

ANNEX 9 OUR AUDIT REPORT

For 2006/07 our Auditor:

1. Gave an unqualified opinion on the Authority's accounts.
2. Concluded that the Authority has adequate arrangements to secure economy, efficiency and effectiveness in its resources.
3. Identified a significant issue in terms of legal action in support of the Authority's minerals extraction policies as compensation may be payable if judgements are found against the Authority. The Audit Commission will monitor developments to assess the Authority's financial management arrangements in accordance with their responsibilities, whilst accepting that the Authority is well aware of its responsibility to safeguard its financial standing.