

WYRE FOREST DISTRICT COUNCIL**AUDIT COMMITTEE**
29TH SEPTEMBER 2011**STATEMENT OF ACCOUNTS 2010/11**

OPEN	
SUSTAINABLE COMMUNITY STRATEGY THEME:	Stronger Communities
CORPORATE PLAN PRIORITY:	Delivering Together with Less
CABINET MEMBER:	Councillor N J Desmond
DIRECTOR:	Director of Resources
CONTACT OFFICER:	David Buckland Ext. 2100 david.buckland@wyreforestdc.gov.uk
APPENDICES:	Appendix 1 - Summary of changes required to Statement of Accounts 2010/11 Appendix 2 – Draft Letter of Representation 2010/11 Appendix 3 - Statement of Accounts Overview

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to present the changes that have been required to the Statement of Accounts for 2010/11 following the audit undertaken by the Audit Commission.
- 1.2 The Council is also required to provide an updated version of the Letter of Representation to the auditors, before they will issue the audit opinion for 2010/11; the wording of this is attached for approval.

2. RECOMMENDATION

The Audit Committee is asked to DECIDE that:-

- 2.1 **The Revised Statement of Accounts for 2010/11 be approved.**
- 2.2 **The Letter of Representation for 2010/11 attached at Appendix 2 be approved.**

3. BACKGROUND

- 3.1 The draft Statement of Accounts was certified as a true and fair view by the Director of Resources, and endorsed by Audit Committee at the meeting held on June 29th, 2011. It has been a particularly challenging year due to the full introduction of the International Financial Reporting Standards for the first time.
- 3.2 During the course of the audit there were a number of issues raised by the Auditors and the Accounts were amended accordingly. A summary of the main changes agreed is attached at Appendix 1. The majority of these were changes to disclosures that improve the presentation of the clarity of the financial statements for the users of the

accounts. The Director of Resources has now re-certified the amended Statement of Accounts, prior to the consideration by the Audit Committee.

- 3.3 The Audit Commission has now concluded their audit of the accounts and has indicated they will be providing an unqualified opinion.
- 3.4 Incorporating the changes identified at Appendix 1, the Statement of Accounts will be published by 30th September 2011, and this will also be made available on the Council's web-site.
- 3.5 The Letter of Representation is attached at Appendix 2. This letter is in line with the requirement of the Audit Commission as detailed within their Annual Governance Reports. This letter is to be signed by the S.151 Officer (Director of Resources), and the Chair of the Audit Committee.
- 3.6 A revised Statement of Accounts overview is attached at Appendix 3. A full copy of the Statement has been emailed to all Audit Committee members; paper copies will be made available at the meeting on request.

4. KEY ISSUES

- 4.1 The audit of the Statement of Accounts for 2010/11 has been concluded and the Audit Commission have indicated they will issue an unqualified Opinion.

5. FINANCIAL IMPLICATIONS

- 5.1 This is a financial report identifying changes to the Statement of Accounts 2010/11 following the audit, and presentation of the Letter of Representation.

6. LEGAL AND POLICY IMPLICATIONS

- 6.1 It is a requirement of the Accounts and Audit Regulations 2011 that the Statement of Accounts is published by the 30th September following the end of the financial year.

7. RISK MANAGEMENT

- 7.1 The accounts must be published by the 30th September 2011, if they are not approved this would mean the Council has not complied with Accounts and Audit Regulations. The risk of a qualified audit report has also been managed as part of this process.
- 7.2 Concern remains surrounding the preservation of the "preferred" status in relation to the Landsbanki deposit. Further updates will be provided as soon as they become available.

8. EQUALITY IMPACT ASSESSMENT

- 8.1 This is a financial report and there is no requirement to undertake an Equality Impact Assessment.

9. CONCLUSION

- 9.1 The Council is required to prepare and approve the draft Statement of Accounts by 30th June 2011, and for these to be audited and published by 30th September 2011. This report highlights the changes to the Accounts, required as a result of the audit.
- 9.2 The report also approves the Letter of Representation which is required to be signed before the Audit Commission can provide their opinion in relation to the 2010/11 Statement of Accounts.

10. CONSULTEES

- 10.1 Corporate Management team/Cabinet.
- 10.2 Audit Commission.

11. BACKGROUND PAPERS

- 11.1 Accounts and Audit Regulations 2011.
- 11.2 Audit Committee Report 29th June 2011.
- 11.3 Code of Practice of Local Government Accounting 2010/11.