

Meeting: AUDIT COMMITTEE

Date: 6 SEPTEMBER 2010

Agenda Item: 4

EXTERNAL AUDITOR'S ANNUAL REPORT TO THOSE CHARGED WITH GOVERNANCE 2009/10

Author - Clare Fletcher/Paul Winrow Ext No. 2933

Contributors - Nick Taylor

Lead Officer - Clare Fletcher Ext No. 2933

Contact Officer - Clare Fletcher Ext No. 2933

1 PURPOSE

1.1 To present the External Auditor's Annual Report for consideration and approval.

2 RECOMMENDATIONS

2.1 That the Annual Report to those charged with Governance for 2009/10 be approved (Appendix A).

2.2 That the Council's Letter of Representation be approved (Appendix B).

2.3 That the updated Statement of Accounts 2009/10 be approved (Appendix C).

3 BACKGROUND

3.1 This report is presented to the Audit Committee in its capacity as the body charged with Governance. The Auditor's report (Appendix A) has been produced by the Council's External Auditors Grant Thornton. At the time the Auditor's report was written there were a number of finalisation procedures outstanding, these are listed in paragraph 2.2. of Appendix A. The Council's External Auditors will provide any update at the Audit Committee meeting. A final version will be supplied to Members when ready.

3.2 The Council is required to send to the Council's External Auditors a Letter of Representation (Appendix B).

3.3 There are no material misstatements in the Accounts, however a number of adjustments have been made as detailed in paragraph 2.14 -2.15 (Appendix A to the Auditor's report). The amended Statement of Accounts includes all the adjustments agreed with Grant Thornton.

- 3.4 Some accounting adjustments arose as a result of the audit and an action plan has therefore been prepared by the Head of Finance to be implemented by the Accountancy Services Manager for the 2010/11 Statement of Accounts

4 REASONS FOR RECOMMENDED COURSE OF ACTIONS AND OTHER OPTIONS

- 4.1 As the appointed Auditor Grant Thornton is required to review and report on the Council's financial statements and whether proper arrangements have been made to secure economy, efficiency and effectiveness in its use of resources.
- 4.2 Regulation 11 of the Accounts and Audit Regulations 2003 requires authorities to publish the Statement of Accounts as soon as reasonably possible after the audit is concluded.
- 4.3 At the time the time of writing the report no objections were received by electors to the 2009/10 accounts, (Appendix A. risk 7 to the External Auditors report).
- 4.4 This report also updates Members on the IT report recommendations made by Grant Thornton in their May 2009 report. An update can be found in Appendix A (Appendix D to Appendix A).

5 IMPLICATIONS

5.1 Financial Implications

The updated Accounts for 2009/10 are financial in nature. As this document is related, the financial implications are contained therein.

5.2 Legal Implications

This report is presented in accordance with the Audit Commission Act 1998.

BACKGROUND PAPERS

Updated Statement of Accounts 2009/10

APPENDICES

Appendix A - Annual Report to those Charged with Governance

Appendix B - Letter of Representation

Appendix C - Updated Statement of Accounts 2009/10