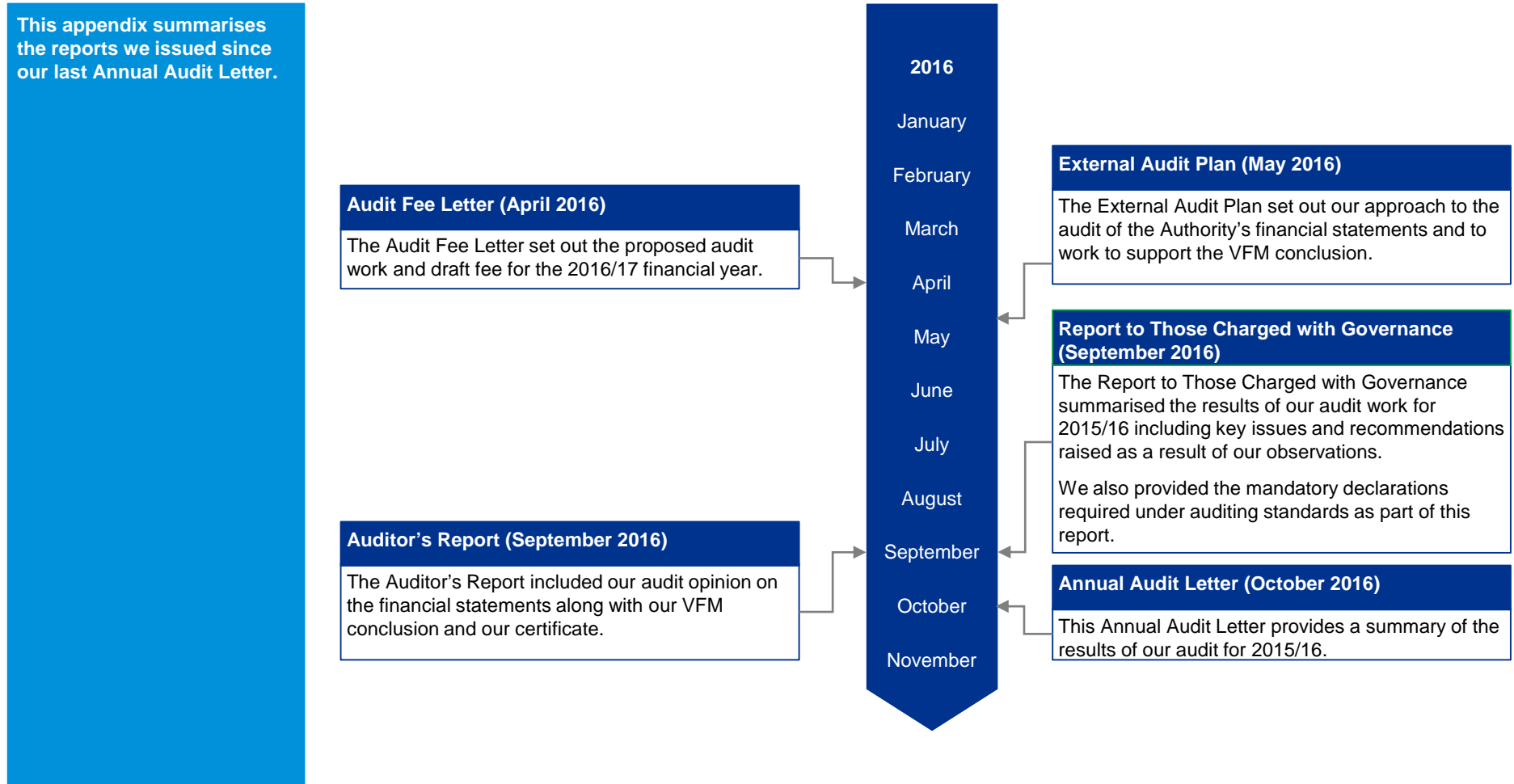
We are committed to providing you with a high quality service. If you have any concerns or are dissatisfied with any part of KPMG's work, in the first instance you should contact Philip Johnstone, the engagement lead to the Authority, who will try to resolve your complaint. If you are dissatisfied with your response please contact the national lead partner for all of KPMG's work under our contract with Public Sector Audit Appointments Limited, Andrew Sayers (andrew.sayers@kpmg.co.uk). After this, if you are still dissatisfied with how your complaint has been handled you can access PSAA's complaints procedure by emailing generalenquiries@psaa.co.uk, by telephoning 020 7072 7445 or by writing to Public Sector Audit Appointments Limited, 3rd Floor, Local Government House, Smith Square, London, SW1P 3HZ.

This Annual Audit Letter summarises the outcome from our audit work at North London Waste Authority in relation to their 2015/16 audit year.

Although it is addressed to Members of the Authority, it is also intended to communicate these key messages to key external stakeholders, including members of the public, and will be placed on the Authority's website.

VFM conclusion	<p>We issued an unqualified conclusion on the Authority's arrangements to secure value for money (VFM conclusion) for 2015/16 on 29 September 2016. This means we are satisfied that during the year that Authority had proper arrangements for informed decision making, sustainable resource deployment and working with partners and third parties.</p> <p>To arrive at our conclusion we looked at the Authority's arrangements to make informed decision making, sustainable resource deployment and working with partners and third parties.</p>
VFM risk areas	<p>We undertook a risk assessment as part of our VFM audit work to identify the key areas impacting on our VFM conclusion. We did not identify any VFM risks in our External audit plan 2015/16. We worked with officers throughout the year to discuss VFM matters. There are no matters of any significance arising as result of our VFM audit work.</p>
Audit opinion	<p>We issued an unqualified opinion on the Authority's financial statements on 29 September 2016. This means that we believe the financial statements give a true and fair view of the financial position of the Authority and of its expenditure and income for the year. The financial statements also include those of the Authority's Group, which consists of the Authority itself and Londonwaste Limited.</p>
Financial statements audit	<p>Our audit did not identify any audit adjustments The Authority made a small number of non-trivial adjustments, most of which were of a presentational nature. There was no impact on the accounts from these presentational adjustments.</p> <p>The group financial statements incorporated one unadjusted error originally reported to LondonWaste Limited (LWL) by its auditors, BDO. The effect of this unadjusted error would be to increase the group's surplus by £84,000, with no effect on the group's net assets.</p> <p>We have noted an improvement in the quality of the accounts and the supporting working papers. The quality of the accounts and the supporting working papers were of a good standard this year. Officers dealt efficiently with audit queries and the audit process was completed within the planned timescales.</p> <p>The Authority has implemented all of the recommendations in our <i>ISA 260 Report 2014/15</i> relating to the financial statements.</p>
Other information accompanying the financial statements	<p>Whilst not explicitly covered by our audit opinion, we review other information that accompanies the financial statements to consider its material consistency with the audited accounts. This year we reviewed the Annual Governance Statement and Narrative Report. We concluded that they were consistent with our understanding and did not identify any issues.</p>
High priority recommendations	<p>We have not raised any recommendations as a result of our 2015/16 audit work.</p>
Certificate	<p>We issued our certificate on 29 September 2016. The certificate confirms that we have concluded the audit for 2015/16 in accordance with the requirements of the Local Audit & Accountability Act 2014 and the Code of Audit Practice.</p>
Audit fee	<p>Our fee for 2015/16 was £18,270, excluding VAT. This is the same as the planned fee and the scale fee set by PSAA Ltd.</p> <p>We did not charge any additional fees for other services.</p>

Appendix 1: Summary of reports issued





kpmg.com/socialmedia



kpmg.com/app

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2016 KPMG LLP, a UK limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved.

KPMG LLP is multi-disciplinary practice authorised and regulated by the Solicitors Regulation Authority. For full details of our professional regulation please refer to 'Regulatory Information' at www.kpmg.com/uk

The KPMG name and logo are registered trademarks or trademarks of KPMG International.