

## **Minutes of Accounts & Audit Committee**

Meeting Date: Wednesday, 28 March 2012 starting at 6.30pm  
Present: Councillor J B Hill (Chairman)

Councillors:

P Ainsworth	N C Walsh
G Mirfin	A Yearling
M Thomas	

In attendance: Chief Executive, Director of Resources, Head of Finance, Principal Auditor and Georgia Jones (Audit Commission).

### 856 APOLOGIES

Apologies for absence from the meeting were submitted on behalf of Councillor R Moores and Karen Murray (Audit Commission).

### 857 MINUTES

The minutes of the meeting held on 30 November 2011 were approved as a correct record and signed by the Chairman.

### 858 DECLARATIONS OF INTEREST

There were no declarations of interest at the meeting.

### 859 PUBLIC PARTICIPATION

There was no public participation.

### 860 REFERENCES FROM OVERVIEW AND SCRUTINY COMMITTEE

There were no references from Overview and Scrutiny Committee.

### 861 CLOSURE OF ACCOUNTS TIMETABLE 2011/2012

The Director of Resources submitted a report reminding Members of the statutory requirement to close down our accounts by 30 June 2012 and to publish them including any certificate, opinion or report issued by the auditor by 30 September 2012 and to inform Committee of the benefits of closing down the accounts by these deadlines in particular the good governance aspects. She highlighted the principal matters covered by the Accounts and Audit Regulations 2003 and 2006 and the further amendments made in 2009 and more recently consolidated in 2011. This included important procedural requirements as well as governance issues. The Head of Financial Services highlighted the principal matters covered by the regulations relevant to accounts preparation and the various responsibilities. He highlighted the issues facing Ribble Valley which included budget pressures, some practical issues, resource implications and a

timetable that must be strictly adhered to in order to achieve the deadlines required.

RESOLVED: That Committee endorse the suggested approach for the closure of the 2011/2012 accounts.

862 INTERNAL AUDIT ANNUAL PLAN 2012/2013

The Director of Resources submitted a report informing Committee of the Internal Audit Plan for 2012/2013. This included the various audit areas and the planned number of working days for each of these areas. A brief explanation was given as to how the Audit Plan is arrived at following consultation with Directors, Heads of Service and the Audit Commission. It was also highlighted that with regard to risk management, the internal audit team would continue to have a monitoring role.

Committee discussed various aspects of the Internal Audit Plan.

RESOLVED: That

1. Committee approve the 2012/2013 Internal Audit Plan;
2. a report be produced on procurement procedures to be presented at a future meeting; and
3. a more detailed analysis of an individual audit be presented to a future meeting to give an insight into the audit process.

863 INTERNAL AUDIT PROGRESS REPORT 2011/2012

The Director of Resources submitted a report outlining progress on the internal audit work for 2011/2012.

A table setting out the assurance opinions issued from the audits carried out was included for Members' information along with the returned customer feedback questionnaires following the audit work carried out. It was reported that the assurance opinions had recently been reviewed in order to better reflect the level of assurance Members could rely on following each audit.

RESOLVED: That the report be noted.

864 AUDIT PLAN

Georgia Jones (Audit Commission) introduced the external Audit Plan for 2011/2012. She highlighted the areas covered by the Plan, which included the responsibilities of the Audit Commission, the fee for the audit, the report on financial statements, identification of specific tasks, the testing strategy, value for money conclusion, key milestones and deadlines, and who the audit team consisted of. She informed Committee that the main significant risk to be considered in this plan were heritage assets and pension fund valuation and

accounting. She also informed Committee that at this time, there had not been any significant risks identified under value for money.

RESOLVED: That the report be noted.

#### 865 CERTIFICATION OF CLAIMS AND RETURNS – ANNUAL REPORT

Georgia Jones (Audit Commission) presented a report on the certification of claims and returns. The report referred to the large sums of public money in grants and subsidies local authorities receive from central government and other grant paying bodies and the returns they are required to complete providing financial information to government departments. This report provided assurance to grant paying bodies that claims for grants subsidies are made properly and that the financial returns are reliable. She had given an unqualified report on claims regarding housing and Council Tax benefits and National Non Domestic Rate returns. Minor amendments had been made.

RESOLVED: That the report be noted.

#### 866 UPDATE ON THE OUTSOURCING OF AUDIT SERVICES

The Director of Resources submitted a report informing Committee of the latest position regarding the procurement of external audit services. Following the disbanding of the Audit Commission, they had been asked by Department for Communities and Local Government to seek bids for the work currently undertaken by their in-house audit practice. The Council had now been informed that the procurement process had been completed and that the contracts had been awarded. The contract for the northwest had been awarded to Grant Thornton and it was anticipated that significant savings would be made as part of this procurement which would be passed back through significant reductions in the scale of audit fees over the life of the five-year contract. Introductory meetings would be held over the coming months which would give the Council an opportunity to meet the new firm proposed as the auditor and its senior partners.

The Audit Commission would complete the audit of the Council's Statement of Accounts for 2011/2012, after which from 1 November 2012, the Council's appointed auditors would be Grant Thornton.

RESOLVED: That the report be noted.

The Chairman conveyed his thanks to the Chief Executive and his staff and to the Audit Commission for their work carried out during the last municipal year. He also thanked Councillors for their contributions.

The meeting closed at 7.25pm.

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