

AUDIT

DRAFT MINUTES OF THE AUDIT MEETING HELD ON 4 SEPTEMBER 2013 AT COUNCIL CHAMBER - COUNCIL OFFICES, MONKTON PARK, CHIPPENHAM, SN15 1ER.

Present:

Cllr Richard Britton, Cllr Tony Deane (Chairman), Cllr David Jenkins, Cllr Julian Johnson, Cllr John Noeken (Substitute), Cllr Stephen Oldrieve, Cllr Helen Osborn, Cllr Sheila Parker (Vice Chairman), Cllr David Pollitt and Cllr James Sheppard

Also Present:

Cllr Jane Scott OBE and Cllr Dick Tonge

49 Apologies and Membership Changes

Apologies were received from Councillors Stewart Dobson, Howard Greenman and Linda Packard.

Councillor John Noeken replaced Councillor Stewart Dobson for this meeting only.

50 Chairman's Announcements

There were no Chairman's announcements.

51 Minutes of the Previous Meeting

The minutes of the meeting held on 18 June 2013 were presented and it was

Resolved:

To approve the minutes as a true and correct record.

52 Members' Interests

There were no disclosable interests declared.

53 Public Participation and Committee Members' Questions

There was no public participation.

54 Report to those Charged with Governance

The Committee considered the covering report of the Service Director, Finance, along with reports which had been prepared by the Council's external auditor, KPMG. The report summarised the conclusions and key issues arising from the recent audit of the Council's financial statements for the year ending 31 March 2013 and KPMG's assessments of the Council's arrangements to secure value for money in its use of resources.

Chris Wilson, Partner, KPMG and Tara Westcott, Audit Manager, KPMG led the Committee through the significant points of the report as detailed below:

- One audit adjustment to the draft financial statements was identified, which related to a technical accounting adjustment. The adjustment was due to one balance being reported as a debtor instead of as a creditor. Processes are being reviewed to tighten procedures for 2013/2014. This adjustment does not affect either the cost of providing services or the net worth of the Council. This has been adjusted by the Council.
- KPMG concluded that the council continued to evidence a strong financial reporting process and produced draft financial statements of high quality.
- KPMG concluded that the Council had made proper arrangements to secure economy, efficiency and effectiveness in its use of resources.
- KPMG anticipated issuing an unqualified VFM audit opinion by 4 September 2013.

The Chairman, on behalf of the Committee thanked all those involved in the preparation of the Council's accounts and congratulated them on achieving an excellent report from KPMG.

The Committee had the opportunity to raise points of interest, in particular comments were made about (i) the audit adjustment detailed in bullet point one above, (ii) the downward revaluation of the new office building, representing phase 1 of the renovation of County Hall and how it was reflected in the accounts.

Resolved:

- a) That the Committee receive the draft accounts for 2012/2013.**
- b) That the Chairman of the Audit Committee be authorised to sign the management representation letter**

Note :

The above resolution is linked to minute 56 below.

55 Annual Governance Statement

The Service Director of Law and Governance, Ian Gibbons, outlined the changes that had been made since the Audit Committee considered the draft Annual Governance Statement (AGS) on 18 June 2013. He informed the Committee that the AGS had been presented to both the Standards Committee on 10 July 2013, Cabinet on 23 July 2013 and to KPMG the Council's external auditors. The AGS had been revised to reflect the comments made.

The Service Director of Law and Governance reported that since the report had been published, the new Business Plan 2013-17 had been agreed by full council on 3 September and paragraphs 11 and 53 of the AGS would be updated to reflect this. He also confirmed that the AGS conformed to CIPFA guidance.

Members raised a number of points of interest, in particular comments were made about (i) additional funding for the Safeguarding of Children and Young People and (ii) the management of significant reductions in Government funding.

Resolved:

That the Annual Governance Statement 2012/13 for publication with the Statement of Accounts be approved, subject to minor amendments to reflect the approval of the new Business Plan 2013-17.

56 Statement of Accounts 2012/13

The Committee considered the report of the Service Director of Finance on the Council's Statement of Accounts 2012/13.

The report detailed the process and requirements for the production and publication of the annual Statement of Accounts and how the draft Statement was required to be certified by the Chief Finance Officer then subject to external independent scrutiny by the Council's appointed auditors – KPMG.

Members of the Audit Committee raised a number of issues over the presentation of the accounts which officers responded to in particular the following issues were raised:

- The deficit in the Local Government Pension Scheme and how this could be resolved
- The recommended level of reserves

Members thanked all officers involved in the preparation of the accounts for producing an easy to understand guide and congratulated them for achieving a near balanced budget.

Resolved:

- a) That the draft Statement of Accounts for 2012/13 be received**
- b) That the Audit Committee Chairman be authorised to sign the letter of the Statement of Responsibilities for the Statement of Accounts**
- c) That all Council Officers and officers from KPMG be thanked for the excellent work in preparing the Statement of Accounts for 2012/13**

Note: This resolution is linked with minute 54 above.

57 Date of next meeting

That the next meeting will take place on 17 September, 2013 starting at 2:00pm in the Council Chamber at Monkton Park, Chippenham.

58 Urgent Items

There were no urgent items.

(Duration of meeting: 1.00 - 2.05 pm)

The Officer who has produced these minutes is Stuart Figini, of Democratic Services, direct line (01225) 718376, e-mail stuart.figini@wiltshire.gov.uk

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