

Des Pritchard
Chief Fire Officer & Chief Executive
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Ref: ESFA 2014/15 fee ltr

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Dear Des

Annual Audit 2014/15

We are writing to confirm the audit that we propose to undertake for the 2014/15 financial year at East Sussex Fire Authority. The fee reflects the risk-based approach to audit planning set out in the Code of Audit Practice and the work mandated by the Audit Commission for 2014/15.

Indicative Audit Fee

The audit fee covers the:

- ▶ Audit of the financial statements;
- ▶ Value for money conclusion; and
- ▶ Whole of Government accounts.

For the 2014/15 financial year the Audit Commission has set the scale fee for each audited body as part of the recent 5 year procurement exercise and consequently it is not liable to increase in that period without a change in scope.

The 2014/15 scale fee is based on certain assumptions, including:

- ▶ The overall level of risk in relation to the audit of the financial statements is not significantly different from that of the prior year;
- ▶ We are able to place reliance on the work of internal audit to the maximum extent possible under auditing standards;
- ▶ The financial statements will be available to us in line with the agreed timetable;
- ▶ Working papers and records provided to us in support of the financial statements are of a good quality and are provided in line with our agreed timetable; and
- ▶ Prompt responses are provided to our draft reports.

Meeting these assumptions will help ensure the delivery of our audit at the indicative audit fee.

The indicative audit fee set out in the table below has initially been set at the scale fee level as the overall level of risk in relation to the audit of the financial statements is not significantly different from that of the prior year.

As we have not yet completed our audit for 2013/14, our audit planning process for 2014/15 will continue as the year progresses. Fees will be reviewed and updated as necessary, within the parameters of our contract with the Audit Commission. Should we need to make any significant amendments to the audit fee during the course of the audit, we will discuss this in the first instance with the Chief Fire Officer and, if necessary, prepare a report outlining the reasons for the fee change for discussion with the Scrutiny & Audit Panel.

Summary of Fees

	Indicative fee 2014/15 £	Planned fee 2013/14 £	Actual fee 2012/13 £
Total Code audit fee	41,021	41,021	42,677*
Total fee	41,021	41,021	42,677

Note (*) – includes an additional fee of £1,656 agreed as a Scale Fee Variation by the Audit Commission.

Any additional work that we may agree to undertake (outside of the Audit Code of Practice) will be separately negotiated and agreed with you in advance.

Billing

The indicative audit fee will be billed in four quarterly instalments of £10,255 beginning in July 2014.

Audit Plan

We expect to issue our plan for the audit of the 2013/14 financial statements in May 2014. This will detail the significant financial statement risks identified, planned audit procedures to respond to those risks, and any changes in fee. It will also set out the risks identified in relation to the Value for Money conclusion. Our audit plan for the audit of the 2014/15 financial statements will be issued early in 2015.

Audit team

The key members of the audit team for the 2014/15 financial year are:

Paul King
Director

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Manager

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We are committed to providing you with a high quality service. If at any time you would like to discuss with us how our service to you could be improved, or if you are dissatisfied with the service you are receiving, please contact me. If you prefer an alternative route, please contact Steve Varley, our Managing Partner, 1 More London Place, London, SE1 2AF. We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. Should you remain dissatisfied with any aspect of our service, you may of course take matters up with our professional institute.

Yours sincerely



Paul King
Director
For and on behalf of Ernst & Young LLP

cc. Duncan Savage, Treasurer
Cllr Sven Rufus, Chair of the Scrutiny & Audit Panel