



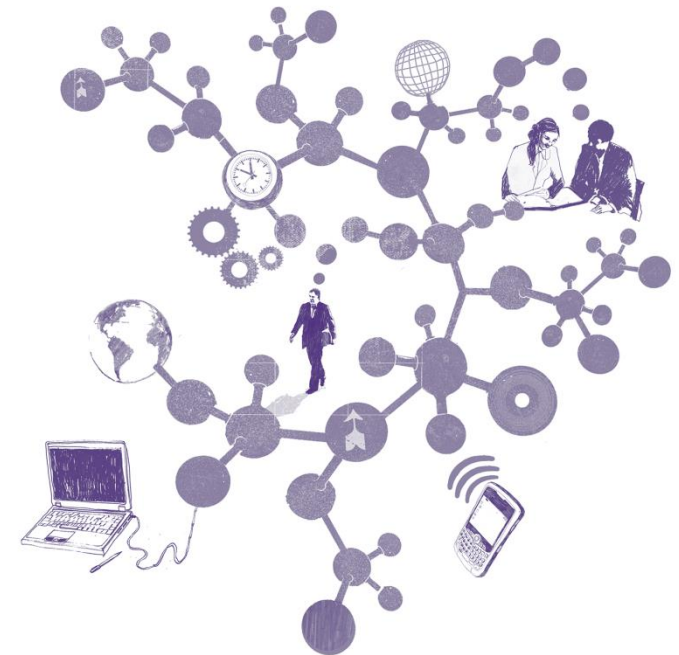
The Annual Audit Letter for Wigan Metropolitan Borough Council

Year ended 31 March 2014

October 2014

Mark Heap
Engagement Lead
T 0161 234 6375
E mark.r.heap@uk.gt.com

Andrew North
Senior Audit Manager
T 0161 234 6361
E andrew.d.north@uk.gt.com



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 Wigan 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 update that we issued to the Audit, Governance and Improvement Review committee on 10 July 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.

<p>Financial statements audit (including audit opinion)</p>	<p>We reported our findings arising from the audit of the financial statements and group accounts in our Audit Findings Report to the Audit, Governance and Improvement Review Committee on 25 September 2014. The key messages reported were:</p> <ul style="list-style-type: none"> • the accounts and working papers were of good quality, and finance staff responded promptly to our audit queries • the audit did not identify any material misstatements. <p>We issued an unqualified opinion on the Council's 2013/14 financial statements on the 30 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>
<p>Value for Money (VfM) conclusion</p>	<p>We issued an unqualified VfM conclusion for 2013/14 on 30 September 2014. The Council has proper arrangements in place for securing financial resilience. The target savings achieved in 2013/14 totalled £18.8m. As at September 2014 the Council is on track to deliver the £14m target for 2014/15. This is a positive achievement given the current financial and economic background.</p> <p>The medium term financial plan is kept under review and is subject to regular review by members. There is appropriate challenge and support from members, who understand the financial risks the Council is facing. The Council is aware of the risks arising from the Comprehensive Spending Reviews, reductions in central government funding, changes in Local Government financing and working with the NHS. The Council is also keeping under review planned future level of borrowing and the potential cost implications should interest rates begin to rise, as part its wider treasury management arrangements.</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 2014.</p>

Key messages

Whole of Government Accounts	We reviewed the consolidation pack which the Council prepared to support the production of Whole of Government Accounts. We reported on 2 October 2014 that the Council's pack was consistent with the audited financial statements.
Certification of grant claims and returns	<p>We have so far certified the Pooling of Capital Receipts return, which was certified without amendment on 30 September 2014.</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>
Audit fee	Our fee for 2013/14 was £178,906 excluding VAT. Further detail is included within appendix A.

Appendix A: Reports issued and fees

We confirm below the fee charged for the audit. There were no were no fees for the provision of non audit services.

Fees

	Per Audit plan £	Actual fees £
Audit Fee	177,436	178,906
Grant certification fee	29,700	*25,499
Total fees	207,136	*204,405

* The 'actual' grant certification fee is estimated, based on the latest indicative fees published by the Audit Commission.

Within the £178,906 actual fees, there is 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 NDR3 claims. The additional fee is 50% of the average fee previously charged for NDR3 certifications for metropolitan borough councils and is subject to agreement by the Council and the Audit Commission.

Reports issued

Report	Date issued
Audit Plan Update	10 July 2014
Audit Findings Report	25 September 2014
Audit Opinion	30 September 2014
WGA report and audit completion certificate	2 October 2014
Annual Audit Letter	October 2014

Fees for other services

Service	Fees £
Audit of grant claims (Teacher's Pensions and NHS Adult Care grant certificates)	To be confirmed



© 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