Minutes of the Audit and Accounts Committee held at the Civic Centre, Riverside, Stafford on Tuesday 30 July 2019

Chairman - Councillor A M Loughran

Present (for all or part of the meeting):-

Councillors:
M G Dodson                  P W Jones
I D Fordham                 J A Nixon
R A James

Cabinet Member - Councillor R M Smith - Deputy Leader and Resources Portfolio

Officers in attendance:-

Mr I Curran - Interim Head of Law and Administration
Mr B Kean - Head of Finance
Mrs E Fullager - Principal Accountant
Mr J Dean - Democratic Services Officer

Also present:-

Mr R Percival - Engagement Lead, Grant Thornton

AAC10 Minutes

Minutes of the meeting held on 11 June 2019, as circulated and to be published in Digest No 258, were submitted and signed.

AAC11 Stafford Borough Planned Audit Fee for 2019/20

Considered the correspondence from Grant Thornton setting out details of the planned audit fee for 2019/20, value for money conclusion and the outline audit timetable, together with details of the members of the external audit team.

Mr Richard Percival, Engagement Lead, Grant Thornton highlighted the Council's scale fee for 2019/20.

Members subsequently voted to note the correspondence, which was declared to be carried.
RESOLVED:- that in exercise of the powers delegated to the Committee, the Planned Audit Fee for 2019/20 and the associated correspondence be noted.

AAC12 Audit Findings - Year Ended 31 March 2019

Considered the report of Grant Thornton summarising the key issues from the statutory audit of the Council and the preparation of the Council’s financial statements for the year ended 31 March 2019.

Mr Richard Percival, Engagement Lead, Grant Thornton introduced the report and highlighted the headline issues as set out on page 8 of the agenda.

Continuing, Mr Percival led Members through the report highlighting pertinent points for their attention, namely:-

- Materiality in terms of preparation of the financial statements
- Significant findings - audit risks
- Impact of the McCloud judgement
- Significant findings - key judgements and estimates
- Value for money approach
- Delivery of financial plans
- Audit adjustments
- Audit fees

The Chairman subsequently invited Members to seek clarification on any of the issues highlighted, during which the following matters were explored:-

- Amendment of financial statements to reflect the actuarial review of the impact of the McCloud judgement
- Valuation of land and buildings
- Future models of Local Government Funding

Members subsequently voted to receive the report, which was declared to be carried.

RESOLVED:- that in exercise of the powers delegated to the Committee:

(a) the Audit Findings for the Council for the year ended 31 March 2019 be received;

(b) the proposed fee variation be agreed.
Considered the report of the Head of Finance (V1 22/07/19) presenting the Management Representation Letter for 2018/19.

The Head of Finance noted the change in the report from previous years which now included details of unadjusted disclosure changes.

Members subsequently voted on the recommendation as set out, which was declared to be carried.

RESOLVED:- that in exercise of the powers delegated to the Committee the Management Representation Letter for 2018/19 be endorsed.

The Management Representation Letter was duly signed by the Chairman of the Committee.

Considered the report of the Head of Finance (V1 19/07/19) and the associated booklet presenting the audited Statement of Accounts for 2018/19 for approval by the Committee.

The Head of Finance introduced the report before inviting the Principal Accountant to appraise the associated booklet, during which time specific reference was made to:-

- Comprehensive income and expenditure account
- Balance sheet
- Pensions assets and liabilities
- Collection fund income and expenditure account

Members were provided with clarification to their points raised during consideration of the item, following which the Committee voted on the recommendation as set out, which was declared to be carried.

RESOLVED:- that in exercise of the powers delegated to the Committee the audited Statement of Accounts for 2018/19 be approved.

The Head of Finance paid tribute to the work of the Principal Accountant and her Team in preparing the Council’s draft accounts in line with the shortened time frame. The comments were duly echoed by the Chairman of the Committee.
Annual Treasury Management Plan 2018/19

Considered the report of the Head of Finance (V2 17/07/19) updating Members on treasury management activity and performance during the 2018/19 financial year.

The Head of Finance reviewed the investments as held by the Council and the detail as set out in the associated appendices to the report. Members congratulated the Finance Team for achieving a pleasing average return rate earned on the internally managed funds.

Members then voted on the recommendations as set out, which were declared to be carried.

RESOLVED:- that in exercise of the powers delegated to the Committee:

(a) the annual treasury management report for 2018/19 be noted;

(b) the actual 2018/19 prudential and treasury indicators as set out in appendix 1 of the report be approved.

Work Programme - Audit and Accounts Committee

Considered the report of the Interim Head of Law and Administration (V1 15/07/19).

Members then voted on the recommendation as set out, which was declared to be carried.

RESOLVED:- that in exercise of the powers delegated to the Committee the Work Programme be received.