

Supplementary Papers

To accompany the presentation of the Annual
Governance Report

North West Leicestershire District Council

Audit 2009/10

22 September 2010

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Status of our reports

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- any director/member or officer in their individual capacity; or
 - any third party.
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Supplementary Auditors Report

- 1 This paper gives an update to my Annual Governance Report which is also on the agenda of this meeting.
- 2 Our audit is now substantially complete and (subject to a final Engagement Lead review of the accounts) I plan to issue an unqualified opinion on the financial statements.
- 3 There is one issue which I would like to update you on which has been finalised since the drafting of the Annual Governance Report. This is shown in the table below.

Table 1

Issue or Risk	Finding
<p>On page 18 in Appendix 2 in my Annual Governance Report it was reported that corrections in the accounting for the sale of Council Houses were still being worked on by Council Officers.</p>	<p>Corrections to the draft financial statements have now been made so that the accounting for the disposal of Council Houses is compliant with the Statement of Recommended Practice.</p> <p>The processing of these amendments has led to a £212,000 entry on the STRGL shown as 'other' which cannot be fully explained. This use of this line is not encouraged by the SORP and should not be required this year.</p> <p>These amendments have also led to the cash flow statement not directly balancing by a similar amount.</p> <p>We recommend that Council Officers continue to investigate the reason for this entry on the Statement of Total Recognised Gains and Losses (STRGL) and the differences on the cash flow statement.</p>

Recommendation

R1 Council Officers should continue to investigate the reason for balance shown the other line on the STRGL and the differences on the cash flow statement.

Supplementary Action plan

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
Annual Governance Report 2009/10 - Recommendations						
2	R1 - Council Officers should ensure the reason for the other line on the STRGL is fully investigated and any resultant amendments made to the 2010/11 accounts.	3	Pritesh Padaniya			

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