

AUDIT COMMITTEE

(Civic Centre, Port Talbot)

Members Present:

25th March, 2013

Chairman: Councillor Mrs.L.H.James

Vice Chairman: Councillor J.D.Morgan

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

Officers in Attendance: D.Rees, H.Jones, Mrs.J.North and Mrs.T.Davies

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

Voting Lay Member: Mrs.J.Jenkins

1. **MINUTES OF THE AUDIT COMMITTEE HELD ON THE 17TH
DECEMBER, 2012**

RESOLVED: that the Minutes of the meeting held on the 17th
December 2012, be noted.

2. **WALES AUDIT OFFICE REPORT – ANNUAL FINANCIAL
AUDIT OUTLINE**

The circulated report from the Wales Audit Office contained details of the Annual Financial Audit Outline for the County Borough Council for Members' information.

The report outlined the Roles and Responsibilities for the external Auditor, and the scope of the Audit of the Financial Statements. The report also contained a summary of the main audit risks and the actions proposed, the use of resources by the External Auditor, the key milestones for reporting, together with details of the Audit fees.

The appendices to the circulated report, outlined details of the key elements of the audit engagement, and the financial audit team.

The Chairman welcomed the information contained in the report and emphasised the importance of monitoring and in depth scrutiny.

RESOLVED: that the report be noted.

Report of the Director of Finance and Corporate Services.

3. **INTERNAL AUDIT SERVICE – PROGRESS REPORT TO 28TH FEBRUARY, 2013**

The circulated report contained details of the work undertaken for the period 1st December 2012 to the 28th February 2013, together with an update on progress against the 2012/13 Internal Audit Plan. Members noted that five special investigation reports had been issued, with two special investigations outstanding.

Members noted there was a current vacancy in the section, which was that of the Chief Internal Auditor.

The report also contained details of the progress of the work undertaken on the 2012/13 National Fraud Initiative (NFI), and the data matching exercise.

4. **INTERNAL AUDIT PLAN FOR THE PERIOD 1ST APRIL 2013 TO 31ST MARCH 2014**

A copy of the Internal Audit Plan for 2013/14 was shown at Appendix 1 to the circulated report, for Members' consideration.

RESOLVED: that the Internal Audit Plan, 2013/14, as shown in Appendix 1 to the circulated report, be approved.

5. **CLOSURE OF ACCOUNTS PROCESS, 2012/13**

The circulated report outlined the work undertaken since December 2012 to introduce improvements to the final accounts preparation process, and identified the date when the Audit Committee should receive the draft

Statement of Accounts. It was anticipated that the Statement of Accounts should be signed off by the Director of Finance and Corporate Services on the 21st June 2013, for issue to the Audit Committee in advance of the meeting of the same on the 27th June, 2013.

RESOLVED: that the report be noted.

6. **TREASURY MANAGEMENT STRATEGY, ANNUAL INVESTMENT STRATEGY AND MINIMUM REVENUE PROVISION POLICY FOR 2012/13 MONITORING AND 2013/14 POLICY**

The circulated report contained details of the monitoring arrangements in respect of the Treasury Management function for 2012/13, in conjunction with the Cabinet Report which set out the Council strategies for Treasury Management, Annual Investment and Minimum Revenue Provision Policy for 2013/14, shown as Appendix 1 to the circulated report. It was noted that whilst the overall strategy had been approved by Council on the 27th February 2013, it was to be considered by the Audit Committee for review and monitoring.

Members noted that bank of England base rates were at an all time low (since 5th March 2009) of 0.5%. With regards the recovery of monies from investments in Icelandic related banks, a thirteenth dividend of £248,000 had been received from the administrators of Heritable Bank Plc, since the last report, and an additional £50,000 had been received in relation to the Glitnir Bank settlement, this was in respect of interest due on the original investment.

RESOLVED: that the report be noted.

CHAIRMAN