

Open Report on behalf of Executive Director Resources and Community Safety

Report to:	Audit Committee
Date:	31 October 2011
Subject:	External Audit Annual Governance Report on Lincolnshire County Council's Statement of Accounts for 2010-11

Summary:

The Statement of Accounts for Lincolnshire County Council for the financial year 2010-11 have been completed and independently audited.

Recommendation(s):

The Executive Director for Resources and Community Safety recommends the Audit Committee:

1. Consider the External Auditors Annual Governance Report (AGR) Appendix A; and
2. Approve the Letter of Representation on behalf of the Council to enable the Audit Opinion to be issued (AGR - Appendix 4).

Background

The Audit Committee were presented with the draft Statements of Accounts for 2010-11 for scrutiny and comment at the meeting on 14 July 2011. Our external auditors, The Audit Commission, have now completed their work on the draft Statements. Subject to the satisfactory resolution of outstanding issues plan to issue an unqualified opinion on the Council's Statement of Accounts. A verbal update on progress on resolving these issues will be given at the meeting.

Appendix A to this report is their Annual Governance Report (AGR), this provides details of matters arising and errors identified in the unaudited accounts. The AGR also includes a draft Letter of Representation (Appendix 4) this must be approved and signed by the Chair of the Audit Committee and the Executive Director for Resources and Community Safety before the audit opinion can be given.

The Audit Committee is asked to consider the AGR as presented by the External Auditor. The key points are:

- Financial Statements (pages 7 – 10) the External Auditor asks you to consider the matters raised in this section of the report before approving the financial statements;
- Appendix 2 (page 18) – Amendments to the draft financial statements. This summarises the adjustments which have been made to the draft financial statements as a result of the audit work undertaken; and
- Appendix 3 (pages 19 – 20) – Unadjusted misstatements in the financial statements. This details the errors identified in the Statement of Accounts which we do not plan to adjust in 2010-11.

Conclusion

The audit of the Statement of Accounts for 2010-11 has largely been completed and subject to the successful resolution of the outstanding issues highlighted in the AGR the Auditor expects to issue an unqualified opinion on the Statements.

Consultation

a) Policy Proofing Actions Required

n/a

Appendices

These are listed below and attached at the back of the report	
Appendix A	The Audit Commission's - Annual Governance Report 2010-11

Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Dave Simpson, who can be contacted on 05122 553008 or dave.simpson@lincolnshire.gov.uk.

