

## AUDIT COMMITTEE

(Civic Centre, Port Talbot)

**Members Present:**

**27<sup>th</sup> September, 2012**

**Chairman:** Councillor Mrs.L.H.James

**Vice Chairman:** Councillor J.D.Morgan

**Councillors:** Mrs.C.Clement, J.S.Evans, M.Harvey, I.B.James,  
R.James, Mrs.M.A.Lewis, A.R.Lockyer, P.A.Rees and  
A.J.Taylor

**Officers in Attendance:** H.Jenkins, Mrs.J.North, D.Rees, H.Jones and  
Miss C.Grocutt

**Representing the  
Welsh Audit Office:** R.Harris and Mrs.J.McNicolas

**Voting Lay Member:** Mrs.J.Jenkins

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1. **MR. HYWEL JENKINS**

The Committee congratulated Mr. Hywel Jenkins on his recent appointment to the post of Director of Finance and Corporate Services.

2. **MEMBERS' DECLARATIONS OF INTEREST**

The following Members made declarations of interest at the commencement of the meeting in relation to the under mentioned matters:-

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|--------------------------|---|--|
| Councillor I.B.James     | - | Report of the Director of Finance and Corporate Services – Section B Item 4 - as his sister was employed by the Princes Trust; |
| Councillor Mrs.L.H.James | - | Report of the Director of Finance and Corporate Services – as her daughter works for the Princes Trust.                        |

- |                       |   |   |
|-----------------------|---|---|
| Councillor M.Harvey   | - | Report of the Director of Finance and Corporate Services – Section B Item 4 as he is the Chair of Governors at Neath Abbey Infants; |
| Councillor J.D.Morgan | - | Report of the Director of Finance and Corporate Services - as he is a Chair of Governors at Ysgol Gynradd, Gymraeg Cwm-Nedd;        |
| Councillor A.J.Taylor | - | Report of the Director of Finance and Corporate Services - as he is a Governor at Eastern Primary.                                  |

3. **MINUTES OF THE AUDIT COMMITTEE HELD ON THE 19<sup>TH</sup> MARCH, 2012**

**RESOLVED:** that the Minutes of the meeting held on the 19<sup>th</sup> March 2012, be noted.

4. **WALES AUDIT OFFICE REPORT**

It was noted that this item was incorporated at Addendum 1 to the updated report of the Director of Finance and Corporate Services.

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

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

5. **FINAL STATEMENT OF ACCOUNTS 2011/12**

Mrs. Janet North gave Members an overview of the final Statement of Accounts 2011/12, for which Members approval was sought.

Additionally, Mr.R.Harris and Mrs.J.McNicholas outlined the findings of the Wales Audit Office report which was shown at Addendum 1 to the updated reports for Members' information. The Wales Audit Office acknowledged the progress that had been made to date, the accounts preparation process and other matters arising from the audit as contained in the circulated report.

The Chairman congratulated Mrs. North and her team as the preparation of the accounts was a very complicated process, which had resulted in the Final Statement of Accounts 2011/12, shown at Addendum 2 to the updated circulated report.

Following discussions Committee was satisfied for the Chairman to sign off the 2011/2012 accounts, in line with the current Regulations, as detailed in the circulated report.

- RESOLVED:**
- (a) that the Letter of Representation, be approved;
  - (b) that the final 2011/2012 Statement of Accounts as included in the Addendum to the circulated report, including where appropriate the Restatement of the 2010/11 Accounts, be approved;
  - (c) that the Chairman of the Audit Committee be authorised to sign the Letter of Representation and Statement of Accounts;
  - (d) that the planned work programme to improve the accounts preparation process, to include working in conjunction with the Wales Audit Office, be approved;
  - (e) that a report containing details of an Action Plan be submitted to a future meeting.

6. **TREASURY MANAGEMENT MONITORING REPORT 2012/13**

Mr. Hywel Jenkins gave Members an overview of the Treasury Management action information which had also been submitted to the Policy and Resources Cabinet Committee held on 13 September, 2012.

Members noted that a comprehensive review had been undertaken of all Council loan profiles and investments, which highlighted that budgetary savings of £1.3m could be achieved in this current year. Mr. Jenkins also clarified the current position in relation to the monies the Authority had previously invested in Icelandic banks. It was now expected that all the monies would eventually be recovered.

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

7. **INTERNAL AUDIT SERVICE – ANNUAL REPORT ENDING 31<sup>ST</sup> MARCH, 2012**

Members received details of the work undertaken for the financial year 2011/12, as contained in the circulated report. Members noted that 87% of the plan had been completed which was an improvement on the previous year and that there were no major issues to be dealt with. Members requested that clarification on the rules in relation to CRB checks would be brought back to the next meeting.

**RESOLVED:** (a) that the report be noted;  
(b) that a report outlining the procedure in relation to CRB checks be submitted to the next meeting.

8. **INTERNAL AUDIT SERVICE – PROGRESS REPORT TO 31<sup>ST</sup> AUGUST 2012**

Members received details of the work undertaken for the period from the 1<sup>st</sup> March, 2012 to 31<sup>st</sup> August, 2012 together with an update on progress against the 2012/13 Internal Audit Plan.

Following discussions, it was requested that a report containing an overview of the procurement process be submitted at the next meeting, in relation to the use of credit cards within the Authority.

- RESOLVED:**
- (a) that the report be noted;
  - (b) that a report relating to the use of credit cards for procurement within the Authority, be submitted to the next meeting of the Committee.

**CHAIRMAN**