

AUDIT COMMITTEE

Monday 25 September 2006

PRESENT:

Councillor Savery, in the Chair.
Councillor Stevens, Vice-Chair.
Councillors McDonald (substitute for Councillor Letcher), Stark and Wildy.

Independent Member: Mr R Clarke.

Apologies for absence: Councillor Letcher and Mr D Fletcher (Independent Member).

The meeting commenced at 3.00 pm and concluded at 4.00 pm.

16. ~~DECLARATION OF INTEREST~~ **DECLARATION OF INTEREST**

The following declaration of interest was made in accordance with the Code of Conduct in relation to an item under consideration at this meeting –

Name	Subject	Reason	Interest
Councillor Wildy	Audit Progress Summary up to 13 September 2006 (minute 21 refers)	Partner independent contract with the Devonport Regeneration Company	has Personal
Councillor Savery	Audit Commission Annual Governance Report (minute 23 refers)	A member of Plymouth Theatre Royal (Plymouth) Ltd	Personal

17. MINUTES

The minutes of the meetings held on 28 June (AC 11 06/07) and 30 June 2006 (AC 12 06/07) were submitted for the Committees approval.

Resolved that –

- (1) “15(e)” be added to the footnote of minute 15 of the minutes of the meeting held on 30 June 2006;
- (2) the minutes of the meetings held on 28 June and 30 June 2006 be approved.

CHAIR'S URGENT BUSINESS

18. Audit Commission Annual Governance Report

The Director of Corporate Resources referred to the letter circulated at the meeting concerning the uncorrected financial statement's misstatements listed in Appendix A of the Annual Governance Report and the reasons for not correcting these items together with the requirement for the City Council's accounts for 2005/06 to be re-approved and signed by the Chair.

(In accordance with Section 100(B)(4)(b) of the Local Government Act, 1972, the Chair brought forward the above item for consideration because of the need to inform Members)

19. **AUDIT COMMITTEE FORWARD WORK PLAN**

The Chief Auditor submitted the Work Programme 2006/07 (AC 13 06/07) for the Audit Committee.

Resolved that the Work Programme 2006/07 be approved.

20. **EXTENSION OF APPOINTMENT OF EXTERNAL AUDITORS**

The Director of Corporate Resources referred to a letter from the Audit Commission confirming the extension of the appointment of Mr Peter Lawrence as the external auditor to the City Council for the 2006/07 financial year, under Section 2 of the Audit Commission Act 1998 and the arrangements for the appointment of the auditor for the financial year 2007/08 and beyond.

Resolved that Mr Peter Lawrence of the Audit Commission be appointed as the auditor for Plymouth City Council for the financial year 2006/07.

21. **AUDIT PROGRESS SUMMARY UP TO 13 SEPTEMBER 2006**

The Audit Commission submitted a report (AC 15 06/07) on the Audit Progress Summary as at 13 September 2006.

Resolved that the report be noted.

(Councillor Wildy declared a personal interest in respect of the above item)

22. **EXTERNAL AUDIT PROGRESS SUMMARY**

The Audit Commission submitted a report (AC 14 06/07) on the Internal and External Audit Relationship with Plymouth City Council for 2005/2006.

Resolved that the report be noted.

23. **AUDIT COMMISSION ANNUAL GOVERNANCE REPORT**

The Audit Commission submitted the Annual Governance Report Audit 2005-06 (AC 16 06/07) –

- (i) proposing the approval of the Council's 2005/06 Statement of Accounts issued with an unqualified opinion;
- (ii) anticipating the issue of an unqualified conclusion on the use of resources.

Attached to the Audit Commission's report was the Director of Corporate Resources formal report and response, known as the Letter of Representation which included comments on the misstatements in the draft 2005/06 Accounts referred to in the Chair's Urgent Business.

The Director of Corporate Resources advised the Committee that some minor changes had been made to the draft 2005/06 Accounts, approved at 30 June 2006 meeting, following the audit work undertaken by the Audit Commission.

The Director of Corporate Resources advised that a Summary of Accounts 2005/06 booklet had been prepared. Copies of the booklet would be available at the First Stop Desk in the Civic Centre and other council offices.

Resolved that –

- (1) the Audit Commission Annual Governance Report and the Director of Corporate Resources formal response be noted;
- (2) the Letter of Representation on the Council's 2005/06 Statement of Accounts

be approved by the Committee and signed by the Director of Corporate Resources;

- (3) the Council's 2005/06 Statement of Accounts be re-approved by the Committee and signed by the Chair;
- (4) the exemplary thanks of the Committee be extended to the Director of Corporate Resources and his staff for completing the work on the Annual Statement of Accounts on time.

(Councillor Savery declared a personal interest in respect of the above item)