

Finance Sub-Committee Meeting 26TH August 2009 in the boardroom

Minutes:

Attendees:

Board Members

Maud Simmance (Treasurer) MS
Diane Thompson (Board member) DT
Pat Prendergast (Board member) PP
Elsie Binder (Board Member) EB

Officers:

Danny Howcroft (Estate Director) DH
Philip Aromona (Finance Manager) PA
Phil Morris (United Residents Housing) PM

1.0 Apologies for Absence

Janet Hayes (Board member) JH

2.0 Minutes of previous meeting

The minutes were agreed as a true record

3.0 Matters Arising

There were no matters arising from the minutes

4.0 Action Points from Previous Meeting

EDF Energy Invoices- PM and DH continues to chase for the missing invoices.

All other action points have been completed since the previous meeting.

5.0 Monthly Finance Report

PA introduced this item. A copy of the budget profile and a narrative is attached.

This report is for 1st four months of the financial year quarter of the 2009/10 financial year i.e. April – July

5.1) **Income:** PA confirmed that for the first quarter of the year we have received £182,683 in allowances, which is more than the allowance settlement agreement. The have also received more income from garage income and 'other income'.

5.2) **Direct Expenditure:**

An over spend of £2,763 was reported in this area. The main overspend is in relation to OAP decs, block maintenance, gas servicing and caretaking. On the schedule provided by PA some of the jobs allocated to this nominal code should be recharged to URH particularly in relation to roof lights. DH showed PA which items should be recharged.

1) ACTION POINT:

DH noted the most relevant items to be transferred and passed to PA to action.

PA to action

5.3) Direct Staff Costs:

An over spend of £2,194 was reported. Most of this overspend is in relation to overtime for the DLO, generally for void/decent homes properties.

5.4) Overheads:

There was a reported overspend of £22,429. This overspend mainly relates to external painting and some of this work will be recharged to URH.

5.5) Actual Balance as at 31.07.09 was **£543,405.57**

£350,000 is in investment accounts.

Summary:

The overall position of the business for 1st four months of the financial year was an under spend of £7,854 when actual income is compared to expenditure.

6.0 Debtors Report

DH presented this item and the list of 2 pages was circulated to all attendees. Following a discussion it was agreed that the following invoices will be written off:

**139
324
335
454
90
214
230
102**

2) ACTION POINT

PA to write off the above

It was also agreed that payments for the outstanding mall invoices to be pursued.

3) ACTION POINT

DH to continue to chase debt

It was also noted that number of repairs and maintenance jobs have been completed without payments being received.

4) ACTION POINT

John Potter to be invited to next FSC when the debtors report is discussed

In regard to pram sheds, it was agreed to write off the following invoices:

120

137

171

350

351

5) ACTION POINT

PA to write off the above

Sarah to advise DH on the position of all other unpaid invoices from 2008 and where necessary take possession action

7.0 Any other Business

2008/9 Annual Audited Accounts

DH introduced this item and provided a commentary from each page.

The RMO made a surplus of £110,000

There were a few minor points regard the accounts raised by PM. These were In regard to changes in the deferred grant element of the accounts which contributed to our surplus and the cost of the lease agreement for the photocopier.

The accounts were accepted.

Management letter from financial auditors

This was discussed in detail. The following was agreed as a response to the Auditors Letter.

3.1 Accounts Receivable

Irrecoverable debts will be presented each quarter at the FSC for action

3.2 Bank Reconciliation

Dates of any cheques issued will be placed on the reconciliation sheets and written back after its 6 month anniversary. These will be signed by the Treasurer.

3.3 Fixed asset register

A capitalisation policy will be developed this financial year with a figure of £250.00 to be used for whole item purchased.

4.1 Salaries

Staff salaries will be reverted back to staff pay scales from the being of the financial year. DH to discuss this matter at the governance board meeting in September

4.2 Treasury

Although the Management Agreement was acknowledged, in the absence of a dedicated client link for BGRMO in the council now that URH have been developed, it was agreed that we should seek the approval of URH. This approval was obtained prior to the deposits being made.

4.3 VAT

PA undertook to complete the VAT returns in a timely manner each quarter so no reclaims are missed.

4.4 Suppliers Invoices

All non direct suppliers works orders will be processed to the invoices stage on SX3 to ensure none are missed. John Potters is to undergo training on this with the assistance of URH. DH has already discussed this matter with John Potter.

EDF invoices

PM confirmed that he was still working with EDF to resolve the credit issues experiences. PM raised concerns to how an invoice with a meter reading had been processed and paid which had clocked itself. It was also noted that the new suppliers invoices are much user friendly.

8.0 Date of next meeting

30th September 2009 at 12.00 pm

Meeting closed at 1.30 pm