

## LEE VALLEY REGIONAL PARK AUTHORITY

### AUDIT COMMITTEE MINUTES 25 JUNE 2015

Members Present:           David Andrews (Chairman)           Ross Houston  
                                  Kathy Bee                               Graham McAndrew

Apologies Received From: Ricki Gadsby

Officers Present:           Shaun Dawson     - Chief Executive  
                                  Simon Sheldon   - Director of Finance & Resources  
                                  Beryl Foster     - Director of Corporate Services  
                                  Keith Kellard   - Finance & Systems Accountant  
                                  Lindsey Johnson - Committee Services Officer

Also Present:     Andy Waters and Russell Cavanagh – RD Health & Safety  
                          Kevin Le Roux – Mazars (Internal Auditor)  
                          Rachel Brittain, Debbie Hanson and Florentyne Barrett – Ernst & Young (External Auditors)

#### Part I

#### 77     DECLARATIONS OF INTEREST

There were no declarations of interest.

#### 78     MINUTES OF LAST MEETING

**THAT the minutes of the meeting held on 26 February 2015 be approved and signed.**

#### 79     PUBLIC SPEAKING

No requests from the public to speak or present petitions had been received for this meeting.

#### 80     ANNUAL REPORT ON HEALTH & SAFETY 2014/15 AND                         Paper AUD/60/15            AUDIT PLAN 2015/16

The report was introduced by Simon Sheldon, Director of Finance & Business Development.

Andy Waters from RD Health & Safety introduced their annual report, key points included:

- The Authority has effective health & safety systems in place, giving reasonable assurance of the work carried out.
- The Authority has received a corporate average score of 93%, which was a 3% increase on last year, but below the target 95%.
- There were 6.2 million visits with only 0.26% of those resulting in an accident or incident; the industry average is 0.3%.
- There were 11 accidents reported which was an increase on last year, largely due to taking on the high risk facilities of the Lee Valley Velodrome and the Lee Valley Hockey & Tennis Centre.
- 28 staff at the Lee Valley Velopark and Lee Valley Hockey & Tennis Centre has received in-house training on event safety.



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implemented are due to the split with the Trust, and will be implemented at an appropriate time.

- They will be looking at 2-3 finance systems each year. This will be on a rolling programme at least every 3 years, with higher risk systems looked at more frequently.

The Chairman asked when testing of servers would take place. The Director of Finance & Business Development replied that segments were tested and restored out of hours.

A Member suggested that the report be redesigned to reflect the split with the Trust.

- (1) the annual report of the Internal Auditors for 2014/15 detailed in Appendix A to Paper AUD/61/15 was noted; and**
- (2) the annual Audit Plan for 2015/16 as detailed in Appendix B to Paper AUD/61/15 was approved.**

82 EXTERNAL AUDIT 2014/15 – AUDIT PLAN

Paper AUD/58/15

The report was introduced by Simon Sheldon, Director of Finance & Business Development.

Debbie Hanson and Rachel Brittain from Ernst & Young introduced their report, key points included:

- Ernst & Young have changed their approach and are now testing individual transactions.
- They have found 2 significant risks; that of property asset valuations and risk of management override, both risks would have a material impact upon the Authority if they were realised.
- They will be looking at lease arrangements between the Authority and the Trust, there will be no impact on this years' accounts.
- They are still waiting for some additional disclosures, but good progress is being made.

The Chairman asked about the Authority's fraud and whistleblowing policies. The Director of Finance & Business Development replied that all staff received training on-line, with the policies being reviewed every 2-3 years. Staff have a number choices of Directors or auditors that they can go to, we would then involve Mazars who would recommend a course of action.

A Member pointed out that following the split with the Trust, capital and revenue accounting was going to be a tricky area, with capital accounting being more likely to be used by the Authority and revenue accounting with the Trust.

The Chairman suggested that briefing sessions on lessons being learnt from the split with the Trust be arranged for Members of the Audit Committee and Scrutiny Committee.

- (1) the External Auditors' Audit Plan for 2014/15 attached at Appendix A to Paper AUD/58/15; and**
- (2) the proposed annual audit fee for 2014/15 as set out in Appendix A to Paper AUD/58/15 on page 12 of their report was noted.**

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83 RISK REGISTER 2015/16

Paper AUD/59/15

The report was introduced by Simon Sheldon, Director of Finance & Resources.

A Member suggested that the colour coding on the directional arrows was confusing and might be better left colourless. It was suggested that an additional column be included.

The Chairman suggested that in the future the Risk Register be published with front page giving a brief description of how it works.

**(1) the revised format and content of the Authority's Strategic Risk Register (including all agreed changes recommended at this Committee meeting) attached at Appendix A (and note Appendix B, the Trust Register) to Paper AUD/59/15 was approved.**

84 UNAUDITED FINAL ACCOUNTS 2014/15

Paper AUD/62/15

The report was introduced by Simon Sheldon, Director of Finance & Resources.

The Chairman requested that all Members be given the opportunity to make comments on the Draft Accounts by 29 June 2015.

**(1) the draft Annual Governance Statement (attached at Appendix A to Paper AUD/62/15) to be included within the Accounts, subject to any comments received from Members and the Auditors;**

**(2) that any Member comments/amendments/changes received by 29 June 2015 can be considered and approved by the Chairman of the Audit Committee in consultation with the Director of Finance & Resources and incorporated into the final Draft Accounts presented for external audit was approved; and**

**(3) that the unaudited Statement of Accounts for 2014/15 summarised in this report (and attached as Appendix B to Paper AUD/62/15) will be signed off by the Director of Finance & Resources by 30 June 2015 was noted.**

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Chairman

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Date

The meeting started at 12.50pm and ended at 2pm.