

Minutes of Accounts & Audit Committee

Meeting Date: Wednesday, 28 August 2013 starting at 6.30pm
Present: Councillor J Hill (Chairman)

Councillors:

P Ainsworth	M Thomas
I Brown	R Newmark
A Knox	N C Walsh
G Mirfin	

In attendance: Chief Executive, Director of Resources, Head of Financial Services and Georgia Jones (Grant Thornton).

Also in attendance: Councillor J Shervey.

196 APOLOGIES

Apologies for absence from the meeting were submitted on behalf of Councillors R Bennett, S Hirst and R Moores.

197 MINUTES

The minutes of the meeting held on 26 June 2013 were approved as a correct record and signed by the Chairman.

198 DECLARATIONS OF INTEREST

There were no declarations of interest at the meeting.

199 PUBLIC PARTICIPATION

There was no public participation.

200 THE AUDIT FINDINGS

Georgia Jones submitted a report on behalf of Grant Thornton which outlined the audit findings and key matters arising from the audit of the Council's financial statements for the year ended 31 March 2013. She informed Committee that Grant Thornton anticipated providing an unqualified opinion on the financial statements, however they had identified two adjustments which did not affect the Council's reported financial position. The key messages arising from the audit of the Council's financial statements were

- Working papers were of a good standard and received responses to queries on a timely basis.
- Few errors were identified in the financial statements subject to the completion of the remaining audit work.
- The intention was to issue an unqualified opinion.

- The value for money conclusion based on the review of the Council's arrangements to secure economy, efficiency and effectiveness in its use of resources was again to give an unqualified conclusion.

The report highlighted the audit findings against significant risks, other risks including operating expenses, employee remuneration, welfare expenditure (where two errors were identified but did not have a material impact on the benefit claim or on the values disclosed in the accounts), internal controls, value for money, fees and communication of audit matters.

One area identified for improvement was around how Members get an overview of the high level risks that might impact on the Council's strategic objectives. The recommendation was to create a corporate risk register. The report also included an overview of all the audit findings.

The Chairman thanked Grant Thornton for this report and also conveyed thanks to the Director of Resources financial team.

RESOLVED: That the report be received.

201 REVIEW OF THE COUNCIL'S ARRANGEMENTS FOR SECURING FINANCIAL RESILIENCE

Georgia Jones presented a report on behalf of Grant Thornton which was a new audit report and that included comparisons to Ribble Valley Borough Council's statistical nearest neighbour authorities as a benchmarking group. The report gave an overview of arrangements for key indicators of performance, strategic financial planning, financial governance and financial controls. The key indicators included liquidity, borrowing, workforce, performance against budgets and reserve balances. Graphs were also included showing comparisons with other 'like councils'. The assessment on all of these areas met or exceeded adequate standards.

Committee were extremely pleased with this report and thanked Georgia Jones and Grant Thornton for it.

It was felt that the residents of Ribble Valley should be made aware of the report.

RESOLVED: That the report be received.

202 LETTER OF REPRESENTATION

The Director of Resources submitted a report which included the letter of representation that Grant Thornton required to be signed before they would sign off the accounts. This letter sets out assurances from the Council to Grant Thornton that relevant accounting standards had been complied with and gave further assurances that the Council had disclosed information where to withhold it would have undermines the accuracy and reliability of the statement of accounts.

RESOLVED: That Committee approve the Director of Resources signing the letter of representation for 2012/2013 on behalf of the Council.

203 APPROVAL OF AUDITED STATEMENT OF ACCOUNTS FOR 2012/2013

The Director of Resources submitted a report asking Committee to formally approve the Statement of Accounts for 2012/2013 following the completion of the audit. These had been previously approved subject to audit. The final approved version had to be published by the end of September 2013. The Head of Financial Services reported that he was pleased that in the main, there had only been minor adjustments to the draft accounts recommended by the auditors which were an amended overall total of grants credited to services and the classification of leases by expiry date rather than showing the values classified by payment due date.

RESOLVED: That Committee approve the audited Statement of Accounts for 2012/2013 and these were then signed by the Chairman.

204 INTERNAL PROGRESS REPORT 2013/2014

The Director of Resources submitted a report for Committee's information on the internal audit work progress to date for 2013/2014. The report included a full audit plan for 2013/2014 for Committee's information.

RESOLVED: That the report be noted.

205 EXCLUSION OF PRESS AND PUBLIC

RESOLVED: That by virtue of the next item of business being exempt information under Category 3 of Schedule 12A of the Local Government Act 1972 the press and public be now excluded from the meeting.

206 RISK MANAGEMENT – UPDATE ON RED RISKS

The Director of Resources submitted a report providing Members with an update on the current areas of high risk for the Council as identified on the risk register. At the present time there were four red risks included on the register:

- Delivery of the Council's paper and cardboard waste to the Lancashire County Council PFI facility
- Planning appeals
- Core Strategy – the Inspector finding the plan to be unsound at Examination due to disagreement with the Council's position
- Core Strategy – the Inspector finding the plan to be unsound due to conflict with new legislation

Committee discussed the risks surrounding planning appeals and the Core Strategy and how these would be dealt with and asked that a report on expenditure to date be presented to a future meeting of either Planning and Development Committee or Policy and Finance Committee.

RESOLVED: That the report be noted.

The meeting closed at 7.45pm.

If you have any queries on these minutes please contact Jane Pearson (414430).