

# **Accounts, Audit and Risk Committee**

## **External Audit Opinion Plan**

**23 June 2010**

### **Report of Head of Finance**

#### **PURPOSE OF REPORT**

This report sets out the work that the Audit Commission will undertake in order to form an opinion on the financial statements for 2009/10 taking into account risk which satisfies their responsibilities under the Audit Commission's Code of Audit Practice.

This report is public

#### **Recommendations**

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The meeting is recommended:

- (1) To note the contents of the report

#### **Executive Summary**

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##### **Introduction**

- 1.1 The 2010/11 financial statements that will be adopted by the committee on a separate agenda item will be subject to Audit by the Audit Commission.
- 1.2 As part of the audit process the Audit Commission will assess whether the statements are prepared without any material misstatements (whether due to fraud or error) and give an opinion on whether the statements are a true indication of the Council's financial affairs for the year 2009/10.
- 1.3 As part of this process the Audit Commission use a risk based approach to determine what work is required and this process is detailed in Appendix 1.

## Conclusion

- 1.4 Our investments in Iceland are noted as a specific risk and we have sought guidance from CIPFA, PWC and Sector our treasury management advisors to prepare the appropriate disclosures in accordance with LAAP Bulletin 82.
- 1.5 We will provide detailed working papers and analysis to assist the Audit Commission in completing their work in accordance with the agreed timetable.
- 1.6 An audit opinion will be given to this committee in September 2010.

## **Key Issues for Consideration/Reasons for Decision and Options**

The following options have been identified. The approach in the recommendations is believed to be the best way forward

**Option One** To note the contents of the report

**Option Two** To raise issues or questions relating to this report

## **Implications**

**Financial:** The financial statements have been prepared in accordance with SORP and in accordance with appropriate guidance received from CIPFA regarding Iceland and employee emoluments.  
Comments checked by Karen Muir, Corporate System Accountant 01295 22159

**Legal:** There are no implications arising from this report  
Comments checked by Liz Howlett, Head of Legal and Democratic Services 01295 221686

**Risk Management:** There are no implications arising from this report  
Comments checked by Karen Muir, Corporate System Accountant 01295 22159

## **Wards Affected**

All

## Document Information

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<b>Appendix No</b>	<b>Title</b>
Appendix 1	Audit Opinion Plan 2010/11
<b>Background Papers</b>	
None	
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