

MINUTES  
OF AN INFORMAL MEETING OF THE  
**STANDARDS AND AUDIT COMMITTEE**

held on 27 April 2022

Present:

Mrs C Storey (Chair)  
Cllr D E Hughes (Vice-Chair)

Cllr D Roberts      Cllr M A Whitehand

**1. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors M Bridgeman and N Martin.

**2. DECLARATIONS OF INTEREST**

In accordance with the Officer Employment Procedure Rules, the Director of Legal and Democratic Services, Joanne McIntosh, declared a disclosable personal interest (non-pecuniary) interest in any item concerning the companies of which she was a Council-appointed director. The companies were listed in the schedule attached to the agenda pack. The interests were such that Mrs McIntosh could advise the Committee on those items.

In accordance with the Officer Procedure Rules, the Finance Director, Leigh Clarke, declared a disclosable personal interest (pecuniary) in any item including reference to Woking Football Club, arising from her husband holding a small shareholding in the Club. The interests were such that Mrs Clarke could advise the Committee on those items.

**3. UPDATE ON EXTERNAL AUDIT**

The Chairman introduced the informal meeting which had been requested at the previous formal meeting to receive a progress update on the External Audit for 2019/20, which had not yet been signed off by the Council's External Auditor, BDO. A brief paper had been circulated to the Committee from the Auditor earlier in the day which set out the completed and outstanding work.

Steve Bladen introduced the report and advised that the work completed since the last meeting included the areas of Borrowing, Cash and Bank Reconciliation, and Capital Commitments. BDO had been provided with the legal opinion regarding the Council's Minimum Revenue Provision (MRP), alongside the views of the Treasury Management Advisors, and would now form its own view by reference to its technical specialists. The work with the subsidiary companies' Auditor, Hamlyns, was due to be completed during May 2022, which would include review of the valuations of Plant, Property and Equipment. A meeting was to be held shortly with Leigh Clarke, Finance Director, to discuss any potential adjustments to the 2019/20 accounts.

Following questions by the Chairman, it was stated that the main pieces of work outstanding were around the valuation of assets, group accounts and Council loans to subsidiaries. Steve stated that the work was not anticipated to extend much beyond the end of May. The Committee noted that the Thamesway Board had undertaken valuations which varied according to the accounting standards for each asset, some of which could be set by the Board and others referred to an independent valuer. The focus of BDO would be on areas classed as having a significant risk of being mis-stated in the accounts, for example the Council's pension liability.

The Committee discussed the Council's MRP and Steve reported that the Council had set the provision prudently, as the regulations enabled local authorities to judge an appropriate level. The external legal advice was stated to be helpful and the BDO technical specialists would be asked to provide their interpretation of it, which was not expected to take very long. Any concerns would be included in the Audit Completion report to be received by the Committee.

Regarding the Council's subsidiaries, Leigh stated that the Council was looking at the long-term ability of companies and business plans, noting any short-term losses across the companies. BDO would be reviewing those plans and cashflow forecasts to form an opinion on the assumptions contained within.

The majority of sample testing was noted to be complete, for example the assessment of rental income.

The situation regarding Moyallen was raised and Steve confirmed that he had received an update from the Council and would consider whether it would affect the Audit of the 2019/20 accounts.

It was noted that the work taking place around the 2019/20 accounts could also apply to the 2020/21 accounts, for example MRP and the controls on IT systems. Steve confirmed that BDO resource remained available over the summer for the Audit of the 2020/21 accounts.

The Chairman noted the substantial work to be completed before the 2019/20 accounts could be finalised alongside the expectation that it would not push too far into the next financial year. The Chairman thanked everyone for attending and also those Members retiring from the Council.

The meeting commenced at 7.00 pm  
and ended at 8.00 pm

Chairman: \_\_\_\_\_

Date: \_\_\_\_\_