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for Finance and Procurement
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To: Governance and Audit Committee – 2 October 2015

Subject: **External Audit - Annual Audit Letter 2014/15**

Classification: Unrestricted

Summary: The Annual Audit Letter provides a summary of the most important findings from the external audit work in respect of the 2014/15 audit year.

FOR ASSURANCE

Introduction

1. The former Audit Commission's Code of Audit Practice requires that the external auditors prepare an Annual Audit Letter (the Letter) and issue it to the Council. The purpose of the Letter is to communicate to the Council and its external stakeholders, including members of the public, the key issues arising which the Engagement Lead considers should be brought to the attention of the Council. The Letter covers the work carried out by the external auditor in respect of the 2014/15 audit year.
2. The Letter highlights any key issues drawn from reports previously presented to the Governance and Audit Committee and the auditors' conclusions on relevant aspects of the audit.

Summary of the letter

3. This Letter summarises the work from the External Auditor's 2014/15 Audit Plan and includes:
 - The audit opinion and financial statements
 - Value for money
4. The Letter reaffirms the unqualified opinion on the 2014/15 financial statements, including the Kent Pension Fund, and the unqualified value for money conclusion.

Publication of the Letter

5. The Letter is addressed to all Members and the Engagement Lead requires that all Members receive a copy. There is also a statutory requirement to publish the Letter. The Audit Commission will publish all Letters on its website as part of its objective to make its findings easily accessible to everyone. The Council will also publish the Letter on its website.

Recommendations

6. The Governance and Audit Committee is asked to receive the Annual Audit Letter for assurance and note:
 - the requirement of the External Auditors to prepare and issue an Annual Audit Letter to the Council has been met.

Robert Patterson
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