



The Annual Audit Letter for Trafford Council

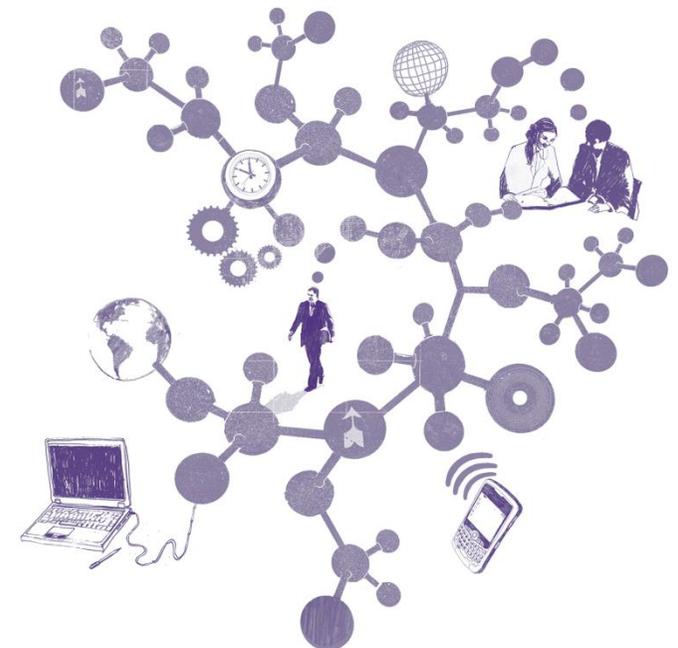
Year ended 31 March 2015

26 October 2015

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Key messages

Our Annual Audit Letter summarises the key findings arising from the work that we have carried out at Trafford Council ('the Council') for the year ended 31 March 2015.

The Letter is intended to communicate key messages to the Council and external stakeholders, including members of the public. Our annual work programme, which includes nationally prescribed and locally determined work, has been undertaken in accordance with the Audit Plan that we issued on 24 March 2015 and was conducted in accordance with the Audit Commission's Code of Audit Practice, International Standards on Auditing (UK and Ireland) and other guidance issued by the Audit Commission and Public Sector Audit Appointments Limited.

Financial statements audit (including audit opinion)

We reported our findings arising from the audit of the financial statements in our Audit Findings Report on 24 September 2015 to the Accounts and Audit Committee. The key messages reported were:

- As in previous years, the draft accounts were prepared to a good standard and were supported by comprehensive working papers. We will continue to liaise with Finance staff to identify further improvements to improve the efficiency of the accounts production and audit processes in the context of the earlier deadlines from 2017/18.
- We did not identify any adjustments affecting the Council's reported financial position. The Council delivered an underspend of £5.5m on its service income and expenditure and the audited financial statements for the year ended 31 March 2015 recorded net cost of services expenditure of £152.4m.
- We agreed a small number of adjustments to improve the presentation of the financial statements. These included some adjustments to the cashflow statement and the restatement of an entry in the 2013/14 movement in reserves in relation to academy schools brought in at 1 April 2013.
- We also drew your attention to a number of areas where segregation of duties in financial processes within the SAP system should be improved. We shared our findings with management and we will follow up as part of our 2015/16 audit.

We issued an unqualified opinion on the Council's 2014/15 financial statements on 25 September 2015, meeting the deadline set by the Department for Communities and Local Government. Our opinion confirms that the financial statements give a true and fair view of the Council's financial position and of the income and expenditure recorded by the Council.

Key messages continued

Value for Money (VfM) conclusion	<p>We issued an unqualified VfM conclusion for 2014/15 on 25 September 2015.</p> <p>On the basis of our work, and having regard to the guidance on the specified criteria published by the Audit Commission, we are satisfied that in all significant respects the Council put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2015.</p>
Whole of Government Accounts	<p>We reviewed the consolidation pack which the Council prepared to support the production of Whole of Government Accounts. We reported that the Council's pack was consistent with the audited financial statements.</p>
Certification of housing benefit grant claim	<p>We are currently reviewing the Council's Housing Benefit subsidy claim, for which the certification deadline is 30 November 2015.</p>
Audit fee	<p>Our fee for 2014/15, excluding grant certification work and VAT, was £157,589 which was in line with our planned fee for the year and the same as the fee for the previous year. Further detail is included within Appendix B.</p>

Appendix A: Key issues and recommendations

This appendix summarised the significant recommendations identified during the 2014/15 audit.

No.	Issue and recommendation	Priority	Management response/ responsible office/ due date
1	No recommendations made		

Appendix B: Reports issued and fees

We confirm below the fees charged for the audit and non-audit services.

Fees for audit services

	Per Audit plan £	Actual fees £
Council audit	156,119*	157,589
Housing benefit grant certification fee	15,330	15,330
Total audit fees	171,449	172,919

**£156,119 per fee letter 7 May 2014 plus £1,470 supplementary fee approved by the Audit Commission for audit work required on business rates.*

Fees for other services

Service	Fees £
Audit related services	
Teachers' pension return 2013/14	£4,200
Non audit related services	Nil

Reports issued

Report	Date issued
Audit Plan	24 March 2015
Audit Findings Report	24 September 2015
Certification Report	To be issued when our work on grants is complete
Annual Audit Letter	October 2015



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