

# NORTHAMPTON BOROUGH COUNCIL

## AUDIT COMMITTEE

Monday, 22 June 2009

**PRESENT:** Councillor Yates (Deputy Chair, in the Chair); Councillors De Cruz, Davies, Palethorpe, Garlick (for Perkins), B. Markham (for Hawkins).

### 1. APOLOGIES

Apologies were received from Councillor Hawkins.

### 2. MINUTES

The minutes of the meeting held on 2<sup>nd</sup> June 2009 were signed by the Chair.

### 3. DEPUTATIONS / PUBLIC ADDRESSES

There were none.

### 4. DECLARATIONS OF INTEREST

There were none.

### 5. MATTERS OF URGENCY WHICH BY REASON OF SPECIAL CIRCUMSTANCES THE CHAIR IS OF THE OPINION SHOULD BE CONSIDERED

There were none.

### 6. ANNUAL AUDIT COMMITTEE REPORT

The Director of Finance and Support submitted the 2008/09 Annual Audit Committee Report and elaborated thereon.

#### **Resolved:**

**That the report be noted and referred to Council for information.**

### 7. KPMG INTERIM REPORT

The External Auditor submitted a report on the interim work carried out to date on the 2008/09 statement of accounts. Officers responses to the reports recommendations had now been received. The External Auditor noted in particular the situation in respect of implementing Single Status would have an impact both financially and operationally. There was also reference to the impact on performance indicators, this was also likely to vary across services.

The Director of Finance and Support, in answer to a question, stated full bank reconciliations had been carried out for 2008/09 and are being carried out on a monthly basis in 2009/10. In respect of the HRA rent collection reporting there had been problems with the interface of the software. This had now been resolved and arrears details for both current and former tenants would be produced.

**Resolved: That the report be received.**

### 8. THE 2008/09 ANNUAL GOVERNANCE STATEMENT

The Director of Finance and Support submitted a report setting out the 2008/09 Annual Governance Statement and elaborated thereon. This year the Heads of Service had been given the opportunity to highlight issues of concern however, no significant matters had

been raised.

The Director of Finance and Support confirmed the external Auditors would rotate from KPMG to the Audit Commission. As of 1<sup>st</sup> April 2009 the Audit Commission would be dealing with matters and KPMG would be responsible for matters prior to 31<sup>st</sup> March 2009.

**Resolved: That Cabinet be informed that the Committee do not wish to bring to their attention any concerns on the 2008/09 Annual Governance Statement.**

## **9. THE 2008/09 STATEMENT OF ACCOUNTS**

The Director of Finance and Support submitted a report appending the 2008/09 Statement of Accounts and confirmed that there would be a four week statutory public inspection period where the public would be able to ask questions directly of the External Auditor. The External Auditors would then bring a further report back to the Committee with any changes. Afterwards it would go to Cabinet and Council to be approved and published by 30<sup>th</sup> September 2009. These details would also be available via the Council's website.

The Director noted that the RSG and the NNDR were prescribed by Government.

The Director noted that the Collection Fund and property values had been affected by the recession.

In response to a question the Director indicated that in respect of the former Blueberry diner site EMDA had not so far requested repayment of the grant for its demolition but that the Council is continuing to monitor the situation.

In response to a further question the Director commented that General Fund Earmarked reserves stood at approximately £8 million being earmarked for specific situations, and there is £2 million in General Fund working balances.

Other questions were asked and responses given on LOBOs, the Collection Fund, creditors and debtors.

### **Resolved:**

- 1) That the report be received and that the revised General Fund balance be noted.**

### **Recommended:**

- 1) That Cabinet be informed that the Committee does not wish to bring to their attention any concerns in respect of the 2008/09 Statement of Accounts.**
- 2) That Cabinet be recommended to adopt the 2008/09 Statement of Accounts.**

The Deputy Chair noted that Councillor Perkins was now to be the Portfolio Holder for Finance. On behalf of the Committee he thanked Councillor Perkins for his work as Chair and expressed best wishes for his new role as Portfolio Holder.

The meeting concluded at 18.40