

SEDGEFIELD BOROUGH COUNCIL

AUDIT COMMITTEE

Conference Room 2,
Council Offices,
Spennymoor

Friday,
29 September 2006

Time: 10.00 a.m.

Present: Councillor M.A. Dalton (Chairman) and
Councillors Mrs. K. Conroy, B.M. Ord and J.M. Smith
B. Argyle – Independent Member

Apologies: Councillors Mrs. A.M. Fleming and Mrs. C. Potts

AC.9/06 DECLARATIONS OF INTEREST
Members had no interests to declare.

AC.10/06 INDEPENDENT MEMBER
The Chairman introduced and welcomed Brian Argyle, who had recently been appointed as the Audit Committee's independent member.

AC.11/06 ANNUAL GOVERNANCE REPORT
Catherine Andrew and Sandra Swan from the Audit Commission attended the meeting to present the Annual Governance report covering the audit of the Council for year ended 31st March 2006. (For copy see file of Minutes)

The principle purposes of the report were:

- To reach a mutual understanding of the scope of the audit and the respective responsibilities of the auditor and the Council.
- To share information to assist both the auditor and those charged with the governance to fulfil their respective responsibilities.
- To provide the Council with recommendations for improvement arising from the audit process.

The Committee's attention was drawn to the key messages detailed on Page 7 of the report. It was noted that work on the financial statement had been completed and an unqualified opinion would be issued.

With regard to the use of resources, it was explained that the Code of Audit Practice required the Audit Commission to reach a conclusion on whether the authority had proper arrangements in place for securing the economy, efficiency and effectiveness in its use of resources (the value for money conclusion).

Members noted that there were no matters that the Audit Commission wished to draw the Council's attention to in relation to the use of

resources and an unqualified conclusion would be issued.

It was pointed out that the Council had taken a positive and constructive approach to the audit and officers were thanked for their assistance and co-operation.

With regard to Appendix 3 – Fee information – the question was raised on whether the audit fees - £90,030 had to be met by the Council or they were subsidised by the Government. It was reported that the audit fees had to be paid in full by the Council, however, the fees for audit inspections were subsidised by the Government.

RESOLVED : That the report be received.

AC.12/06 PROPOSED TRAINING ARRANGEMENTS FOR MEMBERS OF THE AUDIT COMMITTEE

It was reported that arrangements were being made to hold a two hour training session prior to the next scheduled meeting of the Audit Committee on 30th October 2006.

Access to Information

Any person wishing to exercise the right of inspection, etc., in relation to these Minutes and associated papers should contact Mrs. G. Garrigan, Spennymoor 816166 Ext 4240 ggarrigan@sedgefield.gov.uk