

Audit Committee

A meeting of the Audit Committee was held on 29th June 2006.

Present: Councillor B. Woodhouse (Chairman), Councillors Fletcher, Frankland (vice Councillor Cains) Noble, Perry Stoker and Womphrey

Apologies were received from Councillors Cains, Cherrett and Patterson

Officers: J. Danks, B. Simpson, I. Jones, (R); M. Henderson (LD).

Minutes

The minutes of the meeting held on 8th and 23rd May 2006 were confirmed as a correct record and were signed by the Chairman.

Annual Statement of Internal Control 2005/2006

The Committee considered a report that presented the Council's Statement of Internal Control for 2005/2006.

Members were informed that the Accounts and Audit Regulations 2003 required all authorities in England to conduct a review at least once a year of the effectiveness of its systems of internal control and include a Statement of Internal Control within their Statement of Accounts. The deadline for completion of the Statement of Accounts for 2005/06 was 30th June 2006.

A further requirement of the regulations stated that the Chief Executive and the Chairman must sign the statement following full approval of the Committee. A key objective of this signing off process was to secure corporate ownership of the statement's contents.

A draft Statement of Internal Control had been presented at the Committee's meeting held on 23rd May when officers had detailed the assurance framework and the control environment that was in place within the Council. At that meeting Members pointed out that certain references in the Statement did not reflect changes to the Council's Committee structure that had taken place in January 2006. Necessary alterations had subsequently been made to the statement and that updated version of the statement was presented to the Committee for consideration.

It was explained that the Statement had recently been presented to the Standards Committee. Members of that Committee had not identified any areas of concern.

Members indicated their approval of the Annual Statement of Internal Control presented to them.

RESOLVED that the Statement of Internal Control for 2005/2006 be approved and the Chairman be authorised to sign it.

Statement of Accounts 2005/2006

Consideration was given to a report that presented to Members the Council's Statement of Accounts for 2005/2006.

Members noted that the Accounts and Audit Regulations 2003 required all authorities in England to prepare their Statements of Accounts for 2005/06 by 30th June 2006. This date was the final step in a move by the HM Treasury to bring forward the closure process ensuring that all public bodies completed their Statements and gained approval of their accounts by a set deadline. This requirement was detailed within the Governments regulation "Whole Government Accounts (WGA)" and would enable HM Treasury to consolidate all public body accounts to assist policy making and proper financial management.

To ensure the Government's timescales were met a detailed timetable had been in place for a number of years. This timetable had been reviewed on an annual basis to resolve potential problem areas and this process had been fully supported by the Council's Corporate Management Team. The Council was well placed to meet its deadlines and had worked closely with the Audit Commission to ensure all Financial Standards and Practices had been introduced and adopted.

Officers were present and provided some detail on the WGA and closure of accounts process. This included a brief presentation on key financial issues included within the Statement and the process employed by the Council to identify key stakeholder requirements. A copy of the full Statement of Accounts had been made available in the Members' Library, a draft statement was available on the Internet and a hard copy of the full Statement was provided to Members of this Committee together with a Summary Statement of Accounts.

In order to assist with the Scrutiny of the Statement of Accounts a number of key issues were highlighted to help generate debate.

Members considered the Statement of Accounts and raised and discussed at length, a number of issues, including: -

- The identification of Council wide costs associated with Criminal Damage.
- Valuation of the Council's fixed assets.
- The total capital financing requirement.
- The rationale behind the Council maintaining short term and long term Investments whilst also entering into short term and long term borrowing arrangements.

Officers provided responses to the issues raised and agreed to investigate the point relating to Criminal Damage costs.

RESOLVED that the Council's Statement of Accounts for 2005/2006 be approved and the Chairman be authorised to sign the Statement's explanatory forward.