

## **AUDIT COMMITTEE**

### **Statement of Accounts 2009/10 22 September 2010**

### **Report of Head of Financial Services**

#### **PURPOSE OF REPORT**

This report updates Members on the outcome of the audit of the Statement of Accounts for 2009/10.

**This report is public.**

#### **RECOMMENDATIONS**

- (1) That the Committee notes the report for 2009/10 issued by the Council's External Auditors and the letter of representation signed by the s151 Officer, and makes any other recommendations as appropriate.**

#### **REPORT**

- 1.1 At the last Committee meeting held on 30 June the draft Statement of Accounts for 2009/10 were presented for approval, together with information on the audit process. The Council's External Auditors commenced the audit of accounts on Monday 19 July.
- 1.2 The audit is now substantially complete and the Auditor is currently finalising a report for Members' consideration (i.e. "to those charged with governance"). This will be circulated as soon as possible.
- 1.3 The Auditor will also be attending the meeting to present the report but in summary, the main points are expected to be as follows:
- It is anticipated that an unqualified opinion on the 2009/10 Accounts will be issued. A small number of minor adjustments are to be made to the accounts since they were presented to Committee in June, but it is important to note that these are presentational only. They do not have any impact on the Council's overall financial position or on its balances.
  - The report will also set out the Auditor's conclusion on whether the authority has adequate arrangements in place for securing value for money (VFM). Members will be aware that the wider Use of Resources assessment arrangements have now been abolished, although a substantial amount of work was undertaken on

this in relation to 2009/10, prior to the abolition being announced. It is expected, therefore, that the Auditors will use the results of that work to inform their VFM conclusion.

- 1.4 In support of completing the accounts, a copy of a 'letter of representation' will also be circulated as soon as it is available. The letter will be signed by the Section 151 Officer but the Committee is also requested to note it. This is on the basis that those charged with governance should be aware of the representations on which the auditor relies, in expressing his opinion on the Accounts.
- 1.5 Once the governance report and the letter of representation have been considered, it is expected that the Auditor will issue his opinions on the accounts, in order that the final audited Accounts can be published by the deadline of 30 September. Conclusion of the audit will follow in due course.

<b>CONCLUSION OF IMPACT ASSESSMENT</b> (including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing) No implications directly arising.	
<b>FINANCIAL IMPLICATIONS</b> There are no financial implications directly arising at this stage.	
<b>SECTION 151 OFFICER'S COMMENTS</b> This report was prepared by the s151 officer as part of her responsibilities.	
<b>LEGAL IMPLICATIONS</b> Legal Services have been consulted and have no comments to add, subject to receiving the Auditor's report.	
<b>MONITORING OFFICER'S COMMENTS</b> The Monitoring Officer has been consulted and has no comments to add, subject to receiving the Auditor's report.	
<b>BACKGROUND PAPERS</b> Statement of Accounts 2009/10. Accounts and Audit Regulations 2006 (as amended).	<b>Contact Officer:</b> Nadine Muschamp <b>Telephone:</b> 01524 582117 <b>E-mail:</b> nmuschamp@lancaster.gov.uk <b>Ref:</b>