

Report of the Chairman on the work of the Audit Committee

The Audit Committee held a meeting on 26 July 2018 and considered the following items of business.

1. External Audit Report on Audit and Statement of Accounts

- 1.1 Phillip Johnston, on behalf of the auditors KPMG, presented their draft report and responded to members' questions. It was expected that the final report would be available by the end of August 2018.
- 1.2 The Committee resolved that:
 - 1) The External Auditor's 2016/17 draft audit report be noted, with the expectation of the final version being available by the end of August 2018.
 - 2) The recommendations, comments, lessons learned and risks, as so far provided (associated with 'lease expiry' of the BP property) as covered in the report be noted. Further information on this is still pending.
 - 3) The 2017/18 External Auditor's draft audit report shall follow after content of the 2016/17 (final) version has been noted, and shall offer additional considerations to the property acquisitions, based on recent 'lessons learned'.
 - 4) That on receipt of the external auditors' final reports for 2016/17 and 2017/18 the accounts for both 2016/17 and 2017/18 be signed off by the Chairman of the Audit Committee and Chief Finance Officer.

2. Annual Governance Statement

- 2.1 The Committee approved the draft Annual Governance Statement and endorsed the improvement actions identified in the Statement.

3. Annual Internal Audit Report 2017/18

- 3.1 The Committee noted the annual internal audit report and improvements to the RAG (Red/Amber/Green) ratings in the summary of internal audit work for the year. The Committee agreed that system administration risk should be included on future risk registers.

4. Corporate Risk Management

- 4.1 The Committee noted the contents of the Corporate Risk Register and recommended it to Cabinet for approval.

5. Committee Work Programme 2018-19

- 5.1 The Committee approved its Work Programme for the remainder of the Municipal Year 2018/19.

Councillor M.J. Madams

Chairman of the Audit Committee

18 October 2018