

October 2012

Members  
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Dear Member

## **Trafford Council Annual Audit Letter 2011/12**

I am pleased to submit my Annual Audit Letter which summarises my 2011/12 audit of Trafford Council.

### **Financial statements**

On 26 September 2012 I presented my Annual Governance Report (AGR) to the Accounts and Audit Committee outlining the findings of my audit of the Council's 2011/12 financial statements. I will not replicate all those findings in this letter.

In summary, I am pleased to report that the Council presented a good set of financial statements and supporting working papers. I did not identify any material audit adjustments in the statement of accounts that affected the Council's reported assets and liabilities. I identified some classification and disclosure errors which management agreed to correct. I also found some control weaknesses in the payroll system which the Council is addressing.

### **VFM Conclusion**

The Council has proper arrangements to secure economy, efficiency and effectiveness in its use of resources. In 2011/12 the Council delivered significant budgeted savings of £21.3 million and reported a £4.8 million underspend against its revenue budget. It achieved this while securing quality services in line with the Council's agreed priorities.

Given the significant savings and increased income required this is a good performance and reflects the effective financial planning and management in place during the year.

Following the Accounts and Audit Committee I:

- issued an unqualified opinion on the Council's 2011/12 financial statements on 28 September 2012 included in the Council's Statement of Accounts;
- concluded that you have made proper arrangements to secure economy, efficiency and effectiveness in your use of resources.

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I am unable to certify completion of the audit because I have received an objection from a local elector about an item in the Council's 2011/12 financial statements. This means I cannot issue the certificate of audit closure until the objection is considered and decided. In view of the timescale involved and the forthcoming transfer of audit responsibilities and audit staff to Grant Thornton, I have now passed the objection to Grant Thornton.

I expect the objection to be decided, leading to the issue of the audit certificate by June 2013.

### **Closing remarks**

I have discussed and agreed this letter with the Chief Executive and Director of Finance. This has been a challenging year for the Council, but, again, it has again met the challenges successfully. I wish to thank Council members and senior management for the positive and constructive approach they have taken to my audit. I particularly wish to thank finance staff and the Accounts and Audit Committee for their support and co-operation.

Yours sincerely

Mick Waite  
*District Auditor*