

17 October 2005

To the members of
Gedling Borough Council

Direct line 0115 915 4357
Direct fax 0115 915 4662
Email c-leeland@audit-
commission.gov.uk

Dear Councillor

— **Audit of Financial Statements - compliance with statement of auditing standard (SAS) 610**

Statement of Auditing Standard (SAS) 610 requires the external auditor to consider matters arising from the annual audit of your financial statements and whether they should be included in a report to Members in their capacity as 'those charged with governance'.

The potential areas for the auditor to report on are:

- any expected modifications to the auditor's report on your financial statements
- non-trifling mis-statements that have not been adjusted by officers following the audit
- material weaknesses in accounting and internal control systems
- qualitative aspects of accounting practice and financial reporting
- matters required by other auditing standards to be reported to those charged with governance
- other matters that we wish to draw to your attention.

We have recently completed the review of your statements for 2004/05 and I am writing to confirm that we have no matters that we wish to raise with Members at this stage under SAS 610.

Our conclusions from the overall audit of the Council will be reported in the usual way through the Annual Audit and Inspection Letter, which we are due to issue in March 2006. We will include in that Letter our main findings and conclusions from our audit of the financial statements.

Yours sincerely

Chris Leeland
Audit Manager