

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of **Audit & Accounts Committee** held in the Civic Suite, Castle House, Great North Road, Newark, Notts, NG24 1BY on Wednesday, 29 September 2021 at 10.00 am.

PRESENT: Councillor Mrs S Michael (Chairman)

Councillor Mrs B Brooks, Councillor R Crowe and Councillor J Lee

APOLOGIES FOR ABSENCE: Councillor D Cumberlidge (Committee Member) and Councillor M Brown (Committee Member)

16 DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS AND AS TO THE PARTY WHIP

That no Member or Officer declared any interest pursuant to any statutory requirement in any matter discussed or voted upon at the meeting.

17 DECLARATION OF ANY INTENTIONS TO RECORD THE MEETING

There were no declarations of intention to record the meeting.

18 MINUTES OF THE MEETING HELD ON 28 JULY 2021

that the Minutes of the meeting held on 28 July 2021 be approved as a correct record and signed by the Chairman.

19 AUDIT COMMITTEE WORK PLAN

The Committee noted the Work Plan provided by the Business Manager for Financial Services, who update the Committee of an additional report to come to the next meeting on 1 December 2021 to discuss the procurement of a new set of External Auditors from the 2023-2024 financial year and would then go to Full Council to make a decision by 11 March 2022 as required by PSAA as to whether to opt-in or opt-out of the national procurement process.

A Committee Member enquired as to the items being considered on the Work Plan noting that they would be moving from a Committee system to a Cabinet. The Business Manager for Financial Services advised all reports on the Work Plan would remain as is through to April 2022.

20 EXTERNAL AUDITORS' ANNUAL AUDIT COMPLETION REPORT

The Committee considered the report from the Business Manager for Financial Services providing the External Auditors Annual Audit Completion Report at Appendix A.

The report highlighted how the external auditors issue an Annual Audit Completion Report in compliance with the International Standards on Auditing. The significant findings from the audit are reported in the Annual Audit Completion Report, together with the action taken in respect of these findings. The report also gives the auditor's proposed opinion on the Statement of Accounts.

The Mazars representative David Hoose, present at the meeting, was able to confirm that while the accounts have been substantially audited, final confirmation of an unqualified opinion cannot be concluded until all audited areas are finalised and the final report has been commissioned from the external auditors of the Nottinghamshire Pension Fund due to the materiality of the Council's pension liability.

The Committee were informed that the date to finalise should have been 30 September 2021 this would now have to be 31 October 2021. Mazars confirmed that this was not due to any management delay and that all Nottinghamshire districts were affected with the delay by Grant Thornton with respect to the pension fund which was the same position found in last year. Mazars had received a draft through from Grant Thornton a couple of weeks ago with no reason for concern. The Committee were concerned that it should not happen again.

AGREED (unanimously) that:

- a) the Committee received the External Auditors Annual Audit Completion Report for 2020/2021;
- b) the Committee noted the adjustments to the audited draft financial statements set out in the report; and
- c) the letter of representation be noted and delegation given to the s151 Officer and the Chairman to sign and date the letter as the accounts are finalised as per para 3.4.

21 APPROVAL OF THE STATEMENT OF ACCOUNTS

The Committee considered the report from the Business Manager and Assistant Business Manager for Financial Services to obtain approval of the Council's Statutory Accounts for the financial year ended 31 March 2021.

The report highlighted that in accordance with the Accounts and Audit Regulations 2015 there is a legal requirement that the Statement of Accounts for the Council receive approval by an appropriate Committee by the 31 July following the end of the financial year to which the Accounts relate. However due to disruption caused by the COVID 19 virus, legislation (Amended by 2020/404 & 2021/263) it was passed to change the statutory publication date to 30 September. In accordance with the Council's Constitution and the remit of this Committee, the Statement of Accounts were brought to the Committee for approval.

AGREED (unanimously) that:

- a) Members approved the Annual Governance Statement for the financial

year ended 31 March 2021;

- b) Members approved the draft audited Statement of Accounts for the financial year ended 31 March 2021:
- c) Members give delegation to the s151 Officer and the Chairman to sign a revised set of accounts if required as per para 4.4; and
- d) Members noted that as per the previous report the s151 Officer and the Chairman have been given delegation to sign the Letter of Representation.

22 AUDIT & ACCOUNTS COMMITTEE ANNUAL REPORT

The Committee considered the report from the Business Manager for Financial Services informing Members of the activity undertaken by the Audit and Accounts Committee during the 2020/21 financial year.

The report provided an account of the year as to how the Committee had discharged its responsibilities during the year and as described within the Constitution.

AGREED (unanimously) that the Committee noted the activity within the year and refer on to Full Council for noting.

23 INTERNAL AUDIT CHARTER

The Committee considered the report from the Business Manager for Financial Services informing Members of the updates to the Internal Audit Charter.

The Assurance Lincolnshire representative McJoy Nkhoma, present at the meeting, updated the Committee on the Council's update of the Internal Audit Charter in order to comply with the most recent updates to the Public Sector Internal Audit Standards.

The report highlighted that due to updates in the professional standards it was relevant at this point to update the document and seek approval from this Committee for its operational use.

AGREED (unanimously) that the Committee approved the Internal Audit Charter for operational use.

24 INDEPENDENT MEMBER OF THE AUDIT & ACCOUNTS COMMITTEE

The Chairman informed the Committee that the Independent Member of the Audit & Accounts Committee, Stuart Turner, had tendered his resignation. Stuart had received a promotion and was now not able to devote time to the Independent Member role.

A Committee Member enquired as to the financial cost to re-advertise the role and was advised there would be no recruitment cost as advertised internally through sites such as LinkedIn, Facebook etc.

AGREED (unanimously) to re-advertise the role of Independent Member of the Audit & Accounts Committee and bring back to Full Council when someone has been appointed.

25 DATE OF NEXT MEETING

The next meeting would be held on Wednesday 1 December 2021.

Meeting closed at 10.34 am.

Chairman