

Minute of Meeting



Midlothian Integration Joint Board Audit and Risk Committee

| Date | Time | Venue |
|---------------------------|--------|--|
| Thursday 7 September 2017 | 2.00pm | Committee Room, Midlothian House, Buccleuch Street, Dalkeith EH22 1DN. |

Present (voting members):

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|------------------------------------|------------|
| Councillor Jim Muirhead (Chair) | John Oates |
| Jane Cuthbert (Independent Member) | Alex Joyce |
| | |

Present (non voting members):

| | |
|---|------------------------------------|
| Eibhlin McHugh (Chief Officer) | David King (Chief Finance Officer) |
| Elaine Greaves (Chief Internal Auditor) | |
| | |

In attendance:

| | |
|---|-----------------------|
| Keith MacPherson (Ernst & Young LLP, External Auditors) | Mike Broadway (Clerk) |
| | |

Apologies:

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| Councillor Pauline Winchester | |
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Midlothian Integration Joint Board

Audit and Risk Committee

Thursday 7 September 2017

1. Welcome and introductions

The Chair, Councillor Jim Muirhead welcomed everyone to the meeting of the Midlothian Integration Joint Board Audit and Risk Committee, following which there was a round of introductions.

2. Order of Business

The order of business was as set out in the Agenda.

3. Declarations of interest

No declarations of interest were received.

4. Note of Meeting

The Minutes of Meeting of the Midlothian Integration Joint Board Audit and Risk Committee held on 9th March 2017 was submitted and approved, subject to the correction of Jane Cuthbert's name in paragraph 5.6.

5. Public Reports

| Report No. | Report Title | Presented by: |
|------------|--|---------------|
| 4.1 | 2016/17 Integration Joint Board Annual Accounts – Independent Audit Review | David King |

Executive Summary of Report

The purpose of this report was to present for the Committee's consideration and approval of (i) the MIJB Annual Accounts 2016/17 and (ii) the External Auditors' Annual Audit Report for the year ending 31 March 2017.

The report explained that as a statutory body, the MIJB was required to produce a set of annual accounts at the end of its financial year (31 March). These accounts then required to be reviewed by the MIJB's external auditors who would report their opinions on the Annual Accounts to the MIJB. The Annual Accounts, once approved, required to be signed off by the Chair of the MIJB, the Chief Officer of the MIJB, the Chief Finance Officer of the MIJB and the Independent Auditor by 30 September.

Summary of discussion

David King (Chief Finance Officer) in presenting the Annual Accounts to the Committee highlighted the background to the Midlothian Integration Joint Board (MIJB), explaining that the MIJB was governed by the Local Government Scotland Act (1973) along with the 2014 regulations and that the Accounts had been prepared on that basis. The accounts had subsequently been audited by the MIJB's External Auditors – Ernst & Young – and whilst there were a number of typographical and other minor corrections, their feedback had been positive.

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Keith MacPherson (Ernst & Young LLP, External Auditors) was then heard in relation to the External Auditors Annual Audit Report, confirming that it was proposed to issue an 'unqualified' opinion on the Annual Accounts, which meant that they met the requirements of the regulations and gave a fair and true view of the MIJB's financial position in 2016/17. As already mentioned, the Chief Finance Officer had advised there were a number of typographical and other minor corrections to be picked up. There were also a number of recommendations which had been made; these had received the support of both the Chief Officer and Chief Finance Officer and their responses were included in the report before the Committee.

The Committee thanked David and Keith for their respective presentations and considered both the Annual Accounts and the Annual Audit Report.

Decision

After discussion, the Audit and Risk Committee agreed to:-

- **Note the external auditors report on the MIJB's annual accounts;**
- **Note the proposed amendments to the current set of annual accounts;**
- **Note the audit opinion to be included in the annual accounts;**
- **Support the recommendations made by the external auditors and the management responses to these; and**
- **Recommend to the MIJB that the Annual Accounts for 2016/17 be accepted.**

6. Private Reports

No private business to be discussed at this meeting.

7. Any other business

No further additional business had been notified to the Chair in advance.

8. Date of next meeting

The next meetings of the Midlothian Integration Joint Board Audit and Risk Committee would be held on:

- Thursday 5th October 2017 10.00am Special Meeting
- Thursday 14th December 2017 2.00pm

The meeting terminated at 2.27pm.