

TONBRIDGE & MALLING BOROUGH COUNCIL

GENERAL PURPOSES COMMITTEE

06 September 2010

Report of the Chief Executive and Director of Finance

Part 1- Public

Delegated

1 AUDIT COMMISSION – ANNUAL GOVERNANCE REPORT 2009/10

Members are invited to endorse and approve the Annual Governance Report for 2009/10 from the Audit Commission and request that the Chairman countersigns the Letter of Representation [Annex 2] which has been prepared by the Director of Finance. This report is to be approved prior to the District Auditor signing off the Accounts. The District Auditor and or his representative will be at the meeting to present the report and to answer questions.

1.1 Introduction

1.1.1 Our external auditor (the District Auditor) is required by the Audit Commission's statutory Code of Practice for Local Government bodies to issue a report to those charged with governance covering, amongst other things, the outcome of the audit of the Accounts. Under the Council's constitutional arrangements it is this Committee that is charged with governance for this purpose.

1.1.2 In accordance with this requirement, the Annual Governance Report for 2009/10 is attached at **[Annex 1]**. The District Auditor and or his representative will be at the meeting to present the report and to answer questions.

1.2 District Auditor's Conclusions and Recommendations

1.2.1 Members will note there are no material or significant issues that need to be brought to the attention of the Committee and that the District Auditor anticipates being able to issue an unqualified audit opinion.

1.2.2 Appendix 5 to the Annual Governance Report sets out an action plan that has been agreed with the District Auditor following the outcome of the audit.

1.2.3 For completeness and in accordance with best practice it is recommended that the Chairman countersigns the Letter of Representation **[Annex 2]** prepared by the Director of Finance. Accordingly, there is a statement at the end of the letter which reads:

“The Annual Governance Report 2009/10 and this letter were considered by Members at the General Purposes Committee on 6 September 2010. All issues were accepted and agreed.”

- 1.2.4 If Members agree with the above the countersigned letter will be handed to the District Auditor or his representative at the meeting.

1.3 Legal Implications

- 1.3.1 There are a number of legislative requirements to consider in the preparation and publication of the Statement of Accounts which will be addressed as we move through the closedown process.
- 1.3.2 The District Auditor has undertaken this work in accordance with the requirements of the Audit Commission Act 1998.

1.4 Financial and Value for Money Considerations

- 1.4.1 The cost of the work carried out by the District Auditor is as notified to us in the 2009/10 Audit Plan.

1.5 Risk Assessment

- 1.5.1 The Statement of Accounts is a statutory document and, therefore, failure to prepare and publish the Accounts in accordance with proper accounting practice and within the statutory timescale could lead to qualification of the Accounts by the District Auditor.

1.6 Recommendations

- 1.6.1 Members are **RECOMMENDED** to:

- 1) Endorse and approve the Annual Governance report for 2009/10.
- 2) Request that the Chairman countersign the Letter of Representation **[Annex 2]**.

Background papers:

Nil

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