



FINAL ACCOUNTS COMMITTEE

MINUTES of a MEETING of the FINAL ACCOUNTS COMMITTEE held at COUNTY HALL, TROWBRIDGE on WEDNESDAY 3 NOVEMBER 2004.

PRESENT:

Mrs JA Scott (Chairman), Mr PG Allnatt, Mr TW Carbin, Mr PR Davis, Miss MF de Rhe-Philipe, Mr P Fox, Mrs MEM Groom, Mr CP Humphries, Mr JP Johnson, Mr D Lay, Mr A Molland, Mr JB Osborn, Mrs JH Seager, Mrs CA Soden, Mr WA Spiers and Mr KC Wren.

3. **Apologies** Apologies for absence were received from Mr IC West.

4. **Minutes of Previous Meeting**

Resolved: To confirm and sign the minutes of the meeting held on 26 July 2004.

5. **Statement on Internal Control in Local Government** The Committee considered a report by the Monitoring Officer. The report explained that the Accounts and Audit Regulations, which had come into force on 1 April 2003, required the Council to ensure that its financial management was sound and effective and that it had a sound system of internal control. Officers confirmed that the Council would conduct a review of the Statement at least once a year.

Resolved: To note the new requirements and to approve the content of the Council's Statement on Internal Control for 2003/04 as attached at Appendix A of the report subject to the following amendment:

Page 2 of the Statement – Add a reference to the Medium Term Financial Plan under the heading “Facilitate policy and decision-making”.

6. **Statement of Accounts 2003-04** The Committee considered a report by the County Treasurer. The report explained that the Statement of Accounts had to be published, following the audit, by 30 November 2004 and earlier in subsequent years.

The County Treasurer and District Auditor responded to questions from members on a number of points including:

- ◆ Related Party Transactions
- ◆ The Wiltshire Pension Fund
- ◆ Payments made to Wiltshire and Swindon Police Authority
- ◆ Assets and Depreciation
- ◆ Level of Balances – Officers confirmed that the Auditors had not expressed any concerns over the level of County Council balances in recent years.

Resolved:

- (1) *To note the amendments carried out since the July meeting and to approve the Statement of Accounts for the year ended 31 March 2004.*
- (2) *To agree that the Chairman of the Final Accounts Committee may sign the Final Accounts for 2003-04 subject to the minor amendment to the Statement on Internal Control set out in minute number 5.*

7. **Statement of Auditing Standards – SAS610** The Committee considered a report by the County Treasurer. The report provided the external auditor with an opportunity to report to “those members charged with governance” under Section 610 of the Statement of Auditing Standards. Members noted the comments made by the County Treasurer in response to the Auditor’s report.

The Auditor informed members that the audit was continuing and that it was possible that further matters could still be reported to members. He also highlighted the following points:

- ◆ Pensions assets and liabilities disclosures to comply with FRS17 – the actuary makes a range of assumptions about future pay increases, investment returns and other economic factors. The figures relating to pensions were therefore not recorded to the same level of accuracy as the rest of the County Treasurer’s figures.
- ◆ Evidencing the ownership and existence of pension fund investments – the CREST investments accounting system was a paperless system and therefore it was very difficult for auditors to assure the existence and ownership of investments. However the auditors had received FRAG 21 and SCT reports covering 90% of the fund and were satisfied that this was acceptable.
- ◆ Statement on Internal Control – The Statement on Internal Control was included for the first time in the Statement of Accounts, however, the auditors’ opinion did not cover the statement.

The Auditor had asked some further questions of the County Treasurer regarding the accounts and members asked to receive details of these questions.

Resolved:

- (1) *To note the auditor's comments as outlined in the SAS 610 report.*
- (2) *To thank the auditor for his report and to note the items listed under the heading "matters to be reported to those charged with governance".*
- (3) *To note that the Auditor had raised some further matters with the County Treasurer and to request that a copy of both the questions raised and the County Treasurer's response be sent to all members of the Committee.*
- (4) *To agree that the Auditor's report should be signed off providing there are no significant changes which need to be reported to the Committee.*

(Duration of meeting: 2.00pm – 2.50pm)

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