

CANNOCK CHASE COUNCIL
MINUTES OF THE MEETING OF THE
AUDIT AND GOVERNANCE COMMITTEE
MONDAY, 27 SEPTEMBER, 2011 AT 4.00 P.M.
IN THE CIVIC CENTRE, BEECROFT ROAD, CANNOCK
PART 1

PRESENT: Councillors

Burnett, J. (Chairman)
Ball, G. D. (Vice-Chairman)

Brown, G. C. Fisher, P. A.

Also Present: Mr. G. Patterson, District Auditor, Audit Commission
 Ms. E. Mayne, Audit Manager, Audit Commission

15. Apologies

Apologies for absence were received on behalf of Councillors G. Burnett and G. N. Molineux.

16. Declaration of Interests of Members in Contracts and Other Matters and Restriction on Voting by Members

No declarations of interests were received.

17. Minutes

RESOLVED:

That the Minutes of the meeting held on 22 August, 2011 be approved as a correct record and signed.

18. External Audit of the Statement of Accounts 2010/11 and Management Representation Letter

Consideration was given to the Report of the Head of Financial Management (Enclosure 5.1 – 5.8) of the Official Minutes of the Council).

The Head of Financial Management outlined the process for the approval of the audited statement of accounts for the financial year ended 31 March, 2011 which the authority was required to publish by 30 September, 2011. The Committee having noted elsewhere on the agenda the following additional items:-

- ISA 260 – External Auditors Report
- Statement of Accounts 2010-11

RESOLVED:

- (A) That the contents of the Report be noted.
- (B) That the Management Representation Letter of the Responsible Financial Officer be approved.

19. External Audit: 2010-11 Audit Opinion Plan – Cannock Chase District Council

Mr. G. Patterson, District Auditor, Audit Commission gave an overview of the Audit Opinion Plan. He explained that the Audit Commission was required to issue an audit report giving an opinion on whether the accounts presented a true and fair view of the financial position as at 31 March 2011. The Commission also needed to be satisfied that the Council had made proper arrangements for securing economy, effectiveness and efficiency in its use of resources. This was known as the Value for Money conclusion.

20. External Audit: Audit Memorandum – Report to those charged with Governance (ISA260)

Consideration was given to the Audit Commission's Annual Governance Report – 2010/11.

Mr. G. Patterson reported that the audit of the Council's Statement of Accounts for the year ended 31 March 2011 was substantially complete, subject to some outstanding audit procedures. He confirmed that, subject to the successful completion of the procedures, he would be issuing an audit report, including an unqualified opinion on the financial statements. He also intended to issue an unqualified conclusion stating that the Council had adequate arrangements to secure economy, efficiency and effectiveness in its use of resources.

It was explained that –

- Appendix 2 to the report listed the most significant amendments to the draft financial statements;
- Appendix 3 listed the unadjusted misstatements;
- Appendix 4 provided a copy of the draft letter of representation; and
- Appendix 5 - Glossary

The Committee was informed that the content and format of the financial statements had changed significantly and were extremely complex with the implementation of new requirements for the accounting for local government bodies in accordance with International Financial Reporting Standards (IFRS). Due to the complexity of the accounts the Audit Commission would be arranging training for Members to enable them to more fully understand them.

RESOLVED:

That :-

- (A) The contents of the Report of the External Auditors be noted.
- (B) The uncorrected audit differences identified by the audit of the financial statements be noted and that management's determination not to adjust them, be endorsed.

21. Statement of Accounts 2010/11

Consideration was given to the report of the Head of Financial Management (Enclosure 8.1 – 8.11 of the Official Minutes of the Council).

RESOLVED:

That:-

- (A) The changes made to the Statement of Accounts for the year ended 31 March 2011 as previously referred to in the External Audit of the Statement of Accounts and Management Representation Letter report and any subsequent agreed amendments as raised in External Audits ISA260 report be noted.
- (B) The Management Representation Letter of the Responsible Finance Officer be approved.
- (C) The contents of the audited statement of accounts for the year ended 31 March 2011 be approved.

The meeting closed at 4.55 p.m.

CHAIRMAN