



The Annual Audit Letter for Three Rivers District Council

Year ended 31 March 2014

October 2014

Paul Dossett

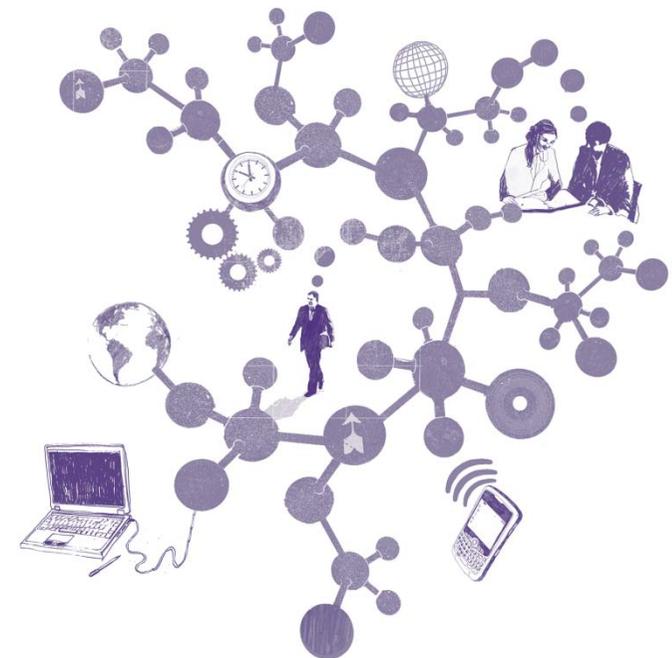
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Key messages

Our Annual Audit Letter summarises the key findings arising from the work that we have carried out at Three Rivers District 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 12 June 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.

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 25 September 2014 to the Audit Committee. The key messages reported were:</p> <ul style="list-style-type: none">•The bank reconciliation was not presented for audit until early September and given the deadline to provide the opinion was 30 September, the Council should look to preparing the bank reconciliation on a more timely basis.•The method for accounting for the Collection Fund has changed from the prior year with more emphasis on creating provisions for Business Rate appeals for both current and future appeals. Work performed on the provision for appeals found that the Council had adequate provisions in place.•The Council have correctly applied the new valuation methodology for property, plant and equipment required by the CIPFA Code of Practice by ensuring that all assets are valued up until 31 March 2014 rather than at the commencement of the 2013/14 financial year. <p>We issued an unqualified opinion on the Council's 2013/14 financial statements on 29 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>
Value for Money (VfM) conclusion	<p>We issued an unqualified VfM conclusion for 2013/14 on 29 September 2014.</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 that the Council's pack was consistent with the audited financial statements.
Certification of grant claims and returns	We have yet to complete our programme of grant claims and returns, the results of which will be reported to the November audit committee.
Audit fee	Our fee for 2013/14 has yet to be finalised, the results of which will be reported to the November audit committee. Further detail is included within appendix A.

Appendix A: Reports issued and fees

We confirm below the fee charged for the audit.

Fees

	Per Audit plan £	Actual fees £
Audit Fee	59,850	60,900
Grant certification fee	12,600	Tbc
Total fees	72,450	Tbc

Audit fee

There is additional fee of £900 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 a District Council and is subject to agreement by the Audit Commission.

Reports issued

Report	Date issued
Audit Plan	June 2014
Audit Findings Report	September 2014
Certification report	tbc
Annual Audit Letter	October 2014

Fees for other services

Service	Fees £
William Penn Review stage 2	18,000



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