



The Annual Audit Letter for Preston City Council

Year ended 31 March 2015

23 October 2015

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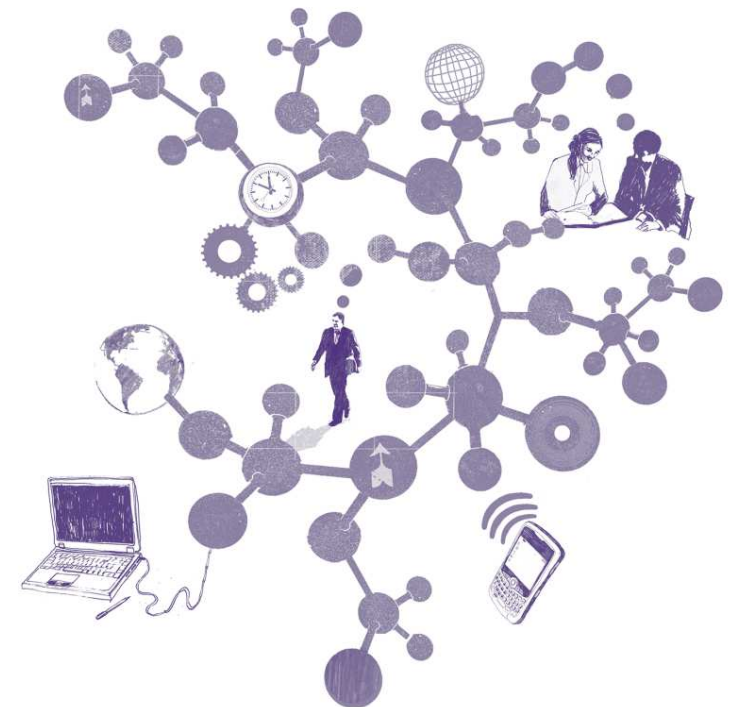
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Contents

Section

Page

1. Key messages

3

Appendices

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 Preston City 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 21 April 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)	<p>We reported our findings arising from the audit of the financial statements in our Audit Findings Report on 22 September 2015 to the Audit Committee. The key messages reported were:</p> <ul style="list-style-type: none">• the draft accounts and working papers were of good quality, and finance staff responded promptly to all audit queries• the audit has not identified any material misstatements• we have agreed some minor amendments to classifications and disclosures within the accounts. <p>We issued an unqualified opinion on the Council's 2014/15 financial statements on 22 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.</p>
Value for Money (VfM) conclusion	<p>We issued an unqualified VfM conclusion for 2014/15 on 22 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>

Key messages continued

Certification of housing benefit grant claim	<p>We are required to certify the Council's 2014/15 Housing Benefit grant claim by 30 November 2015 in accordance with the Department of Work and Pensions (DWP) deadline.</p> <p>Our work is underway and, to date, the claim is supported by appropriate evidence and staff have responded promptly to the queries we have raised. We will complete this work in line with the deadline for submission to DWP.</p>
Audit fee	<p>Our fee for 2014/15 was £80,836 excluding VAT which was in line with our planned fee for the year. Further detail is included within appendix B.</p>

Appendix A: 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	80,836	80,836
Housing benefit grant certification fee	19,800	19,800
Total audit fees	100,636	100,636

The Grant Certification fee is the scale fee set by the Audit Commission for the work required on the Housing Benefit Subsidy return. We will confirm the final fee on completion of this work.

Reports issued

Report	Date issued
Audit Plan	21 April 2015
Audit Findings Report	22 September 2015
Annual Audit Letter	23 October 2015



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