

Minutes of the meeting of the **AUDIT SUB-COMMITTEE** held in the Council Chamber, Council Offices, School Aycliffe Lane, Newton Aycliffe, on **WEDNESDAY, 28<sup>th</sup> JANUARY 2015** at **6.00 p.m.**

**PRESENT** Councillor A.M. Chandran (Chairman) and Councillors J.D. Clare, M. Dalton, Mrs. M. Dalton, G.C. Gray, B. Hall, Mrs. W.P. Hillary, M. Iveson and Mrs. S.J. Iveson.

**OFFICERS** Mr. A. Bailey (Town Clerk)  
Mr. B. Wilkinson (Internal Auditor)  
Mr. D. Austin (Finance Manager)  
Miss C. Ryder (Senior Admin. Officer)

16. **APOLOGIES FOR ABSENCE**

There were no apologies for absence.

17. **MEMBERS' DISPENSATIONS**

There were no applications for dispensations submitted.

18. **DECLARATIONS OF INTEREST**

There were no declarations of interest made.

19. **MINUTES**

It was proposed by Councillor M. Iveson, seconded by Councillor J.D. Clare and

**RESOLVED** – that the minutes of the meeting of the Audit Sub-Committee held on the 15<sup>th</sup> October 2014 be confirmed as a correct record.

20. **INTERNAL AUDITOR'S REPORT**

The Internal Auditor submitted a report to update Members on the work completed by him for the period 1<sup>st</sup> October to the 31<sup>st</sup> December 2014.

The Audit Plan had achieved 65.5 days out of 90 up to the end of December had been achieved and the plan was on target. Appendix 1 set out details of the actual days spent on each individual audit.

The following internal audit reports had been completed since the last Audit Sub-Committee:-

- (a) VAT
- (b) Debtors
- (c) Creditors
- (d) Cash Control and Banking
- (e) Corporate Governance

A full description of the audit works carried out on each of these sections was set out in the report together with any recommendations from the Internal Auditor:

(a) VAT

There were no recommendations to be made.

(b) Debtors

The audit covered the following income areas – room hire at the Sports Complex, Cemetery Income, Allotments and other miscellaneous invoices.

Recovery of unpaid invoices is well controlled. There was a small issue with the date stamping of sales order requisition to ensure that the Collection Policy is complied with.

Overall the Debtors system is well controlled with no significant system weaknesses.

Recommendation:

To comply with the Income Recovery and Debt Recovery Policy it was recommended that invoice requisitions are date stamped when they arrive either at the Central Office Reception or Finance.

(c) Creditors

Purchase Ledger and Cash Book Ledger cheques has been audited along with BACS Payments, Credit Cards, Direct Debits, New Suppliers, Reporting fo Payments Made and Blank Cheques.

The overall audit opinion was that the internal control relating to creditor payments is considered to be strong.

There were no recommendations made.

(d) Cash Control and Banking

There were no recommendations made.

(e) Corporate Governance

There were no recommendations made.

**On-going Internal Audits**

The following audits have now commenced and will be on-going throughout the year. Interim reports will be made on these sections to each Audit Sub-Committee with a final report being issued by the 31<sup>st</sup> March 2015.

- (a) Sports Complex
- (b) Bar and Catering
- (c) Golf Complex
- (d) Salaries and Wages

**RESOLVED** – as follows:-

- (a) That the report be received.
- (b) That the recommendations and comments are noted and that mentioned actions had already been implemented.

21. **RISK ASSESSMENTS**

The Town Clerk had submitted his report on which members considered any items that had been entered into the Register of Risks on activities and proposals at relevant Committees.

There had been no risk assessments undertaken since the last meeting of the Audit Sub-Committee on the 15<sup>th</sup> October 2014.

The Performance Management Group had undertaken a full review of the Business Risk Register on the 12<sup>th</sup> December 2014 there was only 1 high risk to be reviewed and this remained unchanged.

**RESOLVED** – that the report and information be noted.

**CHAIRMAN.**