

# **Minutes of a meeting of the Audit Committee held on 17<sup>th</sup> September 2015 at Pippbrook, Dorking from 7.00pm to 8.12pm**

Present: Councillors Stella Brooks (Chairman), Tim Ashton, Paul Elderton, Duncan Irvine, Simon Ling (Vice-Chairman) and Michelle Watson

## **1. Minutes**

The minutes of the meeting of the Committee held on 30 June 2015 were approved as a correct record and signed by the Chairman.

## **2. Apologies for Absence**

None received.

## **3. Disclosure of Interests**

The Vice-Chairman declared a non-pecuniary interest, having previously held the position of Executive Member for Finance during the period to which the accounts before the Committee related.

## **4. 2014/15 Statutory Accounts and Annual Governance Statement**

The Committee received the report as set out on pages 5 to 105 of the agenda. A revision to the first Recommendation was tabled at the meeting which asked the Committee to approve the 2014/15 Statement of Accounts and Annual Governance Statement as presented, to delegate responsibility to the s151 Officer to address any minor amendments before completion of the Audit, and to approve the letter of representation from the Council to Grant Thornton in relation to the 2014/15 Audit.

The draft Statement of Accounts had been presented to the Committee on 30 June for review. A number of minor amendments and clarifications had subsequently been made in response to comments made by Members following publication of the previous agenda and matters raised by the External Auditor; these were outlined by the Financial Services Manager.

The Committee were advised that Auditors Grant Thornton LLP would imminently be completing their audit on the Statement of Accounts, and a draft summary of their findings had been submitted as part of the report. It was noted that the Auditors intended to issue an unqualified opinion on the financial statements. Subject to approval by the Committee, the Statement of Accounts would be published in line with the statutory deadline of 30 September. A version of the Statement of Accounts would be posted on the Council's website.

Representatives from Grant Thornton were in attendance at the meeting to present their key findings. The report was largely positive, with only a modest number of findings identified which required further work. It was confirmed that these matters were being dealt with by Officers in a timely manner.

Members were advised that as of 2017/18, the statutory deadlines for audited financial statements were being brought forward, requiring production of draft accounts by 31 May, and the securing of an audit opinion by 31 July. Members sought reassurance that this would be achievable within existing resource levels. It was confirmed that discussions were already underway regarding how the new arrangements would be implemented, and Grant Thornton would be working closely with the Council during the coming year to try to achieve the earlier deadlines, two years before the statutory changes take effect.

The Chairman thanked Grant Thornton for their attendance at the meeting and for the work carried out during the course of the previous months. Grant Thornton in turn offered their thanks to the Finance team for their assistance during the audit.

**RESOLVED:** The Committee

1. Approved the 2014/15 Statement of Accounts and Annual Governance Report as presented at the meeting and delegated responsibility to the s151 Officer to address and minor amendments required before completion of the Audit.
2. Approved the letter of representation in relation to the 2014/15 Audit.
3. Noted the content of the Grant Thornton (External Auditor) report of Audit Findings 2014/15

**5. Treasury Management – Annual Report and Prudential Indicators – 2014/15**

The Committee received the report as set out on pages 106 to 120 of the agenda and were asked to note the Treasury Management Annual Outturn for 2014/15, and approve the actual Prudential Indicators reported for 2014/15 as detailed in Appendix A.

A sheet was circulated to Members which outlined the ten Capital Prudential Indicators. Members requested clarification as to how a number of these Indicators applied in relation to Appendix A of the report. The author of the report was not present at the meeting, therefore the Financial Services Manager agreed to report back to Members at a later date with clarification on this matter.

Members noted that the Council had achieved an overall return on investments of £507,312 in 2014/15; approximately £30,000 above budget in spite of relatively little movement in the economic climate.

**RECOMMENDED TO COUNCIL:** That

- 1) The Treasury Management Annual Outturn report for 2014/15 be noted; and
- 2) The actual Prudential Indicators reported for 2014/15 be approved.

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Chairman

Date: