

## **Audit Committee – 29 September 2010**

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Minutes of the meeting of the **Audit Committee** held on **29 September 2010** when there were present:-

Chairman: Cllr Mrs J A Mockford  
Vice-Chairman: Cllr Mrs G A Lucas-Gill

Cllr D G Stansby

Cllr J Thomass

### **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Cllrs Mrs J Dillnutt, K A Gibbs, T Livings, J R F Mason, Mrs J E McPherson and Mrs B J Wilkins.

### **OFFICERS PRESENT**

Y Woodward	- Head of Finance
S Scrutton	- Head of Planning and Transportation
T Metcalf	- Audit and Performance Manager
C Watkins	- Financial Services Manager
J Kevany	- Principal Auditor
S Worthington	- Committee Administrator

### **ALSO PRESENT**

R Bint	- PKF
L Clampin	- PKF

### **245 MINUTES**

The Minutes of the meeting held on 15 June 2010 were approved as a correct record and signed by the Chairman.

### **246 FINANCIAL STATEMENTS 2009/10**

The Committee considered the report of the Head of Finance on the accounts for 2009/10.

#### **Resolved**

That the Financial Statements be approved and signed by the Chairman.  
(HF)

### **247 EXTERNAL AUDIT OF FINANCIAL STATEMENTS 2009/10**

The Committee considered the report of the Head of Finance on the external auditors' report on the audit of the Financial Statements for 2009/10.

Members were advised that the external auditors' annual governance report 2009/10 contained an error on page 9. The top bullet point on page 9 should be replaced with the following:-

“Housing benefit bad debt provision (for recovery of overpayments made to benefit claimants): Our testing identified that a reasonable provision had been made against bad debts but had been incorrectly posted, which resulted in a £94,000 overstatement of expenditure and understatement of income by the same amount”.

The external auditors had completed the work that had been outstanding at the time of drafting their report. They were able to confirm that the post balance sheet events review was satisfactory as were the corrected cash flow statements. They also advised that there was no indication of any likely misstatement of the accounts as a result of the substantive testing of housing and council tax benefits work and that there were no further issues relating to clearance of manager and partner review queries.

### **Resolved**

- (1) That the report be noted and that implementation of any action plans be reported through the audit process.
- (2) That the Chairman of the Audit Committee sign the Statement, as outlined in the report. (HF)

### **248 PKF ANNUAL GOVERNANCE REPORT 2008/09 UPDATE OF RECOMMENDATIONS**

The Committee considered the report of the Head of Finance drawing Members’ attention to the completion of all the recommendations from the “annual governance report, 2008/09”.

### **Resolved**

That the monitoring sheets for the external audit recommendations be agreed. (HF)

### **249 ANNUAL AUDIT PLAN PROGRESS REPORT**

The Committee considered the report of the Head of Finance providing Members with the opportunity to monitor the progress of the Internal Audit Plan for 2010/11 and to agree changes to the Plan after six months of the year.

### **Resolved**

That the changes to the 2010/11 Audit Plan be agreed and progress be noted. (HF)

### EXCLUSION OF THE PRESS AND PUBLIC

#### Resolved

That the press and public be excluded from the meeting for the remaining item of business on the grounds that exempt information as disclosed in paragraph 3 of Part 1 of the Local Government Act 1972 would be disclosed.

### 250 AUDIT REPORT

The Committee considered the exempt report of the Head of Finance drawing Members' attention to completed audit investigations and providing an update of audit recommendations.

In response to a Member question relating to audit report 3, officers advised that the Council had in place service level agreements with any organisations in receipt of grants of £2,000 or above. In the case of organisations in receipt of smaller grants there was to be a system of random checks, particularly for organisations re-applying for grants, to ensure that previously granted funds had been correctly utilised.

During debate of audit report 11, officers advised that all the recommendations in the action plan appended to the audit report had now been implemented. Officers confirmed that these actions should resolve the issue. Members requested that a further review be brought to this Committee in 12 months' time. Members further emphasised that the code to the key cabinet should be changed whenever a member of staff terminated their employment with the Council and that in future any such anomalies should be reported promptly.

#### Resolved

- (1) That the conclusions and results from the audit in appendix 1 be agreed.
- (2) That the updated information on the audit recommendations, outlined in appendix 3, be agreed. (HF)

The meeting closed at 8.05 pm.

Chairman .....

Date .....

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