



## **Minutes of the Audit Committee**

**24 September 2014**

**-: Present :-**

Councillor Tyerman (Chairman)

Councillors Addis, Bent, Brooksbank, Parrott and Pountney

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### **16. Apologies**

An apology for absence was received from Alex Walling of Grant Thornton.

### **17. Minutes**

The Minutes of the meeting of the Audit Committee held on 25 June 2014 were confirmed as a correct record and signed by the Chairman.

### **18. Statement of Accounts 2013/14**

Members considered a report that set out the Council's Statement of Accounts for 2013/14. Members were advised that there had been some changes made to the presentation and format of the accounts following the introduction of the Council Tax Support Scheme and Business Rates Retention Scheme in April 2013. The accounts provided a true and fair view of the financial position of the Council's income and expenditure in 2013/14 and its assets and liabilities as at 31 March 2014.

The Committee thanked the Finance Team for all their work in finalising the accounts and receiving an unqualified audit opinion.

Resolved:

- i) That the Audit Committee reviewed the accounts and considered the External Auditor's report and opinion on the accounts;
- ii) that the Annual Governance Statement, as set out in Appendix 2 to the submitted report, be approved;
- iii) that the Council's Statement of Accounts for 2013/14, as set out in the submitted report, be approved;
- iv) that the Chairman of the Audit Committee 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”; and

- v) that the Letter of Representation to Grant Thornton from the Council in relation to the 2013/14 Statement of Accounts, as set out in the submitted report, be approved.

## **19. The Audit Findings for Torbay Council**

The Committee noted a 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 2014.

Members were advised that the audit was substantially complete. During the audit an adjustment affecting the Council’s reported financial position was identified by the Council’s Finance Team however Grant Thornton found the draft accounts were produced to a high standard and the audit had been facilitated by good quality working papers and prompt assistance from the Finance Team.

Members paid particular attention to the Action Plan, set out in Appendix A to the submitted report, Members were concerned by the issue of document retention for some personnel files and requested an update once enquiries had been completed.

## **20. Internal Audit 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 advised that the majority of areas had made progress implementing their action plans resulting in previously identified risks being minimised or mitigated, however there were a small number of areas where progress remained limited.

Members questioned whether there was an increasing trend for services to be judged as requiring improvement due to resource pressures. Officers did not believe there was a drastic deterioration however there may be a point where managers have to accept the risks associated with not implementing appropriate action plans.

## **21. Strategic Risk Management**

Members noted the report on Strategic Risk Management, however they felt that the risk register had become so strategic it was lacking the operational detail they need to be able gain the reassurance they required.

Members were advised that due to internal reconfiguration the risk register would be managed by the Executive Head for Commercial Services which may result in changes which hopefully would provide Members the reassurance they seek. Members were also informed of an opportunity to share learning with neighbouring authorities in order to determine what is appropriate for inclusion in a risk register and what is not.

Members requested the Executive Head for Commercial Services present her initial thoughts on risk management to the Audit Committee on 21 January 2015.

Chairman/woman

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