

HUMBERSIDE POLICE AUTHORITY

RESOURCES COMMITTEE

SPECIAL MEETING

10 OCTOBER 2011

<u>PRESENT:-</u>	Mr Gammon, in the Chair.
Elected Members	Councillor England, Councillor Inglis.
Independent Members:-	Mrs Spencer and Mrs Taylor MBE.
Officers: -	Mr J Bates, Deputy Chief Executive and Treasurer, Mr M Pilsworth, Principal Finance Officer, Mr M Kirkham, Mr C Hartley and Mr M Wong, District Audit.

The Committee met at Pacific Exchange, Kingston upon Hull.

- 33 **DECLARATIONS OF INTEREST/OFFERS OF GIFTS OR HOSPITALITY –**
The Chair reminded Members of the need to record any personal or prejudicial interest in items on the agenda, and to disclose any relevant receipt or offering of gifts or hospitality.
- There were no declarations or disclosures made.
- 34 **APOLOGIES** – Apologies for absence were submitted on behalf of Councillor Cracknell, Councillor Sharpe, Mr D Smith and Mr Southern.
- 35 **(24) AUDIT COMMISSION ANNUAL GOVERNANCE REPORT AND ANNUAL ACCOUNTS 2010/11** – The Deputy Chief Executive and Treasurer submitted a report that provided a copy of the District Auditor’s Annual Governance Report and commented upon changes and recommended changes to the annual accounts for the year ended 31 March 2011 which he had signed off on 30 June 2011 and reported to this Committee on 12 July 2011. Members were requested to consider the proposed amendments to the financial statements for 2010/11 and to agree a proposed letter of representation.

The Deputy Chief Executive and Treasurer advised that the District Auditor had indicated that he expected to issue a clean audit opinion on the accounts. The District Auditor had also signalled his intention to provide an unqualified value for money conclusion as he was satisfied that proper arrangements had been made to secure economy, efficiency and effectiveness in the use of resources.

He commented on the accounts including issues around their advertisement which had resulted in the need for this Special meeting. He outlined the impact of changes that had been made in connection with 3 material misstatements identified in relation to the treatment of police injury awards, disclosures on financial liabilities which did not affect the opinion, and in respect of disclosures on capital charges and impairments. He also commented on 3 non material misstatements that had been identified by the District Audit and explained the reasons proposed for not correcting them. They related to only disclosing three years information on actuarial gains and losses, property valuations and the treatment of Proceeds of Crime Act (POCA) receipts.

Referring to the review of the arrangements for recording the POCA receipts, the Chair requested that a report be submitted to a future meeting of this Committee regarding the resolution of this issue. He referred also to the double counting of Property, Plant and Equipment (PPE) additions and sought guarantees that this matter would be resolved this year. The Deputy Chief Executive advised that it would be ensured that the properties were included in this years revaluation exercise. Mr Hartley advised that the total of the additions was now less than £800k.

The District Auditor reported that he intended to issue an unqualified audit opinion and unqualified value for money conclusion which reflected well upon the Authority. He advised that there had been a higher error rate than last year but this was due to the introduction of IFRS for the first time and had had a similar impact on other authorities.

The Deputy Chief Executive and Treasurer expressed his thanks to Finance and District Audit staff for their assistance during the production of the accounts.

Resolved – (a) That the report be noted; (b) that the adjustments to the financial statements be noted; (c) that the reasons for not adjusting the errors in the financial statements identified during the audit, and outlined in the report and in the letter at Annex B, be noted; (d) that the letter of representation, attached at Annex B, be approved; (e) that the Statement of Accounts, attached at Annex C, incorporating the changes detailed in this report and at the meeting together with the District Auditor's opinions be received, approved and published on the Authority's website; (f) that the unqualified value for money conclusion be noted, and (g) that a report on the resolution of the issues regarding the arrangements for recording the Proceeds of Crime Act receipts be submitted to a future meeting of this Committee.