



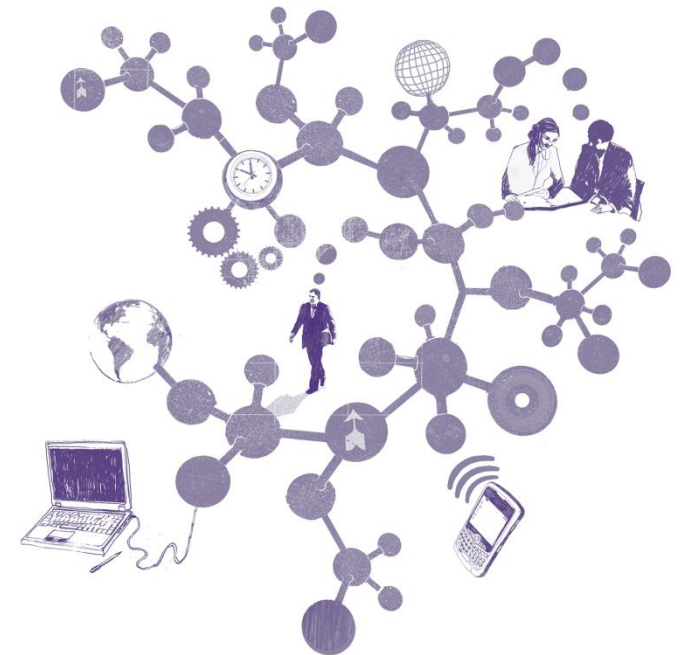
The Annual Audit Letter for Swale Borough Council

Year ended 31 March 2014

October 2014

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Contents

Section	Page
1. Key messages	3
Appendices	
A Summary of reports and audit fees	

Key messages

Our Annual Audit Letter summarises the key findings arising from the work that we have carried out at Swale Borough Council ('the Council') for the year ended 31 March 2014.

The Letter is intended to communicate key messages to the Council and external stakeholders, including members of the public. Our annual work programme, which includes nationally prescribed and locally determined work, has been undertaken in accordance with the Audit Plan that we issued in March 2014 and was conducted in accordance with the Audit Commission's Code of Audit Practice, International Standards on Auditing (UK and Ireland) and other guidance issued by the Audit Commission.

Financial statements audit (including audit opinion)	<p>We reported our findings arising from the audit of the financial statements in our Audit Findings Report to the Audit Committee on 17 September 2014. The Council's accounts were produced to a high standard and supported by comprehensive working paper trails. Only a small number of audit amendments were required.</p> <p>We issued an unqualified opinion on the Council's 2013/14 financial statements dated 24 September 2014, meeting the deadline set by the Department for Communities and Local Government. Our opinion confirms that the financial statements give a true and fair view of the Council's financial position and of the income and expenditure recorded by the Council.</p>
Value for Money (VfM) conclusion	<p>We issued an unqualified VfM conclusion for 2013/14 dated 24 September 2014.</p> <p>We concluded that the Council continues to have robust arrangements for financial management and budgetary control, and that it has an effective framework to address financial pressures. The Council will need to maintain this focus to deliver further financial savings over the medium term.</p> <p>On the basis of our work, and having regard to the guidance on the specified criteria published by the Audit Commission, we are satisfied that in all significant respects the Council put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2014.</p>

Key messages

Whole of Government Accounts	<p>We considered the consolidation pack which the Council prepares to support the production of Whole of Government Accounts. Under the framework specified by the National Audit Office (NAO) we were not required to perform a detailed review of the consolidation pack. However, where required under this framework we confirmed to the NAO that the entries in the consolidation pack were consistent with the audited financial statements.</p>
Certification of grant claims and returns	<p>For the financial year 2013/14 we are required to certify the Council's housing benefit subsidy claim, which has a certification deadline of 30 November. Our work to certify this claim is still in progress.</p>
Audit fee	<p>Our audit fee for 2013/14 was £80,985 (2012/13: £80,085) excluding VAT. This was an increase of £900 on our planned fee of £80,085.</p> <p>Our work on grant claim certification is still in progress. The indicative fee for grant claim certification work included in our audit plan is £13,200.</p> <p>Further detail is included within Appendix A.</p>

Appendix A: Reports issued and fees

We confirm below the fee charged for the audit. There were no fees for the provision of non audit services.

Fees

	Per Audit plan £	Actual fees £
Audit Fee	80,085	80,985
Grant certification fee	13,200	TBC
Total fees	93,285	TBC

The additional audit fee of £900 is in respect of work on material business rates balances. This additional work is necessary as auditors are no longer required to carry out work to certify the NNDR3 return which District Councils submit to central government. The additional fee is 50% of the average fee previously charged for NNDR3 certifications at District Councils and is subject to agreement by the Audit Commission.

Fees for other services

Service	Fees £
None	Nil

Reports issued

Report	Date issued
Audit Plan	March 2014
Audit Findings Report	September 2014
Annual Audit Letter	October 2014
Certification report	December 2014 (planned)



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