

## **AUDIT COMMITTEE**

(Civic Centre, Port Talbot)

**Members Present:**

**29<sup>th</sup> September, 2009**

**Chairman:** Councillor J.Dinham

**Vice Chairman:** Councillor J.Miller

**Councillors:** Mrs.R.Davies, I.B.James, Mrs.D.Jones, F.H.Little,  
W.E.Morgan, A.J.Taylor and W.D.Walters

**Officers in Attendance:** H.Jenkins, D.Rees, M.Davies, and A.Borthwick

**Wales Audit Office:** C.Stradling and Ms.J.McNicholas

---

1. **MINUTES OF THE AUDIT COMMITTEE HELD ON THE  
30<sup>TH</sup> JUNE, 2009**

**RESOLVED:** that the Minutes of the previous meeting held on the  
30<sup>th</sup> June, 2009, be noted.

**Report of the Wales Audit Office**

2. **AUDIT OF ACCOUNTING STATEMENTS – REPORT TO  
THOSE CHARGED WITH GOVERNANCE – NEATH PORT  
TALBOT COUNTY BOROUGH COUNCIL**

The Committee received a copy of the Wales Audit Office's report for 2008/09 in accordance with International Standards on Auditing (ISA 260) which contained key matters which must be communicated to the Authority.

From the report it was noted that it was the intention of the Wales Audit Office to issue an unqualified Auditor's report on the accounting statements once the Authority had responded to the final letter of representation, a copy of which was contained in Appendix 1 to the circulated Auditor's report. The report indicated that:-

- (a) there were no major concerns relating to the qualitative aspects of accounting practices and financial reporting which needed to be brought to the attention of the Authority;
- (b) there were no uncorrected misstatements within the report;
- (c) there were no expected modifications to the standard Auditor's report;
- (d) the audit identified no material weakness in the Authority's internal controls;
- (e) there were no other matters which needed to be reported as required by other ISAs;
- (f) there was one other audit matter of governance interest to report regarding investments held in Banks.

**RESOLVED:** that the report be noted.

### **Report of the Director of Finance and Corporate Services**

#### **3. FINAL STATEMENT OF ACCOUNTS 2008/09**

The Committee received the Director's report setting out the Authority's response to the Wales Audit Office's report on ISA 260 (International Standards on Auditing) – concerning financial statements to those charged with governance in order to allow the Auditor to sign off the 2008/09 Accounts in line with the current Legislation and Regulations.

The circulated report contained details of the presentational adjustments to the statement of accounts, together with details of the future work programme, etc. Additionally, a copy of the letter of representation, in accordance with ISA 580, was contained in Appendix 1 to the circulated report.

**RESOLVED:** (a) that the Authority's response to the Auditors report on Audit of Accounting Statements – Report to Those Charged with Governance, as contained in the circulated report, be approved;

- (b) that the Letter of Representation, as contained in Appendix 1 to the circulated report, be approved;
- (c) that the Final 2008/09 Statement of Accounts, as included in the Addendum to the circulated report, be approved;
- (d) that the Chairman of the Audit Committee be authorised to sign the Letter of Representation and Statement of Accounts.

4. **INTERNAL AUDIT SERVICE – ANNUAL REPORT FOR THE YEAR ENDING 31<sup>ST</sup> MARCH, 2009**

The circulated report contained details of the progress made against the 2008/09 Internal Audit Plan.

It was noted that there were no outstanding major issues which required to be brought to the attention of the Committee.

The report also contained a summary of the performance indicators for 2008/09 against target, and reasons for non compliance when they had occurred.

It was also noted that the main issue affecting Audit Performance had been staff vacancies, however, the vacancies had now been filled. The Committee was informed that subsequently a separate vacancy had arisen in August 2009 and attempts are being made to fill this post.

**RESOLVED:** that the above mentioned report be noted.

5. **INTERNAL AUDIT SERVICE – PROGRESS REPORT TO 31<sup>ST</sup> AUGUST, 2009**

The Committee received and noted the circulated report in relation to the work undertaken for the period 1<sup>st</sup> June, 2009 to the 31<sup>st</sup> August, 2009.

Members also noted the update on progress made against the 2009/10 Internal Audit Plan.

**RESOLVED:** that the above mentioned report be noted.

**CHAIRMAN**