

**EAST LONDON WASTE AUTHORITY**

**16 OCTOBER 2006**

**FINANCE DIRECTOR'S REPORT**

<b>EXTERNAL AUDIT – ANNUAL GOVERNANCE REPORT</b>	<b>FOR INFORMATION</b>
--	------------------------

**1 Purpose**

- 1.1 To enable the External Auditor to report on certain matters arising from the audit of the 2005/06 final accounts, to “those charged with governance” as required by the International Standard on Auditing in the UK and Ireland (ISA) 260 which replaces the Statement of Auditing Standard (SAS) 610.

**2 Statement Of Accounts**

- 2.1 The 2005/06 Statement of Accounts (see separate agenda item) have been reviewed by the External Auditor.
- 2.2 Before issuing his audit opinion the External Auditor presented an Annual Governance (ISA 260) Report to the Authority. Under delegated authority this report was received and considered by the Finance Director in consultation with the Chair. No significant issues were raised by the External Auditor.
- 2.3 Jon Hayes (District Auditor) and Sharon Martin (Audit Manager) from the Audit Commission have been invited to attend the next meeting to present their Annual Governance Report to Members.
- 2.4 Members will be pleased to note that ELWA has received an unqualified opinion in respect of (i) its Accounts and (ii) its arrangements for securing economy, efficiency and effectiveness in the use of resources including its Best Value Performance Plan for 2005/06.

**3 Recommendations**

- 3.1 Members are asked to note this report.

Geoff Pearce  
**FINANCE DIRECTOR**