

**STEVENAGE BOROUGH COUNCIL**

**AUDIT COMMITTEE**

**(MEETING JOINTLY IN PART WITH THE STATEMENT OF ACCOUNTS  
COMMITTEE)**

**MINUTES**

**Date: Wednesday 28 September 2016**

**Time: 6.00 p.m.**

**Place: Shimkent Room, Daneshill House, Danestrete, Stevenage**

**Present:** Councillors: M McKay (Chair), L Chester, D Cullen,  
J Gardner, G Lawrence and A McGuinness.

**Independent  
Member:** B Mitchell

**Also Present:** N Harris and K Storey (Ernest Young)

**Started:** 6.00 p.m.

**Ended:** 6.45 p.m.

**1. APPOINTMENT OF PERSON TO PRESIDE**

It was **RESOLVED** that Councillor Mrs M McKay be appointed to preside over the part of the meeting that was held jointly with the Statement of Accounts Committee.

The Chair informed the meeting that a revised Statement of Account had been circulated in the supplementary agenda for Members to consider.

**2. APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST**

Apologies for absence was received from Councillor J Hollywell.

There were no declarations of interest.

**3. 2015/2016 STATEMENT OF ACCOUNTS AND EXTERNAL AUDIT REPORT**

The Audit Committee and the Statement of Accounts Committee meeting jointly received a presentation from the Accountancy Service Manager on the Statement of Accounts 2015/16.

Members raised concerns about receiving the Statement of Accounts late from the external auditors as it did not allow Members of the Committee sufficient time for its full consideration.

Neil Harris, Director of Ernest Young acknowledged that his firm's was solely responsible for the late audited statement of accounts and not SBC Officers. He reassured Members that sufficient resources would in future be allocated to ensure that the audit exercise was completed on time. Neil Harris acknowledged that the audit had now been fully completed and expressed his thanks to the SBC officers, especially the finance team for their full cooperation throughout the exercise.

The Assistant Director (Finance) circulated a document that listed a number of post audit adjustments to the Statement of Accounts. The Officer informed the meeting that the adjustments below had now been included within the revised Statement of Accounts -

- Movement in Reserves Statement (page 32)
- Cash flow statement (page 38)
- Narrative Summary (pages 14 and 18)
- Note 7 – Adjustment between accounting basis and funding basis (page 48)
- Note 9 – Capital Adjustment Account (page 55)
- Note 17 - Capital Expenditure and Financing (page 76)
- Note 21 – Debtors (page 21)
- Note 26 – Amounts reported for resource allocation decisions (page 99)
- Note 35 – Adjustment to net surplus on provision of services for non cash movements

The Assistant Director informed the meeting that the above changes had no impact on the balances of either the General Fund or Housing Revenue Account.

Members thanked the Officers for a clear and concise presentation.

**Note** – At this point in the meeting the Statement of Accounts Committee **RESOLVED** to adjourn until the rise of the Audit Committee.

Members sought clarification about the revaluation of Council stock and the Council's pension reserve.

Members were advised of a typographical error on page 139, under the heading – Cash Flow Statement – Operating Activities, that it should be amended to read 2015/2016 and not 2014/2015.

The Chair requested that thanks be recorded in the minutes to Ernest Young, the External Auditors, Clare Fletcher, Anita Thomas and the Accountancy team and to all those that had contributed to the statement

for their work in producing a robust set of accounts.

It was **RESOLVED** that the Statement of Account Committee be recommended -:

1. That the Annual Report to those charged with Governance for 2015/16 be approved.
2. That the Council's Letter of Representation be approved.
3. That the Financial Report including the Statement of Accounts 2015/16 in the supplementary agenda be approved.

4. **URGENT PART 1 BUSINESS.**

None.

5. **EXCLUSION OF THE PRESS AND PUBLIC**

Not required.

**PART II**

6. **URGENT PART II BUSINESS**

None.

**Chair**