

# **NORTHAMPTON BOROUGH COUNCIL**

## **AUDIT COMMITTEE**

**Monday, 7 September 2015**

**PRESENT:** Councillor Nunn (Chair); Councillor Golby (Deputy Chair); Councillors Chunga, Kilbride, Marriott and Stone

### **1. APOLOGIES**

There were none.

### **2. MINUTES**

The Minutes of the meeting held on 27<sup>th</sup> June 2015 were confirmed and signed by the Chair as a true record.

### **3. DEPUTATIONS / PUBLIC ADDRESSES**

There were none.

### **4. DECLARATIONS OF INTEREST**

Councillor Kilbride and Councillor Chunga declared an interest as a member of the Northampton Partnership Homes Board.

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

There were none.

### **6. STATEMENT OF ACCOUNTS 2014/15 AND ANNUAL GOVERNANCE STATEMENT 2014/15**

The Group Accountant presented the report and confirmed that there were minor changes. They had received good feedback from KPMG and requested the report be signed by the Chair.

The Chief Finance Officer requested that authority was delegated to himself in consultation with the Chair of the Audit Committee to agree any further changes that may arise between the Audit Committee date and the date that KPMG issued the Audit Opinion.

Resolved:

1. That the report be approved.
2. That authority be delegated to the Chief Finance Officer in consultation with the Chair of the Audit Committee to agree any further changes that may arise between the Audit Committee date and the date that KPMG issued the Audit Opinion.

### **7. EXTERNAL AUDIT UPDATE - ISA260**

A.Cardozza from KPMG presented the report and confirmed that it was a good set of papers and the teams had worked well together. The report confirmed that they had completed substantive procedures and the delivery of value for money was sound and robust. He

considered it was a good report and a complete set of accounts.

He referred to an accounting adjustment by Northampton Partnership Homes for £509k had been made as it was inconsistent with the underlying records.

In response to a question from Councillor Stone, the Chief Finance Officer confirmed that this error was picked up by Northampton Partnership Homes' external auditors who had then notified the Council. It had not effected the operation of NPH and was a timing error where monies were recorded. They had not missed out on any matched funding because of it and there was no danger or double payment due to the controls by LGSS and NPH.

Councillor Golby requested that an update on purchase orders and business rate pooling be presented to Committee.

The Chief Finance officer confirmed that the reports would be presented to Committee again to review the progress and assurance delivered. The first recommendation was a quarter review and the other two recommendation were annual review due in March 2016. They had received clear evidence figures used to substantiate pooling was signed off against each other the KPMG were happy with this.

In response to a question from Councillor Chunga, the Chief Finance Officer that the anomaly on NPH's accounts was immaterial and our accounts did not need to be adjusted. He confirmed that the annual budget process set and approved the management of NPH and they managed their own accounts.

The Borough Secretary confirmed that NPH was a separate Company owned by the Council and there were no shareholder members.

The Chair confirmed that a training session on the Council's relationships with other organisations would be organised.

Resolved: That the report be noted.

## **8. DRAFT INTERNAL AUDIT PLAN 2015-16**

The Borough Secretary presented the report and confirmed that it was the same paper which was presented at the last meeting with the only addition being that PWC had added their contact details.

Resolved: That the report be approved.

The meeting concluded at 18.35