

## **DELOITTE - ANNUAL GRANT AUDIT LETTER**

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### **SUMMARY**

This report provides a summary of the key findings on the grant work undertaken by Deloitte for the year ended 31 March 2012.

### **RECOMMENDATIONS**

The Committee is asked to note the report.

### **INFORMATION**

The attached report addressed to the Audit Committee on 2012 Grant Certifications has been completed by the Council's external auditors Deloitte to communicate the key issues arising from their 2011/12 grant certification work.

Deloitte were responsible for certifying 6 claims and returns, all of which were certified by the required deadline and their key findings from this work were that as a result of errors identified during the audit, adjustments were made to 3 of the 6 grant claims prior to certification and qualification letters were issued in respect of 2 grant claims. The reasons for the qualifications were as follows:

- Housing and council tax benefit scheme (BEN01) – initial testing of 80 cases identified errors on 10 cases. As a result further testing was carried out including cases with a past history of error. However, the estimate of the potential under claim on subsidy is only £15k.
- Single Programme (RG31) – a qualification letter was issued in respect of 3 points: the statement of grant expenditure included expenditure incurred in 2012/13; the form was revised to reclassify revenue from capital to revenue; and that Deloitte were unable to test whether sampled expenditure was capital or revenue.

The total fees charged for the grant certification work for 2011/12 was £115,399, compared to £201,583 for 2010/11. However, there was considerable testing undertaken by the Internal Audit team this year which helped to contain the overall cost.

### **LEGAL IMPLICATIONS**

There are no legal implications arising from this report.