

## **AUDIT COMMITTEE**

**Meeting held in the Committee Room, Council Offices, Urban Road, Kirkby-in-Ashfield,**

**on Monday, 30th September, 2019 at 10.00 am**

**Present:** Councillor Dave Shaw in the Chair;

Councillors John Baird, Jim Blagden,  
Christian Chapman, Arnie Hankin,  
Kevin Rostance and David Walters.

**Apology for Absence:** Helen Brookes (Mazars).

**Officers Present:** Craig Bonar, Bev Bull, Lynn Cain, Ruth Dennis  
and Peter Hudson.

**In Attendance:** Mandy Marples and Hannah McDonald (CMAP).

### **AC.10 Declarations of Disclosable Pecuniary or Personal Interests and Non Disclosable Pecuniary/Other Interests**

No declarations of interest were made.

### **AC.11 Minutes**

RESOLVED that the minutes of the meeting of the Committee held on 22<sup>nd</sup> July, 2019, be received and approved as a correct record.

### **AC.12 Annual Audit Letter 2018/19**

Due to the absence of Mazars Audit Manager, Helen Brookes, from the meeting the Council's Corporate Finance Manager (and Section 151 Officer), presented the Annual Audit Letter for 2018/19. The Letter provided a summary of the key findings from the 2018/19 audit of the Council's financial statements and the Value for Money (VFM) conclusion and confirmed the issuing of an unqualified opinion and conclusion in respect of both.

There had been three significant risks identified for consideration as part of the 2018/19 audit in respect of Management Override of Controls, Valuation of Property, Plant and Equipment and Defined Benefit Liability Valuation but no significant issues had arisen as part of the audit work and the relative assurances were duly sought.

Three internal controls were identified as minor issues to be addressed as part of the audit work in relation to Bank Reconciliations, Related Parties and Land Registry and all three recommendations arising from the review had been considered and subsequently agreed by management.

In relation to the VFM conclusion, only two significant recommendations had been identified in relation to the Authority's Medium Term Financial Strategy (MTFS) and its Investments in Commercial Properties. Conclusions had been reached that the Council's MTFS was robust with a steady projected level of reserves and the Council's approach to purchasing commercial properties was fit for purpose and had been strengthened by two recent internal audits.

Committee were also asked to note that the final audit fee had remained as originally proposed at £43,148.

RESOLVED

that the Annual Audit Letter for 2018/19, as presented to Committee, be received and noted.

### **AC.13 Audit Progress Report**

Mandy Marples, CMAP's Audit Manager, presented the report and summarised the audit progress as at 30<sup>th</sup> September, 2019 with 2 assignments having reached their conclusion during the period in relation to Fire Safety and IT Policy Compliance.

Members were advised that of the 2 completed assignments, the Fire Safety review had resulted in a reasonable assurance with 5 actions being agreed by management. The IT Policy Compliance review had been a substantial, technical piece of work that on completion, had only received a limited assurance. As a result of the outcome, 13 recommendations had been submitted to management which in turn had been accepted with varying dates assigned to each one for completion.

Members took the opportunity to ask questions concerning the outstanding significant and moderate risk recommendations and what actions were being taken by management to escalate and address the issues to ensure compliance as necessary. To conclude, Members were advised that the Council's current status in relation to internal audit compliance was pleasing to see.

RESOLVED

that audit assignment progress as at 30<sup>th</sup> September, 2019, as presented to Committee, be received and noted.

The meeting closed at 10.45 am

Chairman.