The Annual Audit Letter for the Lake District National Park Authority

Year ended 31 March 2013
2 December 2013

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Section 1: Executive summary

01. Executive summary
02. Audit of the accounts
03. Value for Money
04. Certification of grant claims and returns
Executive summary

Purpose of this Letter
Our Annual Audit Letter summarises the key findings from the following work that we have carried out at the lake District National Park Authority ('the Authority') for the year ended 31 March 2013:

- auditing the 2012/13 accounts and Whole of Government Accounts submission (Section two)
- assessing the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources (Section three).

The Letter is intended to communicate key messages to the Authority and external stakeholders, including members of the public. We reported the detailed findings from our audit work to those charged with governance in the Audit Findings Report on 20 September 2013.

Responsibilities of the external auditors and the Authority
This Letter has been prepared in the context of the Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission (www.audit-commission.gov.uk).

The Authority is responsible for preparing and publishing its accounts, accompanied by an Annual Governance Statement. It is also responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources (Value for Money).

Audit conclusions
The audit conclusions which we have provided in relation to 2012/13 are as follows:

- an unqualified opinion on the accounts which give a true and fair view of the Authority's financial position as at 31 March 2013 and its income and expenditure for the year
- an unqualified conclusion in respect of the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources
- an unqualified opinion on the Authority's Whole of Government Accounts submission.

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 25 April 2013 and was conducted in accordance with the Audit Commission's Code of Audit Practice ('the Code'), International Standards on Auditing (UK and Ireland) and other guidance issued by the Audit Commission.
Key areas for the Authority’s attention
We summarise here the key messages arising from our audit for the Authority to consider as well as highlighting key issues facing the Authority in the future.

• the 2012/13 draft accounts contained no material errors and were produced to a good standard.
• We have agreed a small number of presentational improvements to disclosures in the accounts with management. There were no changes which affected the Authority’s reported financial performance or the Authority’s financial position.

Acknowledgements
This Letter has been agreed with the Director of Learning and Resources and will be presented to Governance Committee on 12 December 2013.

We would like record our appreciation for the assistance and co-operation provided to us during our audit by the Authority's staff.

Grant Thornton UK LLP
October 2013
Section 2: Audit of the accounts

01. Executive summary
02. Audit of the accounts
03. Value for Money
Audit of the accounts

Audit of the accounts
The key findings of our audit of the accounts are summarised below:

Preparation of the accounts
The Authority presented us with draft accounts on 28 June 2013, in accordance with the national deadline. Appropriate working papers were made available from the start of the audit fieldwork, which commenced 15 July 2013.

Issues arising from the audit of the accounts
We agreed a small number of amendments with management mainly to presentation and disclosure in the accounts. None of the amendments affected the primary statements or the reported financial position.

Annual Governance Statement and Annual Report
The Authority's Annual Governance Statement and Annual Report were reviewed during the audit and are consistent with our understanding of the Authority in 2012/13.

Conclusion
Prior to giving our opinion on the accounts, we are required to report significant matters arising from the audit to 'those charged with governance' (defined as the Governance Committee at the Authority). We presented our report to the Governance Committee on 20 September 2013 and summarise only the key messages in this Letter.

We issued an unqualified opinion on the Authority's 2012/13 accounts on 20 September 2013, meeting the deadline set by the Department for Communities and Local Government. Our opinion confirmed that the accounts give a true and fair view of the Authority's financial position and of the income and expenditure recorded by the Authority.
Section 3: Value for Money

01. Executive summary
02. Audit of the accounts
03. Value for Money
Value for Money conclusion
The Code of Audit Practice 2010 (the Code) describes the Authority’s responsibilities to put in place proper arrangements to:
- secure economy, efficiency and effectiveness in its use of resources
- ensure proper stewardship and governance
- review regularly the adequacy and effectiveness of these arrangements.

No specific VFM criteria are issued for "other" bodies such as National Park Authorities. Guidance sets out that auditors must review the Authority’s Annual Governance Statement (AGS), work of the Audit Commission and other regulators and carry out any local risk based work as appropriate.

In the Audit Plan dated 25 April 2013 we outlined the proposed work for VFM purposes which covered:
- Review the Annual Governance Statement to ensure it is consistent with our knowledge of the Authority
- Review the reports of external regulators where they impact on our VFM conclusion such as any reports by the Audit Commission or other relevant regulatory bodies
- Consider the need for any risk based work should there be evidence that the arrangements were not effective

Key findings
Our VFM conclusion work has not identified any matters to report and no specific risk based work was required.

Overall VFM conclusion
On the basis of our work, and having regard to the guidance published by the Audit Commission, we are satisfied that in all significant respects the Authority put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2013.
Appendix
Appendix A: Reports issued and fees

We confirm below the fee charged for the audit.

### Fees (excluding VAT)

<table>
<thead>
<tr>
<th>Service</th>
<th>Per Audit plan</th>
<th>Actual fees</th>
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<tbody>
<tr>
<td>Audit Fee</td>
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<td>Total fees</td>
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### Fees for other services

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<th>Service</th>
<th>Fees £</th>
</tr>
</thead>
<tbody>
<tr>
<td>VAT Advisory</td>
<td>1,430</td>
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</tbody>
</table>

### Independence and ethics

We confirm that there are no significant facts or matters that impact on our independence as auditors on this advisory work, that we are required or wish to draw to your attention. We have complied with the Auditing Practices Board's Ethical Standards and therefore we confirm that we are independent and are able to provide objective VAT advisory services.

We confirm that we have implemented policies and procedures to meet the requirements of the Auditing Practices Board's Ethical Standards.

### Reports issued

<table>
<thead>
<tr>
<th>Report</th>
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<tbody>
<tr>
<td>Audit Plan</td>
<td>14 April 2013</td>
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<tr>
<td>Audit Findings Report</td>
<td>20 September 2013</td>
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<td>Annual Audit Letter</td>
<td>31 October 2013</td>
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