



U.S. DEPARTMENT OF JUSTICE ANNUAL SPECIAL-PURPOSE FINANCIAL STATEMENTS FISCAL YEAR 2010

U.S. Department of Justice
Office of the Inspector General
Audit Division

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**U.S. DEPARTMENT OF JUSTICE
ANNUAL SPECIAL-PURPOSE
FINANCIAL STATEMENTS
FISCAL YEAR 2010**

**OFFICE OF THE INSPECTOR GENERAL
COMMENTARY AND SUMMARY**

This audit report contains the Annual Special-Purpose Financial Statements, also known as the Closing Package Financial Statements, of the U.S. Department of Justice (Department) for the fiscal years (FY) ended September 30, 2010, and September 30, 2009. The Office of the Inspector General (OIG) performed the Department's audit in accordance with U.S. generally accepted government auditing standards. The audit resulted in an unqualified opinion on the FY 2010 special-purpose financial statements. An unqualified opinion means that the financial statements present fairly, in all material respects, the financial position and the results of the entity's operations in conformity with U.S. generally accepted accounting principles. The FY 2009 special-purpose financial statement audit was performed by KPMG, LLP and also resulted in an unqualified opinion (OIG Report No. 10-06).

The Department's special-purpose financial statements were prepared in accordance with Volume I, Part 2 – Chapter 4700 of the U.S. Department of the Treasury's *Treasury Financial Manual* (TFM). Their purpose is to assist the U.S. Department of the Treasury in preparing the U.S. Government Financial Report, by reclassifying the Department's general-purpose financial statements into a standard format that will be consolidated with other federal agencies, and reporting the Department's intragovernmental balances by federal agency to facilitate elimination of agency to agency transactions.

For FY 2010, the *Independent Auditors' Report on Special-Purpose Financial Statements* did not identify any significant deficiencies in internal control over financial reporting or instances of non-compliance with laws and regulations.

The OIG is not independent with respect to amounts pertaining to OIG operations that are presented in the financial statements. However, the amounts included for the OIG are not material to the Department's financial statements, and the OIG is organizationally independent with respect to all other aspects of the Department's activities.