

FINANCE AND AUDIT SCRUTINY COMMITTEE

Minutes of the meeting held on Wednesday, 25 September 2013 at the Town Hall, Royal Leamington Spa at 6.00pm.

PRESENT: Councillor Barrott (Chair): Councillors Mrs Bromley, MacKay, Mrs Mellor, Mrs Sawdon, Mrs Syson, Weber and Williams.

Apologies for absence were received from Councillors Pittarello, Rhead and Weed.

70. SUBSTITUTES

Councillor Weber substituted for Councillor Weed.

71. DECLARATIONS OF INTEREST

There were no declarations of interest.

72. AUDIT FINDINGS REPORT FROM EXTERNAL AUDITOR

The Committee received a report presenting the external auditors' Audit Findings Report in respect of 2012/13. This followed completion by the external auditors of their audit of the 2012/13 Statement of Accounts for which they anticipated issuing an unqualified audit opinion.

Mr Gregory and Mr Preece attended the meeting to present the report on behalf of the external auditor, Grant Thornton.

Members noted that the Audit Findings report replaced the Annual Governance Report which had been produced in the past by the previous external auditor, the Audit Commission.

The audited accounts were due to be agreed by Council on 26 September 2013. Following this the external auditor would issue an audit opinion which would enable the accounts to be published ahead of the 30 September deadline.

Also attached to the report was a letter of representation which, with the Committee's agreement, would be signed by the Committee Chair and the Head of Finance and then be handed to the external auditors.

The Committee, in its role as the Council's audit committee, was expected to consider the Audit Findings Report, which identified key issues that Members should consider before the auditors issues their opinion, conclusion and certificate.

Mr Gregory was pleased to report that overall the Council had a clean bill of health. The external auditor was proposing to issue an unqualified opinion and value for money conclusion. However, it was not possible to formally certify the audit as complete because an objection to the accounts had been received in relation to HS2 expenditure, which the auditor was duty

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bound to investigate prior to certification. Mr Gregory had to follow a set procedure in dealing with any objection and estimated that the process would take a couple of months. He assured the Committee that it would have no significant impact on the accounts.

The Committee was pleased to note that the audit process had gone without hitch, working papers had been of a high standard and the Council's officers had dealt with questions from the auditor promptly and well. Mr Gregory pointed out that the only findings of significance were clerical.

Mr Preece thanked the Head of Finance and his team for producing the accounts so well, and singled out the Principal Accountant (Capital) and Principal Accountant (Revenue) in particular. The Committee echoed these thanks. The Head of Finance agreed to pass on these thanks to his team.

The Chair thanked Mr Gregory and Mr Preece for their work and, with the agreement of the Committee, signed the letter of representation and issued it to the external auditor.

RESOLVED that

- (1) the 2012/13 Audit Findings Report be noted; and
- (2) the letter of representation be approved on behalf of the Council before the District Auditor issues his opinion and conclusion.

(Councillor Williams joined the meeting during the course of this item)

73. COUNCIL AGENDA – THURSDAY 26 SEPTEMBER 2013

The Committee considered the Statement of Accounts 2012/13 report due to be presented to Council on 26 September 2013.

The report recommended that Council approve the formal Statement of Accounts for the year ended 31 March 2013, which would then be signed by the Councillor chairing the meeting.

The accounts had been closed in respect of the financial year 2012/13 and the outturn duly reported to the Executive in June. The unaudited Statements had also been presented to the Finance and Audit Scrutiny Committee in July.

RECOMMENDED that Council approves the formal Statement of Accounts 2012/13.

(The meeting ended at 6.20 pm)