

Report to: **Cabinet**

Date: **15 December 2015**

By: **Chief Operating Officer**

Title of report: **Annual Audit Letter and fee update 2014/15**

Purpose of report: **To seek Cabinet's approval of the Annual Audit Letter and fee update for 2014/15.**

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**RECOMMENDATION – The Cabinet is recommended to approve the Annual Audit Letter and the fee update for 2014/15.**

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## **1. Introduction**

1.1 The external audit fees for 2014/15 was £138,036 (County Council of £111,429 and the Pension Fund of £26,607) for the core audit in line with the planned fee. Certifications of various grants and returns were completed including the Council's Transport Infrastructure grant with a combined agreed fee of £8,967.

1.2 The auditors charged an additional £15,000 for work undertaken on objections received to the Council's 2013/14 financial statements, and £1,500 for the provision of tax advisory services during 2014/15. The costs of these additional services were funded from existing budgets.

## **2. Supporting Information**

2.1 The Annual Audit Letter (AAL) attached as Appendix A summarises the key issues arising from the work carried out by the Council's external auditor (KPMG) during the year. This report contains no new findings or recommendations, but reflects the key issues already reported in the Annual Governance Report. The AAL has been circulated to all Councillors and published on the Council's website.

2.2 The AAL was presented to the Audit, Best Value & Community Services Scrutiny Committee on 23 November 2015. The Committee had no further comments on the Annual Audit Letter and fee update for 2014/15 prior to its approval by Cabinet.

2.3 The Council would like to extend its thanks to KPMG for their professionalism during this audit.

## **3. Conclusion and reasons for recommendations**

3.1 The Cabinet is recommended to approve the Annual Audit Letter and the fee update for 2014/15.

**KEVIN FOSTER**  
**Chief Operating Officer**

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## LOCAL MEMBERS

All

## BACKGROUND DOCUMENTS

1. Independent Auditor's (KPMG) Annual Governance Report on ESCC Accounts and Value for Money conclusion report
2. Independent Auditor's (KPMG) Annual Governance Report on Pension Fund Accounts