

## Audit Committee Minutes

The minutes of the Audit Committee meeting of Wyre Borough Council held on Tuesday, 20 September 2016 at the Civic Centre, Poulton-le-Fylde.

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### **Audit Committee members present:**

Councillor R Amos  
Councillor E Anderton  
Councillor Balmain  
Councillor Barrowclough  
Councillor Collinson  
Councillor Greenhough

Councillor Holden  
Councillor Ingham  
Councillor McKay  
Councillor A Turner  
Councillor Wilson

**Apologies:** Councillors' Ballard, Fail and Moon

### **Officers present:**

C James – Chief Financial Officer  
J Billington – Head of Governance  
P Harrison – Financial Services Manager  
K McLellan – Senior Auditor  
C Leary – Democratic Services Officer

### **Non-members present:**

Councillor J Singleton – Fylde Borough Council, A Smith – KPMG External Auditors and Councillor I Amos

**Members of the public present:** None

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### **18        Declarations of interest**

None.

### **19        Confirmation of minutes**

The minutes of the Audit Committee meeting held on Tuesday 28 June 2016 were confirmed as a correct record.

## **20 Statement of Accounts 2015/16 (post audit)**

The Head of Finance submitted a report seeking Audit Committee's approval of the Council's Statement of Accounts, following the completion of the audit, for the financial year 2015/16. The Audit Committee had approved the unaudited accounts for the 2015/16 financial year at their meeting on 28 June 2016. Following approval, the Statement of Accounts would be signed, dated and published on the website, no later than 30 September 2016.

**RESOLVED** that the Council's Statement of Accounts for 2015/16, be approved.

## **21 Management Representation Letter 2015/16**

The Chief Financial Officer submitted the Management Representation Letter for 2015/16, the content of which was determined by KPMG. The letter would be signed by the Chairman of Audit Committee and the Chief Financial Officer, prior to it being sent to KPMG, the Council's External Auditors.

**RESOLVED** that the Management Representation Letter for 2015/16, be signed by the Chairman of the Audit Committee and the Chief Financial Officer and sent to KPMG.

## **22 Report to those charged with Governance (ISA 260) 2015/16**

Andy Smith, a Director from the Council's external auditors (KPMG LLP (UK)) submitted their "Report to those charged with governance (ISA 260) for 2015/16". He summarised the work that had been carried out to discharge their statutory audit responsibilities.

He provided Members with an overview of the report, summarising the headline messages for the Authority and key findings, namely;

- They anticipated issuing an unqualified audit opinion on the Authority's financial statements by 30 September 2016.
- They would report that the Annual Governance Statement complied with guidance issued by CIPFA/SOLACE.
- There were no unadjusted audit differences.
- They had agreed a small number of presentational changes to the Statement of Account with Finance. An additional narrative disclosure on the future uncertainties associated with the UK's decision to leave the European Union, and the potential impact on financial matters reported in the current year and in future periods had been added.
- They noted that the Authority had continued to ensure high quality processes are in place for the production of the accounts and good quality supporting working papers.

Mr Smith said that receiving an unqualified audit report with no audit differences identified was a very positive result and that their Value for Money audit did not identify any significant risks. He recognised the good work of the Finance Team and thanked officers for dealing promptly and

efficiently with all audit queries.

**RESOLVED** that the External Auditors Report to those charged with Governance, referred to as the ISA 260, for 2015/16, be noted.

## **23 Annual Review of Financial Regulations and Financial Procedure Rules**

The Head of Finance (S151 Officer) submitted a report.

The Head of Governance introduced the report and explained that the Financial Regulations and Financial Procedure Rules were reviewed annually, in accordance with best practice and guidance. She said that the regular review process provided evidence which helped the Council to demonstrate to that it had put arrangements in place to maintain a sound system of internal control. She referred to the proposed amendments listed in paragraph 5.1 of the report.

**RESOLVED** that the proposed changes to the Financial Regulations and Financial Procedure Rules referred to in paragraph 5.1 of the report and set out in full as track changes in Appendix 1, be approved.

## **24 Annual Review of Internal Audit Charter**

The Head of Finance (S151 Officer) submitted a report.

The Head of Governance introduced the report, explaining that the agreement of the Internal Audit Charter for the Audit and Risk Management Section should enable to ensure that it complied with the professional standards specified in paragraph 1.1 of the report.

**RESOLVED** that the Internal Audit Charter attached as Appendix 1 of the report and the Code of Ethics attached as Appendix 2 of the report, be approved.

## **25 Annual Review of the Risk Management Policy**

The Head of Finance (S151 Officer) submitted a report.

The Senior Auditor introduced the report, explaining the benefits of the Council's Risk Management approach. She indicated there had been no significant amendments to the Risk Management Policy since the last review. The Risk Register was available for Councillors to view on the Council's intranet, along with the proposed actions to mitigate the risks.

Significant work had been done to ensure that Risk Management was embedded in the organisation and is facilitated by the I.A. section, but officer led within services.

**RESOLVED** that the Annual Review of the Risk Management Policy document be approved.

**26                    Date and time of next meeting**

**Audit Committee Meeting, Tuesday 8 November at 6pm in Committee Room 1**

The meeting started at 6.00 pm and finished at 6.45 pm.

**Date of Publication:** Thursday 29 September 2016