

Minutes of Accounts & Audit Committee

Meeting Date: Wednesday, 17 August 2016, starting at 6.30pm
Present: Councillor K Hind (Chairman)

Councillors:

P Ainsworth	S Hind
S Atkinson	A Knox
I Brown	R Newmark
P Dowson	N C Walsh
G Geldard	

In attendance: Chief Executive and Head of Financial Services.

Also in attendance: Karen Murray and Caroline Stead – Grant Thornton.

140 APOLOGIES

Apologies for absence from the meeting were submitted on behalf of Councillors R Sherras.

141 MINUTES

The minutes of the meeting held on 29 June 2016 were approved as a correct record and signed by the Chairman.

142 DECLARATIONS OF PECUNIARY AND NON-PECUNIARY INTEREST

There were no pecuniary and non-pecuniary declarations of interest.

143 PUBLIC PARTICIPATION

There was no public participation.

144 THE AUDIT FINDINGS

Karen Murray 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 2016. She informed Committee that Grant Thornton anticipated providing an unqualified opinion on the financial statements as there were no significant issues and just a small number of amendments which did not affect the Council's reported financial position.

The key messages arising from the audit of the Council's financial statements were:

- the accounts presented for audit were prepared to a very good standard and early;

- no adjustments were identified to the accounts affecting the Council's reported financial position;
- there was nothing significant found with regard to significant risks, other risks, accounting policies, estimates and judgements or other communication requirements;
- the materiality remained unchanged.

One item was identified during the course of the audit under Internal Controls:

- The Director of Resources access rights to raise journals on the financial ledger system.

Management responses had been made to this issue, particularly highlighting the size of the Council and the role of the Director of Resources in our operations. This had been raised last year and at that time Members were of the opinion that this was unavoidable given our staffing levels and the risks were manageable. The external auditors confirmed that all journals that had been raised by the Director of Resources were in respect of the May 2015 elections. These had been reviewed with no matters arising.

The report included details of misclassification and disclosure changes that had been identified during the audit which had been made in the final set of financial statements. These related to the cash flow statement, PPE additions and senior officers' remuneration. The amendments had been made but did not affect the Council's reported financial position.

Karen Murray requested that their thanks to the staff in the Resources Department be formally noted.

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

145 LETTER OF REPRESENTATION

The Director of Resources submitted a report which included the Letter of Representation that Grant Thornton had required to be signed before they could 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 undermine the accuracy and reliability of the statement of accounts.

RESOLVED: That Committee approve the Director of Resources signing the Letter of Representation for 2015/16 on behalf of the Council.

146 APPROVAL OF AUDITED STATEMENT OF ACCOUNTS 2015/16

The Director of Resources submitted a report asking Committee to formally approve the Statement of Accounts for 2015/16 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 2016.

The Head of Financial Services reported that he was pleased in the main that there had only been a few amendments required. These amendments had no impact on the overall figures stated in the main statements of comprehensive income and expenditure statement or the balance sheet. The changes required and made included:

- cash flow statement: the capital payments included in the investing activities line of the cash flow statement had not been adjusted for the year end accruals; this has now been adjusted;
- property, plant and equipment note 10: the cost of the new roof and windows installed at the Council's offices had been included as an addition to the property, plant and equipment balance of the Council as vehicles, plant, furniture and equipment - the correct classification was other land and buildings; this had now been amended; and
- officers' emoluments note 24: the remuneration recorded in note 24 for the Chief Executive, Director of Community Services and the Director of Resources did not originally include an element of back pay paid in April 2015; whilst not material, these values have now been amended because of the sensitivity of this note.

Following receipt of the auditor's opinion the accounts would be published on the website prior to the deadline of 30 September 2016.

The report also included a copy of the Annual Governance Statement which had been approved by this Committee at its last meeting in June. There had been no further changes made to this document.

RESOLVED: That Committee approve the audited Statement of Accounts for 2015/16 along with the audited annual Governance Statement 2015/16.

147 INTERNAL AUDIT PROGRESS REPORT 2016/17

The Director of Resources submitted a report for Committee's information on the internal audit work progress to date for 2016/17. The report included a full audit plan for Committee's information along with the assurance opinions for the audits that had been completed. The report also gave Members an update on red risks where the position remained the same as reported to the last meeting of this Committee on 29 June 2016, with the one red risk in respect of waste management and the withdrawal of cost sharing in March 2018. This was being progressed by Community Services Committee and regular monitoring of the risk would continue.

RESOLVED: That the report be noted.

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YEAR END PERFORMANCE INFORMATION 2015/16

The Director of Resources submitted a report for Committee's information for the year end 2015/16 that detailed performance against our local performance indicators.

RESOLVED: That the report be noted.

The meeting closed at 7pm.

If you have any queries on these minutes please contact Jane Pearson (425111).