

**MINUTE**  
**of**  
**EAST RENFREWSHIRE COUNCIL**

**Minute of Meeting held at 4.00pm in the Council Chamber, Council Headquarters, Giffnock, on 26 September 2019.**

**Present:**

Provost Jim Fletcher	Councillor Annette Ireland
Deputy Provost Betty Cunningham	Councillor Alan Lafferty
Councillor Paul Aitken	Councillor David Macdonald
Councillor Tony Buchanan (Leader)	Councillor Colm Merrick
Councillor Charlie Gilbert	Councillor Stewart Miller
Councillor Barbara Grant	Councillor Paul O’Kane

Provost Fletcher in the Chair

**Attending:**

Lorraine McMillan, Chief Executive; Margaret McCrossan, Head of Accountancy (Chief Financial Officer); Louise Pringle, Head of Business Change and Revenues; Barbara Clark, Chief Accountant; Eamonn Daly, Democratic Services Manager; and Liona Allison, Assistant Committee Services Officer.

**Apologies:**

Councillors Caroline Bamforth, Angela Convery, Jim McLean and Jim Swift.

**DECLARATIONS OF INTEREST**

**1051.** There were no declarations of interest intimated.

**ANNUAL ACCOUNTS FOR THE COUNCIL’S CHARITABLE TRUSTS AND EXTERNAL AUDIT REPORT FOR 2018/19**

**1052.** Under reference to the Minute of the meeting of the Audit and Scrutiny Committee held earlier that day (Page 966, Item 1043 refers), the Council considered a report by the Head of Accountancy (Chief Financial Officer) explaining that the audit of the 2018/19 Annual Accounts for the seven charitable trusts for which the Council acted as trustee had been completed, that the Accounts had been amalgamated into one document, and that a copy was now submitted for consideration. In addition, the External Auditor’s report in respect of the Trusts, in compliance with the International Standard on Auditing (ISA) 260, was also submitted for consideration.

Councillor Miller, Chair of the Audit and Scrutiny Committee, having thanked all finance staff and external audit for their input, the Council noted the 2018/19 Annual Accounts for each of the Trusts and the associated External Auditor's report.

### **EAST RENFREWSHIRE COUNCIL ANNUAL ACCOUNTS AND DRAFT ANNUAL AUDIT REPORT FOR 2018/19**

**1053.** Under reference to the Minute of the meeting of the Audit and Scrutiny Committee held earlier that day (Page 966, Item 1044 refers), the Council considered a report by the Head of Accountancy (Chief Financial Officer) regarding the Annual Accounts for 2018/19, the associated draft Annual Audit Report prepared by the External Auditor, and a further report by the External Auditor on matters arising from the audit of the Council's financial statements for 2018/19 reported under ISA 260 requirements. The draft Audit report provided an overview of the main issues arising from the 2018/19 audit.

The Council had received an audit certificate which was unqualified. After transfers to earmarked reserves totalling £2,771k, a sum of £421k had been added to the Council's non-earmarked General Fund reserve resulting in a balance of £10,544k as at 31 March 2019. This was slightly above the Council's target of 4% of the annual budgeted net revenue expenditure, although it was noted that the balance would reduce significantly as the Council had budgeted to use £4,312 of the reserve during 2019/20.

It was highlighted that the accounts reflected the establishment of a Feasibility Fund to permit early preparation and investigations for potential capital projects which would enable a faster start on major new capital schemes as work to identify any design or ground condition issues could be taken forward in advance of formal approval of the Capital Plan.

It was further noted that capital expenditure of £41,187k had been invested in addition to which an operating surplus of £89k had been made on the Housing Revenue Account, this increasing the accumulated surpluses brought forward to that Account to £1,718k.

Having heard Councillor Miller comment that there had been a good discussion on the report at the Audit and Scrutiny Committee meeting which had agreed to remit it to the Council for consideration discussion then took place.

Councillor Buchanan was heard on the positive nature of both the accounts and the report by Audit Scotland. He emphasised that there had been a number of key areas looked at and offered thanks to the Audit and Scrutiny Committee for its work in reviewing the accounts and Audit Scotland report, and officers from both Audit Scotland and the Council's own finance team for their work.

Councillor Miller having also offered thanks to both the Council's Finance Staff and the officers from Audit Scotland, the Council agreed to:-

- (a) approve the Council's Annual Accounts for 2017/18; and
- (b) note the draft Annual Audit Report to the Council and Controller of Audit 2017/18 and the External Auditor's report on matters arising from the audit of the Council's 2017/18 Financial Statements prepared under requirements of ISA 260.