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# AUDIT COMMITTEE

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**Monday, 18th September, 2017**

**Present:** Councillor Noordad Aziz (in the Chair), Councillors

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**140 Apologies for Absence, Declarations of Interest, Dispensations and Substitutions**

Apologies for absence were submitted from the Corporate Performance Manager, Mike Walker and the Head of Audit and Investigations, Mark Beard.

Councillor Stephen Button was not present at the meeting and no substitute representative had been arranged.

There were no reported declarations of interest or dispensations.

**141 Minutes of the Last Meeting**

The minutes of the last meeting held on the 26<sup>th</sup> June 2017 were submitted for approval.

**Resolved - That the minutes be received and approved as a correct record.**

**142 Peer Review of Internal Audit Against the Public Sector Internal Audit Standards- Update**

The Head of Audit and Investigations submitted a report to inform Audit Committee Members of the current position regarding the Peer Review of Internal Audit against the Public Sector Internal Audit Standards which is scheduled to take place in February 2018.

The Senior Auditor reported that a further update would be provided at the December meeting.

**Resolved - That the report be noted for informational purposes.**

**143 Audit Reports & Key Issues- Progress Report for the Period July- September 2017**

The Head of Audit and Investigations submitted a report to inform members of the Audit Committee of Audit Reports issued during the period July- September 2017 and bring to the attention of the Committee what the key issues were.

There was a target of 98% of the audit plan to be completed by the end of the current financial year in terms of audit days completed. The figures contained in the report gave updated details to the end of August 2017 and the projected out turn position for 2017/18.

A summary of the main issues arising from audits carried out between July- September 2017 was attached to Appendix 1 of the report and detailed both substantial and comprehensive audit assurance in the following areas:

- Car allowances
- Taxi Licensing
- Food inspection team
- Separation of duties- post cuts
- Leasing arrangements

The Senior Auditor answered questions from Members in relation to the car allowance scheme.

**Resolved - That the report be noted for informational purposes.**

**144 Audit Follow-Ups Report for the Period July- September 2017**

The Head of Audit and Investigations submitted a report to inform members of the Audit Committee of the outcome of routine follow-ups following the previously agreed action plans for complete Audit Records. The follow-ups detailed within the report are those carried out during the period July- September 2017.

The information on the following follow-ups were carried out during the period July to September 2017 and were detailed within Appendix 1 of the report.

- Lease rents and renewals  
2 actions had been implemented
- Refundable allotment deposits  
1 action had been implemented
- Recovery team and processes  
1 action had been implemented

**Resolved - That the report be noted for informational purposes.**

**145 The Audit Findings for Hyndburn Borough Council (Year ended 31 March 2017)- Grant Thornton**

Grant Thornton submitted a report to inform members of the committee on the audit findings and highlight the key findings arising from the audit that are significant to those charged with governance to oversee the financial reporting process.

The contents of the report relate only to those matters which came to Grant Thornton's attention during the conduct of normal audit procedures which are designed primarily for the purpose of expressing their opinion on the financial statements and giving a value for money conclusion.

Karen Murray of Grant Thornton went through the report in detail and explained the information for members of the committee.

Other items covered in the report, included:

- Materiality
- Audit findings against significant risks
- Group audit scope and risk assessment
- Accounting policies, estimates and judgements
- Misclassifications and disclosure changes

- Value for money
- Fees, non-audit services and independence
- Communication of audit matters
- Communication to those charged with governance

The Chair placed on record the Audit Committee's thanks to Grant Thornton, the Council's external auditors and the Deputy Chief Executive along with the rest of the accountancy team for all the hard work involved in preparing the accounts.

**Resolved - That the report be noted for informational purposes.**

**146 Statement of Accounts 2016/17**

The Head of Accountancy Services, Stephen Brindle had submitted a report to present for approval the Council's Statement of Accounts for 2016/17.

The audited version of the Council's statement of accounts was attached to the supplemental agenda.

The public inspection period had ended in early August and the remaining process was for the HBC Deputy Chief Executive and Chair of Audit Committee to sign off for approval the accounts.

The medium financial plan was discussed and it was added that there was no clear financial picture across the country after 2020 due to unknown arrangements in relation to the retention of local business rates.

**Resolved - That Audit Committee approved the Statement of Accounts for 2016/17.**

**147 Time/Date/Venue of Next Meeting of Committee**

**Resolved - That the next meeting of the Audit Committee be held on Monday, 11<sup>th</sup> December 2017 at 5.30 pm in the QE Room at Scaitcliffe House.**

Signed:.....

Date: .....

Chair of the meeting  
At which the minutes were confirmed