

## **FINANCE, RESOURCES, AUDIT AND GOVERNANCE COMMITTEE**

**Minutes of a meeting of the Finance, Resources, Audit and Governance Committee of South Norfolk Council held at South Norfolk House, Long Stratton, on Friday 27 July 2018 at 9.30 am.**

<b>Committee Members Present:</b>	Councillors: P Hardy (Chairman), L Dale, W Kemp, T Lewis, T Palmer and G Wheatley
<b>Apologies:</b>	Councillor: R Savage
<b>Substitute Member:</b>	Councillor: D Bills for R Savage
<b>Cabinet Member in Attendance:</b>	Councillor: B Stone
<b>Officers in Attendance:</b>	The Assistant Director of Resources (P Catchpole), the Accountancy Manager (M Fernandez-Graham), The Financial Services Manager (S Bessey) and the Group Accountant (J Brown).
<b>Also in Attendance:</b>	Tony Poynton - Ernst & Young (EY) and Alex Younger - Norfolk County Council

### **184 MINUTES**

The minutes of the meeting held on 22 June 2018 were confirmed as a correct record and signed by the Chairman, noting that Councillor Stone wished it to be recorded that he had been unable to attend the meeting.

### **185 STATEMENT OF ACCOUNTS 2017/18**

The Accountancy Manager presented the Statement of Accounts for 2017/18, highlighting the changes that had been made since the accounts were presented to Committee members at the last meeting on 22 June 2018. Members noted that there were delays from Aston Shaw in producing information relating to the audit of the Council's subsidiary companies and that a technical accounting issue relating to the consolidation of a discontinued operation into the Group accounts was the key reason for the late production of the final document.

The Accountancy Manager explained how the CIPFA tool kit had been useful in the production of the cash flow statement and had enabled the team to resolve an issue regarding the collection fund that had been identified in the draft accounts.

Members considered the Audit Results report, which was presented by Tony Poynton from Ernst & Young (EY). Mr Poynton explained that he anticipated no change in the expected unqualified audit opinion. EY had not had sight of the final accounts, they had been unable to identify exactly what was needed to resolve issues in the group accounts to meet the deadline of 31 July. Officers advised that, although the deadline was likely to be missed, it was more important that the Council was satisfied with the accuracy of the accounts before they were submitted.

Responding to a member's question regarding uncorrected statements and the rationale behind them, Mr Poynton explained that a detailed schedule would be produced and that EY fully expected the Council to resolve these issues over the coming months. The Accountancy Manager referred members to paragraphs 4.1 and 4.2 of his covering report to highlight the work that had been undertaken by officers already, referring specifically to the reconciliation of credit card charges and supplier invoices.

Alex Younger from Norfolk County Council gave a presentation on the outline of the pension fund and IAS 19 reporting. After addressing questions from members the Chairman thanked him for attending.

It was then

**RESOLVED: To**

1. Note the adjustments to the Statement of Accounts 2017/18;
  2. Delegate authority to the Accountancy Manager, in consultation with the external auditor, to make any necessary adjustments to the Statements for sign-off by 31 July 2018, subject to the accounts being completed and ready for sign-off. The Committee agrees that the accounts must not be signed off until they are fully completed and considered to be accurate, even if this means the 31 July deadline cannot be achieved;
- and
3. Delegate authority to the Chairman of the Finance, Resources, Audit and Governance Committee to sign the Letter of Representation and the Statement of Accounts, alongside the Assistant Director of Resources.

## **186 WORK PROGRAMME**

Members referred to the Finance, Resources, Audit & Governance Committee's Work Programme. It was suggested and agreed that a review of governance arrangements would be added to the agenda for the 23 November 2018 meeting.

The meeting concluded at 10.55 am

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Chairman