

MAIDSTONE BOROUGH COUNCIL

AUDIT COMMITTEE

MINUTES OF THE MEETING HELD ON MONDAY 29 MARCH 2010

Present: **Councillor Horne (Chairman), and
Councillors Butler, Nelson-Gracie, Warner and
Mrs Wilson**

REFERRED MATTER

77. **THE ROLE AND TERMS OF REFERENCE OF THE AUDIT COMMITTEE**

The Committee considered the report of the Director of Resources and Partnerships concerning a revision to the role and Terms of Reference of the Audit Committee as well as endorsing the commissioning of a peer review of the Audit Committee by IdEA.

The Committee agreed to recommend to Council that it should approve both the Statement of Internal Control and the Annual Statement of Accounts as this was in line with best practice and Audit Commission guidance.

The Committee is also recommending to the Council that the membership of the Committee should be increased to include an Independent Member with the relevant financial background to support the Committee in discharging its duties in relation to overseeing the financial reporting process and, in particular, in approving the Annual Statement of Accounts. The Independent Member would not have voting rights.

The Committee asked a number of questions of the Director of Change and Partnerships regarding the appointment of the Independent Member and the Committee were informed that a further report on this appointment would be brought to a future meeting. It also agreed that the proposal for a peer review of the Audit Committee to ensure that the Committee's revised role and terms of reference take account of national best practice be endorsed.

RECOMMENDED: That Article 6A and the terms of reference of the Audit Committee, be amended to reflect the following:-

- a) That the Audit Committee will approve the Statement of Internal Control and the Annual Statement of Accounts.
- b) Increasing the membership of the Committee to include an Independent Member