

**AUDIT AND GOVERNANCE COMMITTEE**  
**21 SEPTEMBER 2018****ANNUAL AUDIT LETTER 2017/18**

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**Recommendation**

- 1. The Chief Financial Officer recommends that:**
  - a) The Annual Audit Letter 2017/18 be noted;**
  - b) The Independent Auditor's Report opinion on the Financial Statements be noted;**
  - c) The External Auditor's closure of the audit of the Worcestershire County Council and Pension Fund Accounts Letter be noted;**
  - d) The Committee considers whether it wishes to receive any further reports on information contained in the Letter; and**
  - e) The Committee considers whether there are any issues arising from the Letter to draw to the attention of the Council.**

**Summary**

2. Grant Thornton is responsible for producing an Annual Audit Letter which brings together all aspects of external inspection work undertaken across the County Council including the audit work carried out on the accounts. The Annual Audit Letter looks back over the year and summarises all of the reports and work the external auditors have undertaken and closes that years audit. As such there are no new audit findings.

3. The one point to note is that the Annual Audit Letter includes the fee for the audits. Following the audit of the statement of accounts the proposal is for an additional fee of £33,385 (£28,185 for the County Council and £5,200 for Worcestershire Pension Fund) to cover the extra work that was needed to be performed, and discussed at the last Committee. Management accept this and will fund from vacancies, but there is a separate report on the same agenda as this paper as to how this will be sought to be mitigated and avoided in future years.

4. Representatives from Grant Thornton will attend the meeting to discuss the findings. A copy of the Letter is attached as Appendix 1.

## **Contact Points**

### County Council Contact Points

County Council: 01905 763763

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### Specific Contact Points for this report

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## **Supporting Information**

- Appendix 1 – The Annual Audit Letter for Worcestershire County Council
- Appendix 2 – Independent Auditor's Report – Financial Statements
- Appendix 3 – External Auditor's Letter – Closure of the audit of the Worcestershire County Council and Pension Fund Accounts

## **Background Papers**

In the opinion of the proper officer (in this case the Chief Financial Officer) there are no background papers relating to the subject matter of this report.