

**MINUTES OF THE MEETING OF THE  
FINANCE COMMITTEE  
HELD ON MONDAY 20<sup>th</sup> SEPTEMBER 2010  
IN THE PARISH CENTRE, LOCKLEYS DRIVE WELWYN  
COMMENCING AT 7.30 PM**

**PRESENT:** Chairman, Cllr. I Skidmore and Councillors S Butler, I Colpitts, C Hukin and B McKay

**IN ATTENDANCE:** A S Pack (Parish Clerk)

**APOLOGIES:** Councillors J Blackburn, and P Neville

**2010/023 DECLARATION OF INTEREST.**

There were no Declarations of Interest.

**2010/024 MINUTES OF THE MEETING HELD ON 14<sup>th</sup> JUNE 2010.**

**RESOLVED** "that the Minutes of the Finance Committee meeting held on the 14<sup>th</sup> June 2010 be approved and signed"

**Unanimously Agreed**

**2010/025 MATTERS ARISING FROM THE MINUTES OF THE MEETING HELD ON THE 14<sup>th</sup> JUNE 2010.**

There were no matters arising.

**2010/026 BDO LLP EXTERNAL AUDITOR**

The external audit was completed on the 4<sup>th</sup> August 2010 and a notice advising the public was posted on the Council's notice boards for 14 days commencing on the 16<sup>th</sup> August 2010

BDO LLP's report to the Council was attached to the Agenda as Appendix 1

The Annual Return completed by BDO LLP was circulated with the Agenda as Appendix 2

Guidance notes entitled 'The Review of the effectiveness of the System of internal Audit ' legislative framework were circulated with the Agenda as Appendix 3

The Clerk advised that although the Council had complied with the requirements of Internal Audit, the minutes did not sufficiently record this fact. Following discussions with the External Auditor, the wording detailed below had been approved by a representative from BDO LLP The Clerk to contact the Inland Revenue to clarify the status of contractors, working for the Council.

**2010/027 INTERNAL AUDIT 1<sup>ST</sup> APRIL 2010 – 31<sup>ST</sup> MARCH 2011**

In compliance with the requirement to appoint an independent Internal Auditor, it is recommended that Auditing Solutions be appointed again, to conduct the 2010.2011 Internal Audit of the effectiveness of the Council's systems of internal control and of its accounting records. The Independent Internal Auditing Company to take account of corporate risk and to meet the Council's governance assurance needs. Appointment details were circulated with the Agenda as Appendix 4

**Scope of Internal Audit**

The scope of the internal Audit is set out in Auditing Solutions letter of engagement which was circulated with the Agenda as Appendix 5

The scope of the internal audit sets out the terms of reference, roles and responsibilities. and takes into account risk management processes and wider internal control. Terms of reference define audit responsibilities in relation to fraud

**Independence**

The Internal Auditor has direct access with those charged with governance and will be required to produce an Interim Internal Audit Report and a year End Internal Audit Report both of which will be reported to the Finance Committee/Full Council and recorded in the Minutes of the relevant Committee/Full Council. The Internal Auditor does not have any other role within the Council

**Competence**

The Internal Audit to be carried out ethically with integrity and objectivity.

**Relationships**

The Clerk/RFO to be consulted on the internal audit plan and on the scope of each audit to ensure internal controls and risk management are investigated and the review is challenging and forward looking. The responsibilities of Councillors are understood and training of Councillors is carried out as necessary.

**Audit Planning and Reporting**

The Audit Plan to take account of corporate risk and to be agreed by the Finance Committee/Council before the Internal Audit commences. The Audit Plan to demonstrate how audit work will provide assurance in relation to the Council's annual governance statement. The Audit Plan was circulated with the Agenda as Appendix 6

It was proposed by the Chairman, Councillor Skidmore, seconded by Councillor Butler and

**RESOLVED** "that in accordance with Regulation 4 of the Accounts and Audit Regulations (2003) amended by Account and Audit (Amendment) (England) Regulations 2006, the Council appoint an independent company, Auditing Solutions Ltd to conduct a review of the effectiveness of its systems of internal control. The review to be undertaken, once during in the year and once at the year-end. The Internal Auditor does not have any other role within the Council".

**Unanimously agreed**

It was proposed by Councillor Skidmore, seconded by Councillor Butler and

**RESOLVED** "that the Internal Auditor be instructed to submit reports, within four weeks following the interim audit and the year end audit, to the Finance Committee/Full Council".

**Unanimously agreed**

It was proposed by Councillor Skidmore, seconded by Councillor Colpitts and

**RESOLVED** "that the Finance Committee approve the Scope of the Internal Audit, as detailed in Appendix 5 of the Agenda".

**Unanimously agreed**

It was proposed by Councillor Skidmore, seconded by Councillor Colpitts and

**RESOLVED** "that the Finance Committee approve the Audit Plan, as detailed in Appendix 6 of the Agenda".

**Unanimously agreed.**

Auditing Solutions Ltd is to undertake the first internal audit in compliance with the terms of reference set out above on Monday 11<sup>th</sup> October 2010.

The Finance Committee to review the assessment and management of risk as detailed in (4) of the Audit Plan circulated with the Agenda as Appendix 6, at the Finance Committee meeting scheduled to take place on the 15<sup>th</sup> November 2010.

**2010/028 CIVIC CENTRE REBURBISHMENT PROGRAMME**

The Civic Centre re-opened to the public Wednesday 1<sup>st</sup> September 2010. All public areas of the Civic Centre were completed however some additional work is being completed in the non public areas.

Cost Report Number 5 was circulated with the Agenda as Appendix 7

The Clerk advised that following consultation with the Primary Care Trust, the re-wiring of the area leased to the Clinic commenced on the 20<sup>th</sup> September and was expected to take two weeks. The Clinic had re-located their staff during this period. A report on the electrical wiring of the area leased to the Library is awaited.

The Chairman advised that during the budget process for the 2011/2012 year, a sum to cover the maintenance of all Council buildings should be included in each annual budget to ensure prudent management of the Council's assets in the future.

**2010/029 ACCOUNTS 1<sup>ST</sup> APRIL – 31<sup>ST</sup> August 2010**

1. Bank Cash and Investment Reconciliation was circulated with the Agenda as Appendix 8
2. The Income and Expenditure 1<sup>st</sup> April – 31<sup>st</sup> August 2010 Report, to include budget for 2010.2011, expenditure and income to date was circulated with the Agenda as Appendix 9
3. The Summary of Income and Expenditure 1<sup>st</sup> April – 31<sup>st</sup> August 2010 Report was circulated with the Agenda as Appendix 10
4. A List of Income and Expenditure incurred 1st May – 31<sup>st</sup> August 2010 was circulated with the Agenda as Appendix 11.

It was proposed by Councillor Skidmore, seconded by Councillor McKay and

**RESOLVED** "that the

1. Bank Cash and Investment Reconciliation
2. The Income and Expenditure 1<sup>st</sup> April – 31<sup>st</sup> August 2010 Report, , to include budget for 2010.2011, expenditure and income to date
3. The Summary of Income and Expenditure 1<sup>st</sup> April – 31<sup>st</sup> August 2010 Report
4. A List of Income and Expenditure incurred 1st May – 31<sup>st</sup> August 2010 be approved.

**Unanimously agreed.**

**2010/030 BUDGET TIMETABLE 2010.2011**

The detailed Budget Timetable circulated with the Agenda as Appendix 12 was agreed. Once the Finance Committee have approved the draft budget for recommendation to Full Council , Councillor to be requested to forward any comments to the Clerk no later than one week prior to the Full Council meeting which is scheduled to take place on the 13<sup>th</sup> December 2010.

**2010/031 CLOSE OF MEETING.**

The Chairman thanked everyone for attending and closed the meeting at 8.40pm

**Signed.....Chairman of the Finance Committee**