

Time Commenced: 6.00pm
Time Finished: 9.07pm

**AUDIT AND ACCOUNTS COMMITTEE
30 JUNE 2011**

Present: Councillor Ashburner – Chair
Councillors Bailey, Campbell, Davis, Harwood Jackson, Roberts
and Troup

01/11 Apologies for Absence

An apology for absence was received from Councillor Redfern.

02/11 Late Items

There were no late items.

03/11 Declarations of Interest

There were no declarations of interest.

04/11 Minutes

The minutes of the meetings held on 24 March 2011 were agreed as a correct record and signed by the Chair.

05/11 Update on Actions from the last meeting

The Committee received updates on bad debts (68/10), fixed assets (76/10), school balances (69/10), certification work (70/10), follow up on audit recommendations and Internal Audit progress report (75/10 and 76/10). It was noted that the update on Governance (71/10) had been e mailed to all members of the committee.

Resolved to note the report.

**06/11 Briefing on the Conversion of the Statement of Accounts
using IFRS**

The Committee received a briefing on the conversion of the Statement of Accounts using IFRS.

07/11 IFRS Accounting Policy

The Committee considered a report which set out the accounting policies for 2010/11 as part of the Statement of Accounts

Resolved to approve the accounting policies set out in Appendix 2 of the report.

External Audit

08/11 External Audit Interim Report

The Committee considered the interim audit report 2010/11 from the Council's external auditors, Grant Thornton. Kyla Bellingall attended the committee to present the report.

Resolved to note the recommendations and action plan from the interim audit for the year ending 31 March 2011.

Regularity Framework

09/11 Annual Governance Statement 2010/11

The Committee considered a report which set out the Annual Governance Statement which had been produced following the completion of the annual review of the Council's governance arrangements.

Resolved

- 1. To approve the Annual Governance Statement to accompany the 2010/11 Statement of Accounts.**
- 2. To request that the Leader of the Council and the Chief Executive sign the Annual Governance Statement**

10/11 Effectiveness of Internal Audit

The Committee considered a report which gave Members an overview of the effectiveness on Internal Audit.

Resolved to note the findings and the conclusion that the internal audit function was considered to be effective.

11/11 Update on Anti-Fraud Work

The Committee considered a report which gave an update on Anti-Fraud activity undertaken during the period 1 June 2010 to 31 May 2011.

Resolved to note the activity and performance of Internal Audit in respect of anti-fraud activities in the period 1 June 2010 to 31 May 2011.

Audit Activity

12/11 Head on Audit's Annual Audit Opinion

The Committee considered a report which provided Members with the Head of Audit and Risk Management's opinion on the adequacy and effectiveness of the Council's internal control environment. The report also provided details on the overall performance of the internal audit function for the period 1 June 2010 to 31 May 2011.

Resolved

- 1. To note the Head of Audit and Risk Management's opinion on the internal control environment.**
- 2. To note the activity and performance of Internal Audit for the year.**

13/11 Internal Audit Plan 2011/12

The Committee considered a report which stated that the CIPFA Code of Practice for Internal Audit in Local Government recommended that Internal Audit operate an Audit Plan.

The fundamental role of Internal Audit was to provide Members and senior management with independent assurance on the Council's overall control environment, comprising the systems of governance, risk management and internal control and to highlight control weaknesses together with recommendations for improvement. The annual Audit Plan set out proposals on how this would be achieved in the year ahead.

The Audit Plan must incorporate sufficient work to enable the Head of Audit to give an opinion on the adequacy of the Council's overall control environment. Internal Audit must therefore have sufficient resources to deliver the Audit Plan.

The audit work planned for 2011/12 would inform the Head of Audit's opinion on the internal control environment that existed within the Council. The Head of Audit reports his overall opinion to the Audit and Accounts Committee on an annual basis.

Resolved to approve the 2011/12 internal audit plan.

14/11 Internal Audit Progress Report

The Committee considered a report which informed Members on the internal audit activity for the period from 1 March 2011 to the end of the Audit Plan year on 31 May 2011. At the end of the Audit Plan year, Internal Audit had performed better than its service delivery target, but was slightly behind in its productivity target. There were no audits finalised during the period that needed to be brought to the specific attention of the Committee. However 5 of the audits finalised during the period were given a marginal overall control rating.

Resolved to note the activity and performance of Internal Audit in the period 1 March 2011 to 31 May 2011.

Chair of the next ensuing meeting
at which these minutes were signed