ANNEX B

AUDITOR'S REPORT

Huntingdonshire District Council

Audit of Accounts 2009-10
Annual Report to those Charged with Governance

28 September 2010

Contents

1 Executive Summary

Purpose of the report

ISAUK 260 requires communication of:

- relationships that have a bearing on the independence of the audit firm and the objectivity of the engagement team
- nature and scope of the audit work
- the form of reports expected.

1.1 This report has been prepared for the benefit of discussion between Grant Thornton UK LLP and the Corporate Governance Panel of Huntingdonshire District Council (the Council). The purpose of this report is to highlight the key issues arising from the audit of the Council's financial statements for the year ending 31 March 2010.

1.2 This report meets the mandatory requirements of International Standard on Auditing 260 (ISA 260) to report the outcome of the audit to 'those charged with governance', designated as the Corporate Governance Panel. The requirements of ISA260, and how we have discharged them, are set out in more detail at Appendix A.

1.3 The Council is responsible for the preparation of financial statements which record its financial position as at 31 March 2010, and its income and expenditure for the year then ended. We are responsible for undertaking an audit and reporting whether, in our opinion, the Council's financial statements present a true and fair view of the financial position.

1.4 Under the Audit Commission's Code of Audit Practice we are also required to reach a formal conclusion on whether the Council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Audit conclusions

Financial Statements Opinion

1.5 The Council produced its draft 2009/10 accounts in advance of the 30 June 2010 deadline and presented them to the Corporate Governance Panel on 30th June 2010. As in previous years, the working papers were of a good standard.

1.6 Our audit highlighted a number of issues in respect of accounting for fixed assets including revaluations and the classification of assets in the Council's records. Accounting for fixed assets will be a key audit issue in 2010/11 with the transition to IFRS accounting. The Council should use the exercise of restating its 2009/10 accounts to IFRS to address these issues.

1.7 We anticipate providing an unqualified opinion on the Council's financial statements, following approval of the accounts by the Corporate Governance Panel on 28 September 2010.

1.8 Further details of the outcome of our financial statements audit are given in Section Two and Appendix B (adjustments to the financial statements).

Value for Money Conclusion

1.9 In providing our opinion on the financial statements, we are required to reach a conclusion on the adequacy of the Council's arrangements for ensuring economy, efficiency and effectiveness in its use of resources (the Value for Money conclusion). We are pleased to report that we propose to issue an unqualified Value for Money conclusion.

1.10 The key messages arising from our review of the Council's arrangements are:

- The Council has identified weaknesses in compliance with its Code of Procurement and contract management. To address these it instigated a number of actions which have resulted in improvements.

- In common with many local authorities, the Council is experiencing significant financial pressures and having to revisit its short to medium term financial plans. The Council has already planned to meet its budget deficits over the next three years from a combination of revenue reserves and savings; however, it is now anticipated that reduced government funding is likely to increase the gap that needs to be met. This means that further savings need to be found before revenue reserves meet minimum levels. It is imperative that the Council reviews its medium term financial plans in light of public sector spending pressures.

1.11 Further information on the outcome of our Value for Money audit is contained in Section 2.

The way forward

1.12 Matters arising from the financial statements and Value for Money audit have been discussed with the Director of Commerce and Technology and the Head of Financial Services. We have made a number of recommendations, which are set out in the action plan at Appendix C.

Use of this report

1.13 This report has been prepared solely for use by the Council to discharge our responsibilities under ISA260, and should not be used for any other purpose. We assume no responsibility to any other person. This report should be read in conjunction with the Statement of Responsibilities and the Council's Letter of Representation.

Acknowledgements

1.14 We would like to record our appreciation for the assistance and co-operation provided to us during our audit by the Council's staff.

Grant Thornton UK LLP

28 September 2010

2 Detailed Findings

Introduction

2.1 This section provides a summary of findings arising from our audit of the financial statements and Value for Money (VFM) audit.

Financial Statements Audit

Status of the audit

2.2 We carried out our audit in accordance with the final Accounts Audit Plan presented to the Director of Commerce and Technology on 10 December 2009 and the Audit Approach Memorandum issued in July 2010. Our audit is substantially complete, subject to the following finalisation procedures:

- review of the final version of the financial statements
- obtaining and reviewing the Council's Letter of Representation
- updating our post balance sheet events review, to the date of signing the accounts.

Key risks

2.3 Our 2009/10 Accounts Audit Plan set out the key risks relating to the audit of the financial statements. As part of our final accounts audit, we completed work in a number of areas to consider the audit risks identified, and have set out in Exhibit One the outcome of work completed. Our review of the risks facing the Council has not identified any additional risk areas.

Exhibit One: 2009/10 Key audit risks

Key audit risk	Conclusion
Risk 1	
Investment balances There remains a risk of financial institutions becoming insolvent. This could potentially lead to overstatement of investment balances. In addition, interest rates remain low and impact on the support the investment income provides to the Council Fund.	We have reviewed the Council's investments and have gained assurance that these have been made in accordance with its Treasury Management Strategy. On-going discussions are held with the Council on the level of income it anticipates from its investments. We are satisfied that the Council's plans are reasonable.

Risk 2	
Current economic climate The current economic climate brings a variety of risks to the audit of the Council's accounts. The revaluations undertaken on land and buildings remain a key area and will be considered in detail as part of the audit process. In addition to this, pressure on businesses leads to a higher risk of default on national non-domestic rates payments to the Council, as higher levels of unemployment lead to an increased risk of default in paying Council Tax. Other implications include a reduction in the level of capital receipts as sales of assets fall.	We have considered the revaluations undertaken by the Council during the year and identified audit adjustments. We have reviewed the Council's bad debt provisions as part of detailed audit procedures. No issues were identified. The Council had no material disposals of fixed assets during the 2009/10 financial year and will be reviewing the levels and timing of capital receipts that it has assumed in its Medium Term Plan.
Risk 3	
Members allowances There continues to be significant local public interest in the level of members allowances.	We have reviewed the Members Allowances disclosures in the financial statements and have gained assurance that these are not mis-stated.
Risk 4	
SORP requirements The 2009 SORP has changed the arrangements for accounting for Council Tax and NNDR debtors and creditors. The prior year adjustment as a result of these changes will be considered alongside current year treatment of balances.	From our audit procedures and adjustments to the financial statements we have gained assurance that the requirements of the SORP have been followed and that Council Tax and NNDR debtors have been correctly restated for 2008/09.
Risk 5	
Revaluation A number of adjustments were required to the 2008/09 accounts as a result of a full revaluation of land and property assets. The revaluation has a continuing impact on future transactions specifically relating to the Council's Revaluation Reserve and Capital Adjustment Account.	We have considered the revaluations undertaken by the Council during the year and identified audit adjustments.

2.4 The Corporate Governance Panel should confirm that it is not aware of any additional material risk areas facing the Council, including significant fraud risks.

Matters arising from the financial statements audit

2.5 We were presented with the draft financial statements on 28th June 2010, in advance of the statutory deadline of 30 June 2010. The supporting working papers were provided in accordance with the agreed timetable for audit and the requirements highlighted in our Arrangements Letter.

2.6 Regular liaison meetings were held between the audit team and key finance officers prior to the preparation of the draft accounts, and throughout the audit fieldwork. This enabled early resolution of emerging issues.

2.7 Matters arising from the financial statements audit are set out below. Where appropriate, we have made recommendations for improvement, as set out in the agreed action plan at Appendix C.

Fixed Asset Revaluations - Leisure Centres

2.8 Our audit procedures identified a number of issues in relation to the accounting for the Council's leisure centre assets, in particular, highlighting an inconsistency between the records for these assets held by the Finance department and those held by the Estates department.

2.9 A significant amount of development work was undertaken at the Council's five leisure centres during 2009/10. As a result of this, the Estates Department commissioned a professional valuer to establish the revised value of the centres as at 1 April 2010. Only three of the five centres were revalued based on the Estates Department assessment of the completion status of the development work at the various centres. The Council then applied a series of adjustments with the intention of achieving an equivalent valuation across the other two centres

2.10 Our investigations showed that there were a number of problems with the completeness, consistency and comparability of both the professional valuations and the Council's own adjustments. All of the adjustments have therefore been reversed to remove them from the financial statements and the next revaluation will need to organised in a way that ensures these criteria are met

2.11 In addition, the Council's own review of the previous valuations of the leisure centres highlighted that some components of the assets had not been included in valuations performed as at 1 April 2009 or 1 April 2010.

2.12 The valuer had not been instructed to perform the valuation on the same basis that it had been performed prior to 1 April 2009 resulting in components of the assets valued at £940k not being revalued in 2009 and 2010. The valuations were not, therefore, consistent or comparable with those undertaken prior to 1 April 2009 and the revised values have been removed from the financial statements.

2.13 This resulted in a reduction in the value of fixed assets of £2.3m, with a reduction in impairment charges to the income and expenditure account of £1.6m and £0.7m to the revaluation reserve respectively. However balancing statutory adjustments mean that these changes have no impact on the reported General Fund balance as at 31 March 2010.

Classification of Non-Operational Assets

2.14 The Council reclassified £1.3m of surplus assets held for disposal as investment properties. The reclassification had been performed to meet IFRS requirements; however, for 2009/10 UK GAAP categorisations still apply. The reclassification has been reversed with no impact on the closing balance sheet position. The Council should review the classification of its non-operational assets as part of its IFRS restatement exercise to ensure that they are accounted for in accordance with the appropriate accounting standards.

Restatement of Council Tax and NNDR Balances

2.15 The 2009 SORP changed the arrangements for accounting for Council Tax and NNDR debtors and creditors.

2.16 In order to comply with UK GAAP, only the Council's share of council tax debtors and creditors should be included in the statement of accounts. This required the restatement of the 2008/09 accounts to remove other major preceptors' shares of the debtors previously accounted for in the Council's balance sheet.. As part of this restatement £96k was incorrectly recorded against cash. This adjustment has therefore been restated against creditors.

2.17 Amendments required to restate amounts owed to/from the National NNDR pool had been performed incorrectly. Adjustments of £691k have therefore been processed to restate opening balances.

Other accounts issues arising

2.18 In its budget on 22 June 2010 the Government announced its proposals to move to using the Consumer Price Index (CPI) as the measure of price inflation for public sector schemes from April 2011. Currently the Retail Price Index (RPI) is the measure used. This change will affect the valuation of the pension fund liability included on the Council's balance sheet.

2.19 FRS21, Events after the Balance Sheet Date, requires audited bodies disclose the nature of any material non-adjusting post balance sheet event and provide an estimate of its financial effect.. It is considered that the announcement constitutes a non-adjusting post balance sheet event for the 2009/10 financial statements. The Council has included an estimate as provided by the Scheme's Actuary of the likely impact on its FRS17 liabilities as a non-adjusting post balance sheet event.

2.20 In addition to the matters raised above, there were a number of other minor misclassification and presentational changes that arose during the course of our audit and these have been made to the accounts.

Adjusted misstatements

2.21 All identified adjustments have been processed by management. Details of these are included at Appendix B. The overall effect of the adjustments is to reduce the income and expenditure deficit by £1.6m and increase the Council's net worth by £2.271m. The capital nature of these adjustments means that they have no impact on the Council's General Fund balance.

2.22 The Council also identified a number of adjustments relating to balance sheet classifications subsequent to the approval of the accounts. None of these adjustments had an impact on the Council's General Fund balance.

Unadjusted misstatements

2.23 There are no unadjusted misstatements to report.

Financial Statements Opinion

2.24 We anticipate providing an unqualified opinion on the Council's financial statements, following approval of the accounts by the Corporate Governance Panel on 28 September 2010.

Financial performance

2.25 The Council reported an underspend of £1.9m primarilly due to extra interest and one-off additional items relating to government specific grants and recovery of VAT against its agreed 2009/10 budget, which it has placed in a special Reserve intended to meet any future one-off costs of achieving the savings required over the next few years. After the creation of this reserve the Council has reported a favourable variance of £74k (£470k in 2008/09). The revenue budget monitoring report as presented to the July Cabinet meeting highlights that an unfavourable variance of £68k is forecast against the agreed 2010/11 budget which increases the amount of revenue expenditure to be funded from general reserves to £4.738m. It is essential that the Council closely monitors its financial performance throughout 2010/11 and takes appropriate and timely action to address any adverse variances to planned spending that occur.

2.26 The current economic climate has placed significant pressure on the public sector and local government in particular, to generate efficiencies and operate within reduced resources. The Council has already planned to meet its budget deficits over the next three years from its revenue reserves and savings; however, it is anticipated that reduced funding is likely to increase the gap that needs to be met. This means that unless resulting gaps are addressed through savings or other means, reserves will be used up more quickly than planned. It is imperative that the Council reviews its medium term financial plans in light of public sector spending pressures.

Evaluation of key controls

2.27 We have undertaken sufficient work on key financial controls for the purpose of designing our programme of work for the financial statements audit. Our evaluation of the Council's key financial control systems did not identify any control issues that present a material risk to the accuracy of the financial statements.

2.28 Our testing of additions to fixed assets identified a minor issue resulting from a small number of invoices not being passed to the Finance team promptly and, therefore, the potential for them not being included in the correct accounting period. The Council needs to ensure that all departments are aware of the requirements around cut-off and provide financial information to the Finance team on a timely basis, particularly at or around year-end.

2.29 We performed a high level review of the general IT control environment as part of the overall review of the internal control system and concluded that there were no material weaknesses within the IT arrangements that could adversely impact on our audit of the accounts, but some minor recommendations were identified and these are included at Appendix C.

2.30 The IT issues identified relate to the Council's current network access security arrangements and represent findings where an immediate action should be considered by the Council.

2.31 We have reviewed the work of internal audit and concluded that the scope and conduct of internal audit work was appropriate to provide adequate assurance on the effective operation of controls. We have therefore taken assurance from the work of internal audit in our evaluation of controls where appropriate.

Annual Governance Statement

2.32 We have examined the Council's arrangements and processes for compiling the Annual Governance Statement (AGS). In addition, we read the AGS to consider whether the statement is in accordance with our knowledge of the Council.

2.33 We have concluded that the Council has good arrangements in place to compile the AGS and provide an adequate audit trail for the Chief Executive and Leader to sign the statement.

Transition to IFRS

2.34 We have discussed the Council's progress with the transition to IFRS and consider that appropriate progress is being made. However, as noted elsewhere in this report., the Council should ensure that it thoroughly reviews the accounting treatment of fixed assets under IFRS, in particular the adoption of an appropriate component accounting basis. Further, the Council should restate its 2009/10 accounts under IFRS as soon as possible and obtain independent review of the restated accounts.

Value for Money

2.35 The Audit Commission's Code of Audit Practice requires us to assess whether the Council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. In discharging this responsibility, we are required to review and, where appropriate, examine evidence that is relevant to the Council's corporate performance management and financial management arrangements.

2.36 Our 2010 Value for Money conclusion has been informed by work carried out on Use of Resources up until the abolition of Comprehensive Area Assessment.

2.37 On the basis of the work completed, we propose to issue an unqualified Value for Money conclusion.

2.38 The key developments in the Council's arrangements include:

- An internal audit review undertaken in 2009/10 on contract management identified a number of breaches of the Council's Code of Procurement. Breaches included non-compliance with EU procurement regulation and only obtaining only single tenders where competition could have been achieved. An action plan to address the issues identified was approved and implemented by the Council. A subsequent review of procurement practice was completed during summer 2010. This concluded that whilst there are still breaches of Code procedures occurring, these are not considered to be similar in scale or magnitude to those previously identified. The Council will need to ensure that it continues to monitor compliance with the Code.

- The Council has taken steps during the year to improve integration of financial and non-financial performance reporting. A working group was formed during 2009/10 to look at performance against strategic priorities and the linkages with budget allocations. This indicates that the Council is taking steps towards gaining a greater understanding of how budgets are linked to corporate objectives and how this then ties into the Council's performance. This is a good example of understanding the linkages between financial and non-financial performance.

2.39 The main areas where further action is required by the Council include:

- the Council should continue to regularly review its short to medium term plans for using its revenue reserves to support spending, and

- developing detailed and realistic savings plans which include the findings of service reviews and the outcomes of the budget consultation which is currently in progress.

Next steps

2.40 The Corporate Governance Panel is required to approve the financial statements for the year ended 2009-10. In forming its conclusions the Committee's attention is drawn to the adjustments to the accounts and the required Letter of Representation.

A Reporting requirements of ISA 260

The principal purpose of the ISA 260 report is:

To reach a mutual understanding of the scope of the audit and the respective responsibilities of the auditor and those charged with governance.
To share information to assist both the auditor and those charged with governance fulfil their respective responsibilities.
To provide to those charged with governance constructive observations arising from the audit process.

ISA260 reporting requirement	Key messages
Independence	We are able to confirm our independence and objectivity as auditors and draw attention to the following points: • We are independently appointed by the Audit Commission. • The firm has been assessed by the Audit Commission as complying with its required quality standards. • The appointed auditor and client service manager are subject to rotation in line with the Audit Commission's requirements. • We comply with the Auditing Practices Board's Ethical Standards. • We have not provided any non audit services in 2009-10.
Audit Approach	Our approach to the audit was set out in our 2009-10 audit plan. We have planned our audit in accordance with auditing standards and the Audit Commission's Code of Audit Practice. Other key factors to highlight include: • We consider the materiality of items in the financial statements in determining the audit approach and in determining the impact of any errors. • We have been able to place appropriate reliance on the key accounting systems operating at the Council for financial statement audit purposes. • In 2009-10 we have been able to take assurance from the work of internal audit in respect of the key accounting systems.

ISA260 reporting requirement	Key messages
Accounting Policies	The Council has adopted appropriate accounting policies in the areas covered by our testing. Accounting policies are in accordance with the SoRP 2009. The Corporate Governance Panel should confirm that it is satisfied that the accounting policies adopted are the most appropriate, as required by FRS 18. We have considered the Council's financial plans and consider it appropriate for the Council to continue to account on a going concern basis.
Material Risks	The Corporate Governance Panel should confirm that it is not aware of any additional material risk areas facing the Council, including significant fraud risks. We have requested from the Council a Letter of Representation, to state that there are no additional material risks and exposures as at 28 September 2010, which should be reflected in the financial statements. We will also perform our own audit procedures to ensure that all significant risks and exposures to the Council have been recognised in the accounts as at 28 September 2010. We will focus on accounting provisions and cash flow forecasting over the next 12 months.
Audit Adjustments	We have discussed with management the adjustments to the accounts, primarily to improve the true and fair presentation of the financial statements, as well as the clarity and presentation of disclosure notes. These adjustments are summarised at Appendix B.
Unadjusted Errors	We have identified no unadjusted errors to the accounts which require reporting to those charged with governance.
Other Matters	We have made recommendations in respect of some areas for improvement in internal control. Recommendations and agreed action are listed in the Action Plan at Appendix C.

B Adjustments to the financial statements

The table below lists all significant audit adjustments which have been processed and agreed with the Director of Commerce and Technology.

Adjustment Type

Misstatement - A change to the value of a balance presented in the financial statements.
Classification - The movement of a balance from one location in the accounts to another.
Disclosure - A change to the way in which a balance is disclosed or presented in an explanatory note.

Adjustment type	£000	Accounts balance	Impact on financial statements
Misstatement	2,156	Tangible Fixed Assets - Land and Buildings Our investigations showed that there were a number of problems with the completeness, consistency and comparability of both the professional valuations and the Council's own adjustments. All of the adjustments have therefore been reversed to remove them from the financial statements and the next revaluation will need to organised in a way that ensures these requirements are met.	Reduction of I&E deficit of £1,600k and a reversal of £671k reduction in reserves. The net impact on the closing balance sheet is an increase of £2,271k relating to the valuation of tangible fixed assets. No impact on the General Fund balance.

Adjustment type	£000	Accounts balance	Impact on financial statements
Misstatement	139 (2009)	Earmarked Reserves - Leisure Centres As at 31 March 2009, the accounts of the Leisure Centre Management Committees were reported independently from the Council's accounts. The Management Committees ceased to exist from 1 April 2009 and all income and expenditure is now accounted for by the Council. Balance sheet amounts relating to the Council's leisure centres were originally included as part of the opening balance sheet restatement. The correct treatment of this restatement is as an in year movement appropriately disclosed within the STRGL.	Removal of £139k net assets from the opening balance sheet. No impact to amounts recorded in the closing balance sheet or overall movement in net worth. No impact on the General Fund balance.
Classification	691 (2009)	Creditors / Debtors As part of the opening balance sheet restatement required by the 2009 SoRP, the amendments required to restate amounts owed to/from the National NNDR pool had not been performed correctly. Adjustments have therefore been processed to restate opening balances accordingly.	Net nil impact to the opening balance sheet. No impact on the General Fund balance.
Classification	96 (2009)	Cash / Creditors As part of the opening balance sheet restatement required by the 2009 SoRP, an amendment to restate amounts owed to Council Tax preceptors was incorrectly recorded against cash. The adjustment has therefore been restated against creditors.	Net nil impact to the opening balance sheet. No impact on the General Fund balance.

Adjustment type	£000	Accounts balance	Impact on financial statements
Disclosure	1,271	Tangible Fixed Assets Cr - Investment Properties Dr- Surplus Assets Held for Disposal	Net nil impact to the closing balance sheet. No impact on the General Fund balance.
Disclosure	5,000	Cash flow statement A series of disclosure adjustments have been performed to ensure appropriate disclosure of cash flow movements as part of revenue activities, capital activities and management of liquid resources as required by the 2009 SoRP.	No net impact to other financial statements. No impact on the General Fund balance.

The overall effect of the above misclassifications is to reverse £1.6m of the Council's income and expenditure deficit. The net impact on the closing balance sheet is an increase of £2.271m relating to the valuation of tangible fixed assets. Due to the statutory reversals of defined items there is no impact on the General Fund balance.

C Action Plan

Rec. No.	Para Ref	Recommendation	Priority H/M/L	Council response	Implementation date and responsibility
1	2.11	**Accounting for Fixed Assets - IFRS Restatement** As part of the transition to IFRS accounting, the Council should undertake a thorough review of its fixed asset register to ensure that the restated financial statements accurately present the Council's fixed assets on an appropriate component basis.	High	Agreed	Accountancy Manager By January 2011
2	2.11	**Accounting for Fixed Assets - Valuation** All instructions to valuers should be agreed between the Finance Department and the Estates Department to ensure that they meet IFRS accounting requirements and are consistent with previous instructions.	High	Agreed	Accountancy Manager By February 2011
3	2.11	**Accounting for Fixed Assets - Classification** The Council should review the classification of its assets as part of its IFRS restatement exercise to ensure that they are accounted for in accordance with the appropriate accounting standards.	High	Agreed	Accountancy Manager By October 2010

4	2.28	**Cut Off** Our testing of additions to fixed assets identified an issue relating to the cut-off of expenditure. Invoices had not been provided to the Finance team promptly and, therefore, had not been included in the correct accounting period. The Council needs to ensure that all departments are aware of the requirements around cut-off and provide financial information to the Finance team on a timely basis, particularly at or around year-end.	Medium	Agreed	Accountancy Manager By March 2011
5	2.29	**Cedar eFinancials administrative access** Management should consider the feasibility of removing powerful administrative access from operational users of Cedar eFinancials to ensure appropriate segregation of duties is maintained in the system. If this is not feasible, then management should consider issuing each super-user two identities. The first identity should have the appropriate access restrictions for the user to perform their day-to-day operational duties. The second administrator identity should be assigned to the user and monitored to ensure actions performed are appropriate and authorised.	High	It is not feasible for the super user role to be moved away from Accountancy and therefore the super users will also have to carry out operational functions. Having two separate IDs will not help because system audit reports are not by user but by activity. The Accountancy Manager will: • Regularly review the available system audit reports which highlight relevant changes, • consider the need for further controls and monitoring	Accountancy Manager By: October 2010

6	2.29	**Network intrusion detection and prevention** The Council should consider implementing an intrusion detection or prevention system.	Medium	An Intrusion Detection system is estimated to cost in excess of £50k and if installed would require almost a full time person to monitor, manage and maintain. This is not practical for the council financially and in terms of resources. This view has been discussed with our Government Connect assessor (most recently on 13/08/10) and it was agreed that IMD will continue to investigate what can be done with existing network infrastructure i.e. our Alcatel Lucent network switches and internal resources.	IMD Operations Manager Investigations will run over the next 12 months.
7	2.29	**Encryption of wireless networks** Management should ensure that plans to upgrade the encryption of the wireless networks from WEP to WPA2 are completed promptly.	Medium	Agreed. Discussions are underway with Nigel Arkle as to the best procurement route for a upgrade of our wireless network. It is hoped that we will replace the stand alone wireless boxes with a WAM box which will allow us to meet the needs of Government Connect in terms of security and encryption	IMD Operations Manager Installation of a solution by April 2011.

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