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Our ref **NHS NNE CCG**  
**AAL/201314**

29 July 2014

To the Directors of NHS Nottingham North and East Clinical Commissioning Group

### **Annual Audit Letter 2013/14**

We are pleased to submit our annual audit letter which summarises our 2013/14 audit for Nottingham North and East CCG (“the CCG”). It summarises the key issues arising from our 2013/14 audit at the CCG. Although this letter is addressed to the Directors of the CCG it is also intended to communicate the issues arising from the audit of the CCG to external stakeholders, such as members of the public. It is the responsibility of the CCG to publish this letter on the CCG’s website.

### **Scope of our audit**

The statutory responsibilities and powers of appointed auditors are set out in the Audit Commission Act 1998. Our main responsibility is to carry out an audit that meets the requirements of the Audit Commission’s Code of Audit Practice (“the Code”). On 2 June 2014 we presented to the Audit Committee our ISA 260 report to those charged with governance, which summarised our conclusions from the 2013/14 audit and outlined our auditor responsibilities under statute and the Code. Following the presentation of our ISA 260 report to the Audit Committee we have:

- issued an unqualified opinion on the CCG’s 2013/14 financial statements on 5 June 2014 meeting the Department of Health’s deadline of 6 June;
- concluded that there were no matters arising from our use of resources work that we need to report for the year ending 31 March 2014; and
- issued an unqualified Group Audit Assurance Certificate to the National Audit Office regarding the Whole of Government accounts submission with no exceptions.

### **Public Interest Reporting**

We have a responsibility to consider whether there is a need to issue a public interest report or whether there are any issues which require referral to the Secretary of State. There were no matters in the public interest that we needed to report or refer to the Secretary of State in 2013/14.

### **Key findings**

The CCG has generally sound processes in place for the production of its accounts and in relation to its use of resources. The pre-audit accounts were submitted to NHS England on time and the working papers were of a high quality and available to us by the agreed date. There were no significant corrections required.

For our 2013/14 Value for Money Conclusion the Audit Commission required us to consider three prime sources of evidence (the Annual Governance Statement, work of the Audit Commission and other regulators, and any other work we identified as being required) relating to your arrangements to secure economy, efficiency and effectiveness in your use of resources. We were required to report any matters identified from this work which prevented us from being satisfied that the audited body has put in place such arrangements. We concluded that there were no matters to report.

In 2014/15 the Audit Commission is requiring auditors to carry out work to assess the CCG's arrangements in relation to its two specified Value for Money criteria, and conclude whether the CCG has proper arrangements for:

- securing financial resilience; and
- challenging how it secures economy, efficiency and effectiveness.

We will discuss these criteria and the CCG's arrangements with officers further during the 2014/15 audit.

### **Fees**

Our fee for the 2013/14 external audit was £66,000 excluding VAT. This was in line with the fee agreed at the start of the year with the CCG's Audit Committee. The Audit Commission made a rebate of £6,000 to the CCG to cover the first year audit costs included within the fee for 2013/14.

We provided no non audit services to the CCG for 2013/14.

**Closing remarks**

I have discussed and agreed this letter with the Chief Finance Officer of the CCG and confirmed that all Directors of the CCG have received a copy. I would like to thank the finance team, the Directors and the Audit Committee for their support and cooperation throughout the 2013/14 audit.

Yours sincerely



Tony Crawley  
Director