



Minutes of the Audit Committee

25 September 2013

-: Present :-

Councillor Tyerman (Chairman)

Councillors Addis, Bent, Brooksbank, Stocks and Stringer

13. Minutes

The Minutes of the meeting of the Audit Committee held on 26 June 2013 were confirmed as a correct record and signed by the Chairman.

14. Urgent Items

The Committee considered the items in Minutes 15, and not included on the agenda, the Chairman being of the opinion that they were urgent by reason of special circumstances i.e. the matter having arisen since the agenda was prepared and it was unreasonable to delay a decision until the next meeting.

15. Appointment of Vice-Chairman

Following a change to the membership of the Audit Committee the need had arisen to appoint a new Vice-Chairman.

Resolved:

Councillor Stringer was appointed Vice-Chairman for the remainder of the 2013/2014 Municipal Year.

16. The Audit Findings for Torbay Council

Members noted the report which highlighted the key matters arising from Grant Thornton's (external auditors) audit of Torbay Council's financial statements for the year ending 31 March 2013.

Members were advised that Grant Thornton anticipated they would be able to provide an unqualified opinion on the financial statements. The audit of the financial statements submitted did not identify any errors which would adjust the reported surplus for the year, however an error was identified that reduced the balance sheet.

Members were informed that the accounts were produced to a good standard, the audit had been facilitated by good supporting working papers and excellent

assistance by the finance team with all requests for additional information being dealt with promptly.

17. Review of the Council's Arrangements for Securing Financial Resilience for Torbay Council

Members noted the report on Torbay Council's arrangements for securing financial resilience. Members were advised that as part of Grant Thornton's work supporting their Value for Money (VFM) conclusion, part of the statutory external audit, includes a review to determine if the Council has proper arrangements in place for securing financial resilience. Grant Thornton reviewed the Council's financial resilience by looking at:

- Key indicators of financial performance;
- Its approach to strategic financial planning ;
- Its approach to financial governance; and
- Its approach to financial control.

Having undertaken a review Grant Thornton were able to determine that the Council's current arrangements for achieving financial resilience were adequate.

18. Statement of Accounts 2012/13

The Chief Accountant advised Members that the Account and Audit Regulations 2011 required approval of the Council's Statement of Accounts for the year ending on 31 March 2013 before the 30 September 2013. Members were informed that the accounts had been available on the Council's website since the 28 June 2013 and have been available for public scrutiny for 20 working days during July and August.

Members asked questions and sought clarification on a number of points including the Council's pension liability and transfer of assets to schools.

Resolved:

- i) that the Audit Committee reviewed the accounts and considered the External Auditor's report and opinion on the accounts;
- ii) that following i) above the Council's Statement of Accounts for 2012/13, as set out in pages 15 to 136 of Appendix 2 to the submitted report be approved;
- iii) that following approval of ii) above, the Chairman of the Audit be authorised to sign and date the accounts on behalf of the Council, to represent the completion of the Council's approval process of the Accounts, in the "Statement of Responsibilities for the Statement of Accounts" shown on page 17 of the submitted statement of accounts; and

- iv) that the Letter of Representation to Grant Thornton from the Council in relation to the 2012/13 Statement of Accounts, as set out in Appendix 1 to the submitted report be approved.

19. Internal Audit Report - Follow Up Report on Areas Requiring Improvement

Members noted the Internal Audit follow up report on areas that were identified as requiring improvement. Members were informed that in order to provide assurance to management and those charged with governance that the agreed actions identified during the initial audit were being implemented; a follow up review was undertaken.

The Head of the Devon Audit Partnership was able to advise Members that, overall progress was being made against the agreed audit recommendations with the direction of travel showing an improvement in the majority of areas.

Members paid particular attention to the improvements required within Children Services and requested a further update on progress be presented to the Audit Committee on 22 January 2014.

Chairman/woman