



FINAL ACCOUNTS AND AUDIT COMMITTEE

MINUTES of a MEETING of the FINAL ACCOUNTS AND AUDIT
COMMITTEE held at COUNTY HALL, TROWBRIDGE on MONDAY 26
SEPTEMBER 2005.

PRESENT:

Mrs JA Scott (Chairman), Mr A Davis, Mr M Hewson, Mr JP Johnson, Mr JB
Osborn, Mr RT Rogers, Mr RS While and Mr KC Wren.

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6. **Apologies** Apologies for absence were received from Mr JR
Henning.

7. **Minutes of Previous Meeting**

*Resolved: To confirm and sign the minutes of the meeting held on 30
June 2005.*

8. **Risk Management Strategy Update** The Committee considered a
report by the County Treasurer. The report informed members of
progress to date in implementing the County Council's Risk
Management Strategy, and detailed a schedule of the current strategic
risks facing the Council.

Members discussed the report and asked for details of the
'Responsibilities for Risk Management', and the 'Strategic Risks'
documents to be circulated to all members of the Council for
information. It was also noted that a Risk Management Workshop had
been arranged for the Committee on 23 November 2005 at 2.00pm.

Resolved: To:

- (1) *Note the progress to date in implementing the Risk Management
Strategy, and the schedule of current strategic risks.*
- (2) *Endorse the further action to be taken in the next 6 months, as
outlined in paragraphs 6 and 7 of the report, with the aim of fully
embedding risk management practices into departmental
management arrangements over the course of 2005-06.*

9. **Audit Commission Interim Audit Report – Audit 2004-05** The Committee considered a report by the County Treasurer, which presented findings from the initial review of work in respect of the audit year 2004-05.

Members discussed the 'core processes', which consisted of testing the adequacy of the processes that form the basis for the preparation of the Council's financial statements. Members also looked at the financial aspects of corporate governance to ensure that arrangements were in place to ensure proper conduct in approving financial accounts.

Questions were raised in relation to the cost of the audit service to Wiltshire County Council, the level of work carried out in comparison to previous years, and if the service provided value for money. The Chairman and Officers responded to all questions, highlighting that the cost of the service had reduced in 2005/6 by nearly £70k, due to the Council's Corporate Performance Assessment (CPA) rating of good, which required less audit inspection. The Chairman also indicated that inspections were valued as they ensured that processes were working the best way, and identified any improvements to help the council work better.

It was noted at the end of the discussion, that a review of ethical governance would be carried out in December 2005, and would be reported back to this Committee, as the previous review clashed with local government elections in May 2005.

Resolved: *To note the report, recommendations and agreed action plan.*

10. **Statement on Internal Control in Local Government** The Committee considered a joint report by the Monitoring Officer and County Treasurer, which asked Members to consider the approval of the draft Statement of Internal Control for 2004-05, further to consideration by the Standards Committee on 15 September 2005, and Cabinet on 16 September 2005.

Members received an updated draft of the Statement of Internal Control 2004-05, including suggested amendments from the Standards Committee, which were accepted. The Committee made one further change to the third sentence in the second paragraph of 'External Audit and Inspection' to read '**In addition, the Council has introduced an effective corporate appraisal system which monitors individual performance against personal, service and corporate targets**'.

The Committee requested clarification of the new risks identified on the risk register, further to the responses detailed within question 3 of the Directors' Assurance Statement for Finance 2004-05 (Appendix 3 of the report), for both IT and Corporate and Library Services.

Members agreed that that next year's version should be drafted with every effort to ensure that it was produced in English that would be easily understood by members of the public.

Resolved: *To approve the content of the Council's Statement on Internal Control for 2004/05, subject to the amendment detailed above, and the addition of changes made by the Standards Committee on 15 September 2005 (attached as Appendix 1 to these minutes).*

11. **Statement of Accounts 2004-05** On considering a report by the County Treasurer,

Resolved: *To:*

- (1) *Note the amendments and approve the Statement of Accounts for the year ended 31 March 2005.*
- (2) *Agree that the Chairman of the Final Accounts Committee may sign the Final Accounts for 2004-05.*

12. **Final Accounts Report – Including Statutory SAS 610** The Committee considered a report by the County Treasurer. The report detailed the statutory SAS610 report detailing the opinion of the Audit Commission on the Statement of Accounts under the Audit Commission Act 1998.

Members discussed the points raised within the report, and noted the minor points raised by the auditor, which had already been addressed by officers.

Resolved: *To note the Auditor's reports.*

13. **Internal Audit Annual Report 2004-05** The Committee considered a report by the County Treasurer, which presented the internal auditors annual report, and drew attention to the audit opinion on internal control. Members noted that the report reflected an improving picture of financial management within the County Council.

Resolved: *To note:*

- (1) *The content of the Internal Audit Annual Report for 2004-05.*
- (2) *The overall audit opinion that internal control was in place and operating satisfactorily in relation to the various systems and procedures reviewed which represented one of the sources of assurance to support the annual Statement on Internal Control.*

14. **Proposed Work Programme for the Committee** On considering a report by the County Treasurer,

Resolved:

- (1) *To agree the following dates for the meetings over the next 18 months:*
- 7 December 2005
 - 23 March 2006
 - 30 June 2006
 - 29 September 2006
 - 14 December 2006
 - 22 March 2007
- (2) *To note the proposed work programme, subject to the inclusion of the Annual Audit Inspection Letter for either December 2005 or March 2006 (attached as Appendix 2).*

(Duration of meeting: 2.00pm – 3.10pm)

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