

Minute

Monitoring and Audit Committee

Monday, 26 October 2020, 12:30.

Microsoft Teams.



Present

Councillors John T Richards, David Dawson, Stephen G Clackson, Andrew Drever, Steven B Heddle, John A R Scott and Heather N Woodbridge.

Clerk

- Hazel Flett, Senior Committees Officer.

In Attendance

- John W Mundell, Interim Chief Executive.
- Gareth Waterson, Head of Finance.
- Karen Greaves, Head of Executive Support.
- Gavin Mitchell, Head of Legal Services.

Audit Scotland:

- Gillian Woolman, Audit Director.
- Claire Gardiner, Senior Audit Manager.
- Colin Morrison, Senior Auditor.

Observing

- Andrew Paterson, Chief Internal Auditor.
- Colin Kemp, Corporate Finance Senior Manager.
- Avril Litts, Accounting Manager (Strategic Finance).
- Shonagh Merriman, Accounting Manager (Corporate Finance).

Apology

- Councillor James W Stockan (who had been invited to attend).

Declarations of Interest

- Councillor Stephen G Clackson – Item 2.
- Councillor Andrew Drever – Item 2.
- Councillor John T Richards – Item 2.
- Councillor John A R Scott – Item 2.

Chair

- Councillor John T Richards.

1. Form of Voting

The Committee resolved that, should a vote be required in respect of the matters to be considered at this meeting, notwithstanding Standing Order 21.4, the form of voting should be by calling the roll or recorded vote.

2. Audit Report to those charged with Governance

Councillors Stephen G Clackson and Andrew Drever declared non-financial interests in this item, being Council-appointed directors on the Board of Orkney Ferries Limited, but concluded that their interests did not preclude their involvement in the discussion.

Councillors Andrew Drever, John T Richards and John A R Scott declared non-financial interests in this item, being Council-appointed trustees of the Pickaquoy Centre Trust, but concluded that their interests did not preclude their involvement in the discussion.

After consideration of a report by the Head of Finance, copies of which had been circulated, and after hearing a report from the Audit Director, Audit Scotland, the Committee:

Noted:

2.1. That Audit Scotland, as the Council's external auditor, had concluded its audit of Orkney Islands Council's Financial Statements for the year ended 31 March 2020.

2.2. That Audit Scotland had provided an unqualified audit certificate on the Council's Financial Statements for the year ended 31 March 2020.

2.3. That the draft audit certificate stated that the financial statements had been properly prepared in accordance with applicable law, accounting standards and other reporting requirements.

2.4. That, during the course of the audit, a number of presentational and monetary adjustments within the financial statements were identified, which had been adjusted in the final accounts.

2.5. That no material weaknesses in the accounting and internal control systems were identified during the audit.

2.6. Audit Scotland's covering letter in respect of the Orkney Islands Council Annual Audit Report, attached as Appendix 1 to the report by the Head of Finance, in accordance with the International Standard on Auditing 260.

2.7. Orkney Island's Council's Letter of Representation to Audit Scotland in connection with its audit of the financial statements of Orkney Islands Council for the year ended 31 March 2020, attached as Appendix 2 to the report by the Head of Finance.

2.8. The Annual Audit Report to Members and the Controller of Audit in respect of the Orkney Islands Council Annual Accounts, attached as Appendix 3 to the report by the Head of Finance.

3. Annual Accounts

After consideration of a report by the Head of Finance, copies of which had been circulated, the Committee:

Noted:

3.1. The requirement, in terms of the Local Authority Accounts (Scotland) Regulations 2014, for a local authority, or a committee of the authority, whose remit included audit or governance functions:

- To consider and approve the audited Annual Accounts for signature no later than 30 September immediately following the financial year to which the accounts related.
- To publish the accounts on a website by 31 October.

3.2. That, in terms of the Coronavirus (Scotland) Act 2020, the deadline for publication of final accounts could be extended by two months, if required, from 31 October 2020 to 31 December 2020.

3.3. That, although the Audited Accounts would be signed after 30 September 2020, publication would still take place by the original deadline of 31 October 2020.

3.4. The management commentary, comprising pages 1 to 15 of the Annual Accounts, attached as Appendix 1 to the report by the Head of Finance, which provided an overview of the most significant matters reported in the Annual Accounts for financial year ended 31 March 2020, with the key facts and figures summarised at section 4.3 of the report by the Head of Finance.

The Committee resolved, in terms of delegated powers:

3.5. That the Annual Accounts for financial year 2019/20, attached as Appendix 1 to this Minute, be approved.

4. Conclusion of Meeting

At 13:20 the Chair declared the meeting concluded.

Signed: John T Richards.