

FARNHAM ROYAL PARISH COUNCIL

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MINUTES OF THE MEETING OF THE FINANCE COMMITTEE OF FARNHAM ROYAL PARISH COUNCIL HELD ON MONDAY 26th JUNE 2017 AT 6.30 P.M. IN FARNHAM ROYAL VILLAGE HALL

Present

Mr. John Hodges (In the Chair) Mr. Bob Milne
Mr. Paul Rowley Mrs. Marilyn Rolfe
Mrs. K H Holder – Clerk

1 To elect a Chairman

Mr. Rowley proposed and Mr. Milne seconded Mr. Hodges to be Chairman. This was **agreed**.

2 Apologies for absence

Mr. Trevor Clapp.

3 To confirm minutes of the meeting held on 23rd January 2017

The minutes were **confirmed** as a true and accurate record and the minutes were then signed by the Chairman.

4 Matters arising from previous minutes

There were none.

5 To recommend the Accounts and Annual Return to the Council for year to 31 March 2017

5.1 The Chairman presented draft accounts to the Committee. He explained they had been prepared by independent accountants and had since been examined by the internal auditor. In essence not much had changed over the last few years except for several unusual items this last year which showed a larger deficit for 2016/17. These items included the costs of the changeover to LED lights and the extra hedge cutting work undertaken under the devolved services contract. If these unusual items were discounted the Council's finances would have been more or less at breakeven. He reported that the Council still had over £92,000 in the bank at year end.

5.2 **It was agreed** to recommend the draft accounts and Annual Return to Council for approval.

6 To consider issues raised by the internal auditors

6.1 The internal auditors noted that the defibrillators had been acquired on the strength of only one quote. The Clerk noted this was a specialist item recommended by the Ambulance service. **It was agreed** that going forward it was important to minute the reasons for such purchases and to specifically

note that the finance regulations were being waived to enable the purchase to be made.

6.2 The internal auditors had noted that there were insufficient records of budget monitoring. The Clerk was asked to circulate budget information for the first, second and third quarters of each year to Councillors.

6.3 The internal auditors had commented that the balance sheet in the accounts should include the balance of petty cash at year end. It was noted that the Council's practice had not changed but the same firm of internal auditors had not required this in the past. It was also noted that this was a de minimis sum, the Clerk kept meticulous records and monies into petty cash – which never exceeded £200 - were noted in the cashbook. The Clerk confirmed that the accountants had been instructed to take this into account next year.

6.4 The internal auditors also said that if cash is received it should not go into petty cash directly but be paid into the Council's bank account and then money taken out again. The Clerk explained that she needed petty cash for paying cleaners and office supplies but that she never used petty cash for things like tea/coffee unless on rare occasions if there was a large meeting in the office. She only ever received cash after the Carols event and as the Co-operative bank had no high street presence paying in cash was not as easy as it sounded and would take her a considerable amount of time and effort. She made public any monies received by entries on the cashbook and the separate petty cash records she kept that were audited. **It was agreed** that sufficient controls were in place and that the Clerk's current approach need not change.

7 To consider changing banks

Concern had been raised that Co-operative bank's future was uncertain but as recently as today a rescue package had been announced and it was **agreed** that there was no immediate need to change accounts. It was noted that if a need arose in future then Unity or Metro banks seemed to be worth looking into.

8 Any other business

There was none.

9 Date and time of next meeting

The meeting closed at 7.25pm. The next meeting would be at 6.30pm on 27th November 2017 at Farnham Royal Village Hall.

Signed as a true record of the meeting:-

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Chairman