

## **Audit Committee – 29 September 2020**

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Minutes of the meeting of the **Audit Committee** held on **29 September 2020** when there were present:-

Chairman: Cllr Mrs L A Butcher  
Vice-Chairman: Cllr D Merrick

Cllr Mrs T L Carter  
Cllr M J Lucas-Gill  
Cllr R Milne  
Cllr J E Newport

Cllr Mrs L Shaw  
Cllr P J Shaw  
Cllr D J Sperring

### **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Cllrs M Hoy and G J Ioannou.

### **SUBSTITUTES**

Cllr S A Wilson - for Cllr M Hoy

### **OFFICERS PRESENT**

N Lucas - Assistant Director, Resources  
C Cox - Principal Accountant  
S Worthington - Principal Democratic & Corporate Services Officer  
L Morris - Democratic Services Officer

### **ALSO PRESENT**

D Hanson - Ernst & Young LLP  
C Weaver - Ernst & Young LLP

### **147 MINUTES**

The Minutes of the meeting held on 28 July 2020 were approved as a correct record and would be signed by the Chairman in due course.

### **148 FINANCIAL STATEMENTS 2019/2020**

The Committee considered the report of the Assistant Director, Resources presenting the audited accounts for 2019/2020 for Members' approval.

It was noted that the draft accounts had been published on the Council website on 25 June 2020 before the statutory deadline. The Council's external auditors, EY, had completed the majority of work and had given their preliminary audit conclusions on the accounts; there was outstanding work to be completed around internal consultation procedures on going concern assessment and disclosure and material uncertainty in relation to land and buildings valuation; final review of audit work and receipt of signed accounts, statement of responsibilities and management representation letter. Normal deadlines for sign off of final accounts had been extended slightly to the end

of November due to COVID-19 and it was anticipated that this would be done before that deadline.

EY confirmed that it had been a very successful audit this year, continuing the positive direction of travel from last year, with only one small audit difference highlighted in the audit report. EY extended thanks to the RDC Finance team for their support during the audit.

EY confirmed that the one unadjusted audit difference in the draft financial statements was for £0.13 million and related to an internal recharge issue. No internal control weaknesses had been identified. In the provisional audit planning report in respect of value for money work a significant risk was identified relating to the Council's asset delivery programme. EY reviewed the Council's final business case and the work of specialists used to support the development of the asset management strategy and business case and had no matters to report.

In response to a Member question around the risk of COVID-19 impacting on the valuation of properties within the asset delivery programme, EY confirmed that this could be impacted on by COVID-19 and volatility in the market as part of the Council's asset strategy related to disposal of assets; this would depend on the type of assets. EY would be considering any impact on the programme as part of its value for money conclusion in 2021. Different types of property were being differently affected by COVID-19 so it would very much depend on the types of assets and the Council's plans for those assets.

Members made particular reference to the positive comments made by the external auditors in respect of this year's audit of the draft financial statements and thanked the Finance team for their work on this.

### **Resolved**

- (1) That the contents of the draft Audit Results Report be noted.
- (2) That the Financial Statements be approved in principle.
- (3) That final sign off of the Financial Statements be delegated to the Chairman of the Audit Committee, subject to no significant audit changes being identified post the Committee meeting.
- (4) That the movement in general fund balances be noted. (ADR)

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The meeting closed at 7.56 pm.

Chairman .....

Date .....

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