

<b>Meeting:</b>	<b>Audit and governance committee</b>
<b>Meeting date:</b>	<b>24 November 2015</b>
<b>Title of report:</b>	<b>Annual audit letter 2014/15</b>
<b>Report by:</b>	<b>Director of resources</b>

## 1. Classification

Open

## 2. Key Decision

This is not an executive key decision

## 3. Wards Affected

County-wide

## 4. Purpose

4.1 To consider and note the external auditor's statutory annual audit letter (AAL) for 2014/15 which primarily sets out the unqualified audit opinion on both the financial statements and value for money conclusion.

4.2 The AAL is intended to communicate key messages to the Council and external stakeholders.

## 5. Recommendation

**THAT the audit and governance committee discusses and takes note of the content of the annual audit letter for 2014/15 attached to this report.**

## 6. Alternative Options

This is a report reflecting the statutory annual audit letter process and therefore no alternative options are outlined.

## 7. Reasons for Recommendation

7.1 The code of audit practice in local government requires the external auditor to report to those charged with governance the conclusions they have drawn from their audit work and their opinion on the financial statements and value for money.

## 8. Key Considerations

8.1 The external auditors issued an unqualified opinion on the statement of accounts for 2014/15 and reported improvements in both the quality and timeliness thereof.

8.2 An unqualified conclusion was issued in respect of value for money. The external auditors are satisfied that the Council has proper arrangements in place securing the economy, efficiency and effectiveness in its use of resources.

8.3 The external auditors have highlighted two recommendations for the Council to focus on in the coming year; the closedown process and property assets. Improvements are already being progressed in these areas.

## **9. Community Impact**

None.

## **10. Equality and Human Rights**

The content of the report has no direct impact on equality or human rights.

## **11. Financial Implications**

The external audit fee is detailed in appendix B of the letter and funded within existing budgets.

## **12. Legal Implications**

This report has no legal implications.

## **13. Risk Management**

The audit and governance committee has responsibility for corporate governance and will mitigate risks by overseeing the delivery of the recommendations identified in the external auditor's annual audit letter for 2014/15.

## **14. Consultees**

None.

## **15. Appendices**

Appendix A - annual audit letter 2014/15

## **16. Background Papers**

None.