

**AUDIT COMMITTEE**  
**MINUTES OF THE MEETING HELD ON 25 JUNE 2008**

**Present**

Councillor Ball  
Councillor Barnes-Andrews  
Councillor Beckett  
Councillor Bogle  
Councillor Daunt  
Councillor Fitzhenry  
Councillor Fuller (except for Items 1,2 and 3)  
Councillor Wells

**Also in attendance:**

Ms K Handy, District Auditor, Audit Commission  
Mr M Bowers, External Audit Manager, Audit Commission

**1. APPOINTMENT OF CHAIR**

**RESOLVED** that Councillor Ball be appointed Chair of the Committee for the Municipal Year 2008/09.

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**COUNCILLOR BALL IN THE CHAIR**

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**2. APPOINTMENT OF VICE-CHAIR**

**RESOLVED** that Councillor Bogle be appointed Vice-Chair of the Committee for the Municipal Year 2008/09.

**3. MINUTES**

**RESOLVED** that the minutes of the meeting held on 27 March 2008 be approved and signed as a correct record. (Copy of the minutes circulated with the agenda and appended to the signed minutes).

**4. MONITORING AUDIT COMMITTEE RECOMMENDATIONS**

The Committee considered the report of the Democratic Support and Members Services Manager requesting that the Committee considers the actions taken since its last meeting. (Copy of the report circulated with the agenda and appended to the signed minutes).

**RESOLVED** that the actions taken since the last Audit Committee be noted.

**5. CHAIR'S ANNUAL REPORT ON AUDIT COMMITTEE 2007/08**

## ITEM NO. 3

The Committee considered the report of the Chair of the Audit Committee 2007/08. (Copy of the report circulated with the agenda and appended to the signed minutes).

**RESOLVED** that the report of the Chair of the Audit Committee 2007/08 be noted.

### 6. **AUDIT COMMISSION: AUDIT AND INSPECTION PLAN PROGRESS REPORT**

The Committee considered the report of the Chief Internal Auditor requesting that the Committee notes the update on progress against the 2007/08 Audit and Inspection Plan. (Copy of the report circulated with the agenda and appended to the signed minutes).

**RESOLVED** that the Audit Commission reports, attached as Appendices 1 and 2 to the main report, be noted.

### 7. **STATEMENT OF ACCOUNTS 2007/08**

The Committee considered the report of the Executive Director of Resources requesting that the Committee approves the Statement of Accounts 2007/08. (Copy of the report circulated with the agenda and appended to the signed minutes).

#### **RESOLVED**

- (i) that the 2007/08 Statement of Accounts be recommended to the Standards and Governance Committee for approval;
- (ii) that the accounting policies adopted by the Authority be accepted;
- (iii) that management's procedures for preparing the Authority's accounts in Appendix 1 to the main report, be noted;
- (iv) that the de minimus levels for capital expenditure at £5,000 for enhancements to existing assets and £10,000 for the purchase or construction of new assets, be approved; and
- (v) that within the risk assessment of capital projects consideration be given to the impact of project slippage.

### 8. **CHIEF INTERNAL AUDITOR'S ANNUAL REPORT AND OPINION 2007/08**

The Committee considered the report of the Chief Internal Auditor requesting that the Committee notes the Chief Internal Auditor's Annual Report and Opinion for 2007/08. (Copy of the report circulated with the agenda and appended to the signed minutes).

## ITEM NO. 3

**RESOLVED** that the Chief Internal Auditor's Annual Report and Opinion for 2007/08, be noted.

### 9. **REVIEW OF THE EFFECTIVENESS OF THE SYSTEM OF INTERNAL AUDIT**

The Committee considered the report of the Chief Internal Auditor requesting that the Committee reviews the effectiveness of the system of internal audit. (Copy of the report circulated with the agenda and appended to the signed minutes).

**RESOLVED** that based on the sources of assurance detailed in the report the system of internal audit be considered effective.

### 10. **RISK MANAGEMENT STRATEGY AND ACTION PLANS**

The Committee considered the report of the Executive Director of Resources requesting that the Committee notes and approves the Risk Management Action Plan for 2008/09 and the Risk Management Strategy document, and notes the Risk Management Action Plan 2007/08. (Copy of the report circulated with the agenda and appended to the signed minutes).

#### **RESOLVED**

- (i) that the Risk Management Action Plan for 2008/09 (Appendix 1 to the main report) be noted and approved;
- (ii) that the Risk Management Action Plan 2007/08: Status Report (Appendix 2 to the main report) be noted;
- (iii) that the highlighted changes to the 'Risk Management Strategy' document (Appendix 3 to the main report), be noted and approved; and
- (iv) that on Page 6 of the 'Risk Management Strategy' document the Member having joint responsibility with the Section 151 Officer for championing the processes for embedding risk management throughout the Council, be named by title as follows:- Cabinet Member for Resources and Workforce Planning.

### 11. **ANNUAL GOVERNANCE STATEMENT 2007/08**

The Committee considered the report of the Executive Director of Resources requesting that the Committee reviews and approves the draft Annual Governance Statement and recommends its acceptance to the Standards and Governance Committee. (Copy of the report circulated with the agenda and appended to the signed minutes).

#### **RESOLVED**

## ITEM NO. 3

- (i) that draft Annual Governance Statement, together with sources of assurance upon which the statement is based, be confirmed as meaningful and that the system of internal control be considered to have operated effectively throughout the reporting period.
- (ii) that the draft Annual Governance Statement be approved and recommended for acceptance by the Standards and Governance Committee; and
- (iii) that the content of the Statement on Internal Control 2006/07: Action Plan Status document (Appendix 2 to the main report) be noted.

### 12. **INTERNAL AUDIT: STATUS OF WORK – MAY 2008**

The Committee considered the report of the Chief Internal Auditor requesting that the Committee notes the Internal Audit Status of Work report for the period ending 23 May 2008. (Copy of the report circulated with the agenda and appended to the signed minutes).

The Executive Director for Children's Services and Learning was in attendance with regard to the current Limited Assurance audit opinion on Cantell Maths and Computing College (Item 4 of the Appendix to the main report). He presented his briefing paper, 'Cantell Maths and Computing College – Financial Management in Schools Standard (FMSiS)', to the committee.

Ms R Evans, Headteacher, Cantell Maths & Computing College, was also present and with the consent of the Chair, addressed the meeting.

(Copy of the briefing paper appended to the signed minutes).

**RESOLVED** that the Internal Audit Status of Work report for the period ending 23 May 2008, be noted.

### 13. **SCHOOLS AUDIT POLICY**

The Committee considered the report of the Chief Internal Auditor requesting that the Committee approves the adoption of the Schools Audit Policy. (Copy of the report circulated with the agenda and appended to the signed minutes).

**RESOLVED** that the adoption of the Schools Audit Policy be approved.