

AUDIT AND GOVERNANCE COMMITTEE

4 September 2018

Present – The Vice Chair (Councillor Brockbank) and Councillors Barrett, Brown, Hull, Lis, Mercer Place and Whitaker.

Officers – Chief Executive, Chief Finance Officer (s151 Officer), Accountancy Services Manager and Democratic Services Manager.

Apologies for absence were received from Councillor Harbron and Greg Robinson (Independent Person).

Start: 6.30pm

Finish: 7.25pm

The minutes of the meeting held on 26 June 2018 were approved as a correct record and signed by the Chair.

Minutes for Report

AC.324

EXTERNAL AUDIT: AUDIT COMPLETION REPORT

A report was submitted by Mazars LLP, which presented the findings from its audit of Craven District Council (CDC) for the year ended 31 March 2018.

The Chair welcomed to the meeting, Mark Kirkham and Gavin Barker of Mazars LLP, the Council's external auditors, to present the report.

In presenting the report, it was reported that the statutory audit deadline of 31 July 2018 had not been met, due to issues with the valuation of Property, Plant and Equipment. CDC had subsequently re-performed its valuations, which had resulted in a delay to the timetable. It was confirmed that the audit work in relation to the re-valuation process was now complete.

Members' attention was drawn to a correction to the Audit Completion Report on page 4 of the report under the heading 'Materiality'. It was advised that the final assessment of materiality should be stated as £431,000 and the trivial threshold as £13,000, not £418,500 and £12,555 as had been reported.

It was advised that during the course of the audit that some significant risks had been identified in relation to the following areas:

- Management override of controls;
- Revenue recognition – fees and charges;
- Property, plant and equipment valuations; and
- Defined benefit pension liability valuation.

Gavin Barker outlined the findings in relation to each of the significant risks that had been identified.

In relation to the value for money conclusion, the overall criterion was that 'in all significant respects, the Council had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people.'

Resolved –

- (a) That the Audit Completion Report for the year ended 31 March 2018 is accepted.
- (b) That the required Management Representations Letter in respect of the audit is

approved for signing by the Section 151 Officer.

(c) That the External Auditors and the Financial Services Team are thanked for their work.

AC.325

STATEMENT OF ACCOUNTS 2017/18

The Chief Finance Officer (s151 Officer) submitted a report which presented the 2017/18 Statement of Accounts.

The key areas of discussion were:

- Some concern that there had been a slight fall in the percentage rate of household waste sent for reuse, recycling and composting during 2017/18. It was felt that the slight dip in performance was due to residents getting used to the new recycling arrangements and that efforts to encourage increased recycling were ongoing.
- A request that a list of pension fund investments be provided to Committee Members. It was advised that details of pension fund investments were available on the North Yorkshire County Council (NYCC) website.

Resolved – That the audited Statement of Accounts for 2017/18 are approved.

Minutes for Decision

There were no items for decision.

Chairman.