

Meeting: AUDIT COMMITTEE

Agenda Item:

Date: 22 September 2009

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EXTERNAL AUDITOR'S ANNUAL REPORT TO THOSE CHARGED WITH GOVERNANCE 2008/09

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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 for 2008/09 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 2008/09 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, (as referred to in the Annual Report to those Charged with Governance), however a number of adjustments have been made as detailed in paragraph 2.5 (page 7) of the Auditor's report. The amended Statement of Accounts includes all the adjustments agreed with the

Auditors.

- 3.4 A further adjustment to those detailed in the Auditor's report was made by officers in relation to the group accounts. This was made because Stevenage Homes Limited did not resubmit their 2008/09 accounts to the Council following some changes between the draft and final version.

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.

5 IMPLICATIONS

5.1 Financial Implications

The updated Accounts for 2008/09 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 2008/09

APPENDICES

Appendix A - Draft Annual Governance Report 2008/09

Appendix B - Letter of Representation

Appendix C - Updated Statement of Accounts 2008/09