

To: Governance & Audit Committee  
Date: 30 April 2010  
Subject: International Financial Reporting Standards (IFRS)  
By: Director of Finance, Lynda McMullan  
Cabinet Member for Finance, John Simmonds

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Summary: This report provides the Committee with a progress report, from the Audit Commission, on our progress towards implementing International Financial Reporting Standards (IFRS)

## **FOR INFORMATION**

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### **Introduction**

1 This agenda item is a follow-up to the previous agenda item.

### **Purpose of this report**

- 2 One of the responsibilities of this Committee is to approve the annual Statement of Accounts. For 2010/11, there are major changes needed to the Accounts in order to make them compliant with International Financial Reporting Standards (IFRS). Members will need assurance that we are able to meet this new challenge
- 3 As our External Auditors, the Audit Commission has reviewed our readiness for the implementation of IFRS. The attached report from the Audit Commission sets-out their findings from their review, and makes four recommendations.
- 4 Our response to those recommendations is set-out in the report. Members will notice that some issues have been resolved simply due to the time between the fieldwork for the review and the issuing of the final report. The 'launch' with the project team has now also happened.
- 5 We welcome this report and will continue to work closely with the Commission to ensure as smooth a transition as possible to IFRS reporting.

### **Recommendations**

- 6 In order to assess our likely readiness for implementing IFRS, Members are asked to note the attached report, in particular the four recommendations shown at Appendix 1, and our response to those.

Background Documents: The previous agenda item of this meeting

Officer Contact: Lynda McMullan, Director of Finance