

HINCKLEY AND BOSWORTH BOROUGH COUNCIL

AUDIT COMMITTEE

24 AUGUST 2017 AT 6.30 PM

PRESENT: Mr RG Allen - Chairman

Mr DC Bill MBE (for Mrs L Hodgkins), Mrs R Camamile, Mr MR Lay, Mr KWP Lynch, Miss DM Taylor and Mr HG Williams

Members in attendance: Councillor Mr MA Hall

Officers in attendance: Rebecca Owen and Ashley Wilson

Also in attendance: Representatives of Ernst & Young LLP

118 APOLOGIES AND SUBSTITUTIONS

Apologies for absence were submitted on behalf of Councillors Hodgkins, Roberts and Wright with the substitution of Councillor Bill for Councillor Hodgkins authorised in accordance with council procedure rule 10.

119 MINUTES OF PREVIOUS MEETING

It was moved by Councillor Camamile, seconded by Councillor Lynch and

RESOLVED – the minutes of the meeting held on 22 June be confirmed and signed by the chairman.

120 DECLARATIONS OF INTEREST

No interests were declared at this stage.

121 AUDIT RESULTS REPORT

In presenting his report, the external auditor stated there were no significant control issues or risks. It was moved by Councillor Camamile, seconded by Councillor Lynch and

RESOLVED – the report be approved.

122 STATEMENT OF ACCOUNTS

The committee received the audited financial statements for 2016/17 along with the Annual governance statement. It was reported that the largest amendment had been in respect of the HRA property valuation as a result of a discrepancy. This hadn't changed the overall outcome.

An amendment to the report was highlighted and it was noted that paragraph 3 on page 110 should read:

“As part of the annual revaluation exercise, the valuer provides estimated residual lives for all dwellings, which is used to calculate the depreciation charge for the financial year.

This method reflects the average range of expected life per dwelling of between 40 to 60 years. For 2016/17 the estimated residual life used was 46 years...”

Concern was expressed that the housing values tended to be low, and in response it was explained that they were calculated differently to private housing as they had to include a ‘social discount value’. Members were assured, however, that for insurance purposes they were insured on their full value.

It was moved by Councillor Williams, seconded by Councillor Camamile and

RESOLVED –

- (i) The 2016/17 financial statements and annual governance statement be approved for publication;
- (ii) The content of management’s letter of representation to the external auditors be noted.

(The Meeting closed at 6.45 pm)

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CHAIRMAN