

# The Annual Audit Letter for Calderdale Metropolitan Borough

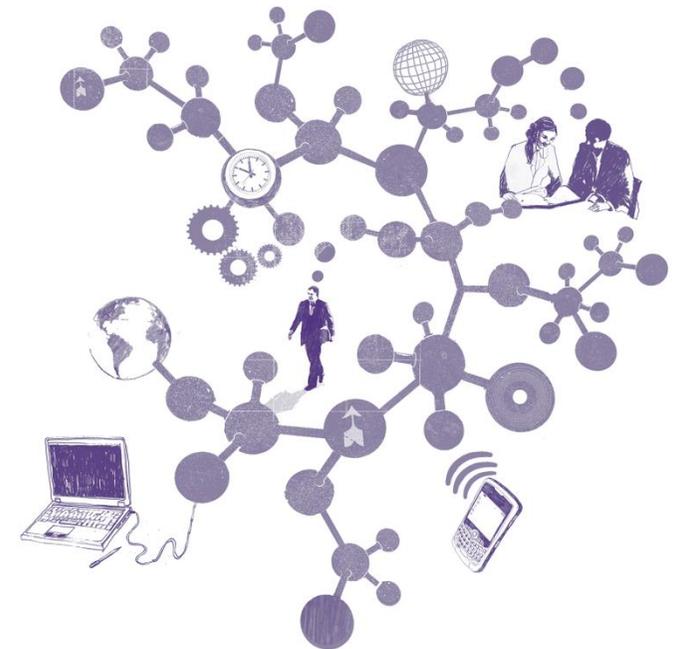
---

**Year ended 31 March 2014**

22 October 2014

**Mark Heap**  
Director  
T 0161 234 6375  
E [mark.r.heap@uk.gt.com](mailto:mark.r.heap@uk.gt.com)

**Marianne Dixon**  
Manager  
T 07880 456157  
E [marianne.dixon@uk.gt.com](mailto:marianne.dixon@uk.gt.com)



---

# Contents

<b>Section</b>	<b>Page</b>
1. Key messages	3
<b>Appendices</b>	
A Summary of reports and audit fees	

# Key messages

Our Annual Audit Letter summarises the key findings arising from the work that we have carried out at Calderdale Metropolitan Borough Council ('the Council') for the year ended 31 March 2014.

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 17 March 2014 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.

<b>Financial statements audit (including audit opinion)</b>	<p>We reported our findings arising from the audit of the financial statements in our Audit Findings Report on 1 September 2014 to the Audit Committee. The key messages reported were:</p> <ul style="list-style-type: none"><li>• the accounts and working papers were of good quality, and finance staff responded promptly to our audit queries</li><li>• the audit did not identify any material misstatements.</li></ul> <p>We issued an unqualified opinion on the Council's 2013/14 financial statements on 22 September 2014, 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</p>
<b>Value for Money (VfM) conclusion</b>	<p>We issued an unqualified VfM conclusion for 2013/14 on 22 September 2014. Overall our work highlighted that:</p> <ul style="list-style-type: none"><li>• the Council is responding well to the challenges of the reductions in Local Government Funding, delivering savings and targeting its resources effectively</li><li>• the Council's Medium Term Financial Plan is considered sound and current arrangements for securing financial resilience are good.</li></ul>

# Key messages

<p><b>Value for Money (VFM) conclusion (continued)</b></p>	<ul style="list-style-type: none"> <li>the Council was issued with a Direction Notice from the Secretary of State for Education in October 2013. The aim of this intervention was to improve the leadership and direction given to Calderdale Children's Social Services and address the issues identified in successive Ofsted reports. Following the issue of the Direction Notice the Calderdale Children's Social Care Improvement Board (CCSCIB) have provided improved leadership and regular reviews by the Department for Education (DfE) have confirmed that the DfE is satisfied with the progress being made.</li> </ul> <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 2014.</p>
<p><b>Whole of Government Accounts</b></p>	<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>
<p><b>Certification of grant claims and returns</b></p>	<p>We are currently auditing the Housing Benefits return, which is due to be completed and submitted to the Department for Work and Pensions (DWP) by 30 November 2014.</p> <p>We will also be carrying out certification of the:</p> <ul style="list-style-type: none"> <li>Teacher's Pensions Return; and</li> <li>NHS Funding to Support Social Care Return.</li> </ul> <p>We are waiting for the relevant sponsoring bodies to finalise their audit requirements. We will issue a letter of engagement for the audit of each Return as soon as we have the final guidance to complete the audit..</p>
<p><b>Audit fee</b></p>	<p>Our audit fee for 2013/14 was £164,555.</p> <p>The Audit Commission's indicative fee for the audit of the Councils housing benefits return is £22,493. Our work on this return is still underway, and any variation to the indicative fee will be agreed with both the Council and the Audit Commission.</p> <p>Further detail is included within appendix A.</p>

# Appendix A: Reports issued and fees

We confirm below the fee charged for the audit and the provision of non audit services.

## Fees

	Per Audit plan £	*Actual fees £
Audit Fee	163,085	164,555
Grant certification fee	27,500	22,493
<b>Total fees</b>	<b>190,585</b>	<b>187,048</b>

## Fees for other services

Service	Fees £
We are expecting to carry out certification of: <ul style="list-style-type: none"> <li>Teacher's Pensions Return; and</li> <li>NHS Funding to Support Social Care Return.</li> </ul> We will agree a letter of engagement and fee for each return as soon as we have final guidance from the relevant sponsoring bodies.	To be confirmed

### \*Variations in Audit Fees

- The fee for grant certification has been reduced from that reported in the Audit Plan to reflect the fact that the Teachers Pension claim and the National Non-Domestic Rates return are no longer required to be certified under the Audit Commission Audit Code work.
- There was an additional fee of £1,470 in respect of work on material business rates balances. This additional work was necessary as auditors are no longer required to carry out work to certify NNDR3 claims. The additional fee was 50% of the average fee previously charged for NNDR3 certifications for metropolitan councils and is subject to agreement by the Audit Commission.

## Reports issued

Report	Date issued
Audit Plan	17 March 2014
Audit Findings Report	1 September 2014
VFM – Financial Resilience Report	1 September 2014
Audit opinion and VFM conclusion	22 September 2014
WGA certificate	22 September 2014
Annual Audit Letter	October 2014



© 2014 Grant Thornton UK LLP. All rights reserved.

'Grant Thornton' means Grant Thornton UK LLP, a limited liability partnership.

Grant Thornton is a member firm of Grant Thornton International Ltd (Grant Thornton International). References to 'Grant Thornton' are to the brand under which the Grant Thornton member firms operate and refer to one or more member firms, as the context requires. Grant Thornton International and the member firms are not a worldwide partnership. Services are delivered independently by member firms, which are not responsible for the services or activities of one another. Grant Thornton International does not provide services to clients.

**[grant-thornton.co.uk](http://grant-thornton.co.uk)**