

MINUTES of a meeting of the **AUDIT COMMITTEE** held on 13 June 2018 at County Hall, Matlock

PRESENT

Councillor K S Athwal (in the Chair)

Councillors N Barker, S Brittain, L M Chilton, A Griffiths and P Murray

Officers in attendance – D Ashcroft, J Berry, P Handford, C Hardman, and E Scriven (representing Derbyshire County Council) and J Cornett and R Walton (representing KPMG)

Declarations of Interest

Councillor K S Athwal and P Handford declared a personal interest in Minute No.21/18 as Directors of Derbyshire Developments Limited.

20/18 **MINUTES RESOLVED** that the minutes of the meeting held on 28 March 2018 be confirmed as a correct record and signed by the Chairman.

21/18 **STATEMENT OF ACCOUNTS 2017-18** The Accounts and Audit Regulations 2015 required the Director of Finance & ICT to certify the pre-audit Statement of Accounts by 30 June and the Audit Committee to approve the post-audit version before 31 July. An Audit Committee was planned for 26 July 2018 which would give Members a further opportunity to ask questions on the accounts as part of the post-audit approval process. This meeting had been arranged to provide Members with an early sight of the accounts and the opportunity for them to ask questions and clarify any issues they had, prior to the Accounts being presented at the meeting in July.

A copy of the pre-audit Statement of Accounts was appended to the report at Appendix One.

The Council had submitted the pre-audited Statement of Accounts to the external auditor on 30 May 2018. There had been significant changes to the processes involved in the production of the asset valuation element of the accounts which was designed to improve the robustness of the data used.

Mr Handford provided an update on the latest position regarding the valuation of the Property, Plant and Equipment for the 2017-18 accounts and reported that the valuation was to change and highlighted the omission of a construction cost indicator as the reason for the error.

Mr Handford introduced Eleanor Scriven, Finance Manager, who then went through the detail of the accounts with the Members and responded to their questions, challenges and points requiring clarification. It was agreed that the officers would act on the Members' comments and make the Accounts more user friendly and improve the presentation and cross referencing. Members were recommended to refer to the narrative report contained in the Accounts as this provided an ideal summary and overview.

RESOLVED that the report be noted.

22/18 **EXTERNAL AUDITORS UPDATE** Mr Cornett from KPMG informed Members that the full implications of the issues with the Property, Plant and Equipment valuations were now understood. Although this did provide a risk to the accounts being completed by 30 July 2018, the huge amount of adjustments and work required was achievable.

Mr Cornett wished to thank Mr Handford and all the Finance officers for their help and assistance throughout the year. The support they had received had been to the usual high standard.

23/18 **JANIE BERRY** Janie Berry, the new Director of Legal Services was welcomed to her first meeting of the Audit Committee. Ms Berry looked forward to working with members of the committee particularly on strengthening governance and assurance issues.