

**MINUTES OF A MEETING OF THE
ACCOUNTS AND AUDIT COMMITTEE
HELD AT NELSON TOWN HALL
ON WEDNESDAY 28TH SEPTEMBER, 2015**

PRESENT –

Councillor R. Allen – Chairman, in the Chair

*Cllr M. Ammer
Cllr D. Lord
Cllr P. White*

*Cllr L. Davy
Mr D. Whatley*

Also in attendance

*K. Murray Grant Thornton UK LLP
C. Stead Grant Thornton UK LLP
V. Green Financial Services Manager (PBC)
F. Khaliq Senior Auditor (PBC)
J. Eccles Committee Administrator (PBC)*



16. DECLARATION OF INTERESTS

Members were reminded of the legal requirements concerning the declaration of interests.

17. MINUTES

The Minutes of the last meeting of the Committee held on 22nd July, 2015 were submitted for approval.

RESOLVED

That the Minutes be agreed as a correct record and signed by the Chairman.

18. EXTERNAL AUDIT – AUDIT FINDINGS REPORT

K. Murray presented the Audit Findings report which highlighted the key matters arising from Grant Thornton's audit of Pendle Borough Council financial statements for the year ended 31st March 2015.

It was reported that Grant Thornton anticipated providing an unqualified opinion on the Council's financial statements and that no adjustments affecting the Council's reported financial position had been identified during the audit. It also concluded that in all significant respects, the Council had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31st March 2015. The external auditors proposed to give an unqualified Value for Money conclusion.

RESOLVED

That the Audit Findings for Pendle Borough Council by the External Auditors be accepted.

19. LETTER OF REPRESENTATION

The Financial Services Manager submitted a report on the requirement to provide the External Auditors with a Letter of Representation in relation to the Council's Statement of Accounts for 2014/15.

RESOLVED

That the requirement for the Financial Services Manager (as the Council's Section 151 Officer) to provide the External Auditors with a Letter of Representation in relation to the Statement of Accounts for 2014/15 be noted and the Chairman of the Committee countersign the Letter of Representation.

20. STATEMENT OF ACCOUNTS – 2014/15 (AUDITED)

The Financial Services Manager presented for approval the Statement of Accounts for 2014/15 which had now been audited. No changes had been required to the core statements as presented to the Committee in July. There were some minor amendments which were set out in the report.

The accounts would be published on the Council's website on 30th September. A "Notice of Conclusion of Audit " would also be placed in local newspapers advising that the Audit of the Council's accounts had been completed and giving details of where the accounts could be inspected.

RESOLVED

- (1) That the Statement of Accounts for 2014/15 be approved.
- (2) That the Financial Services Manager email information on the Council's Trust Funds to Members of the Committee for information.

21. INTERNAL AUDIT – REVIEW OF EFFECTIVENESS IN 2014/15

The Financial Service Manager provided various forms of assurance to enable a review of the effectiveness of the Council's system of Internal Audit to be undertaken.

RESOLVED

That the Council's system of internal audit as it applied in 2014/15 be considered effective.

22. INTERNAL AUDIT 2015/16 – PROGRESS REPORT

The Audit and Performance Manager submitted a report with an update on progress against the Internal Audit Plan for 2015/16 as at 31st August 2015.

RESOLVED

- (1) That the progress made against the Audit Plan for 2015/16 as set out at Appendix A of the report be noted.

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- (2) That the adjustments to the Audit Plan for 2015/16 as set out in the table attached to Appendix B of the report be approved.
- (3) That the Audit and Performance Manager be asked to consider submitting copies of audit reports to Members where appropriate.

23. INTERNAL AUDIT: RECOMMENDATION DATABASE

The Audit and Performance Manager submitted a report that summarised progress on the implementation of internal audit recommendations as at 15th September 2015, and answered related questions.

RESOLVED

That the progress made on the implementation of Internal Audit recommendations up to the 15th September be noted.

24. MANAGING THE RISK OF FRAUD, THEFT AND CORRUPTION

The Audit and Performance Manager submitted a report with an update on the Council's anti-fraud, theft and corruption arrangements. It was pointed out that in April 2015, a new Single Fraud Investigation Service operated by the Department for Works and Pensions took responsibility for the investigation of benefit fraud for Pendle. There was a backlog of referrals from local authorities awaiting assessment, which was likely to affect the rate of recovery of debt.

RESOLVED

That the activity undertaken to manage and mitigate the risk of fraud, theft and corruption within the Council's activities be noted.

25. TREASURY MANAGEMENT 2015/16 – QUARTER 2 MONITORING REPORT

The Financial Services Manager submitted a report on the treasury management activities of the Council in the second quarter of 2015/16 and answered related questions. The report provided a summary view of the activity undertaken to date in 2015/16 in relation to the Council's debt and investments. An analysis of the long-term debt and a maturity profile were provided as appendices to the report.

RESOLVED

That the work on the Council's treasury management activities in the second quarter of 2015/16 be noted.

26. CORPORATE GOVERNANCE AND RISK – QUARTERLY UPDATE

The Financial Services Manager submitted a report which provided an update on the Local Code of Corporate Governance Action Plan and the Strategic Risk Register following a review in September 2015 by the Corporate Governance Group. The key points arising, together with the top 11 strategic risks, were detailed in the report.

RESOLVED

That the report be noted.

Chairman _____