

HINCKLEY AND BOSWORTH BOROUGH COUNCIL

AUDIT COMMITTEE

1 JULY 2020 AT 6.30 PM

PRESENT: Mr DS Cope - Chairman
Ms A Pendlebury – Vice-Chairman
Mrs MA Cook, Mr REH Flemming, Mr E Hollick, Mr MR Lay, Mr RB Roberts,
Mr BR Walker, Mr HG Williams and Mr P Williams

Members in attendance: Councillor C Allen and Councillor Lynch

Officers in attendance: Tan Ashraf, Ilyas Bham, Rebecca Owen and Ashley Wilson

384 APOLOGIES AND SUBSTITUTIONS

Apologies for absence were submitted on behalf of Councillor Smith.

385 MINUTES OF PREVIOUS MEETING

It was moved by Councillor Flemming, seconded by Councillor Walker and

RESOLVED - the minutes of the meeting held on 11 March 2020 be confirmed and signed by the chairman.

386 DECLARATIONS OF INTEREST

No interests were declared at this stage.

387 2019-20 EXTERNAL AUDIT PLANNING REPORT

The external audit planning report 2019/20 was presented to members. It was reported that there were no new risks since last year but two areas had increased risk due to uncertainties arising from Covid-19. It was also highlighted that another consequence of Covid-19 could mean an increase in the amounts written off as irrecoverable due to businesses and residents being unable to meet their financial obligations.

It was reported that there had been a national debate around fees being at an unsustainably low level and that there was a need to increase them to deliver an appropriate quality audit. The audit fees for 2019/20 were still to be largely determined as there had been additional services provided as a result of unforeseeable matters such as Covid-19. There would be separate discussions around this and these would be brought back to future Audit Committees.

In response to a question from a member it was clarified that money given in business grants relating to Covid-19 would be included in next year's external audit.

The external auditor confirmed that the next audit would begin on Monday 3 August 2020 and had been moved from June 2020 due to Covid-19.

It was moved by Councillor P Williams, seconded by Councillor H Williams and unanimously

RESOLVED – the report be noted.

388 AUDIT COMMITTEE DRAFT STATEMENT UPDATE

Councillor Lynch entered the meeting at 6.50pm.

Members were presented with the draft Financial Statement for 2019/20 that would be subject to external audit. It was explained that the annual governance statement was being finalised and it would be assumed that there would be no material changes in the balance sheet. The final statement would be as expected throughout the forecast for the year.

It was highlighted that the potential impact of Covid-19 for future financial years on issues including pensions, business rates and fixed assets could not be quantified yet. In response to a question from a member, it was noted that the impact of Brexit would also be included in the contingent liabilities as it could place significant pressure on the Council as well.

It was moved by Councillor Cook, seconded by Councillor Pendlebury and unanimously

RESOLVED -

- (i) the draft financial statement report be noted;
- (ii) final draft approval to be delegated to the Audit Committee Chair once it had been shared with the committee members

(The Meeting closed at 7.13 pm)

CHAIRMAN