

**MINUTES AND REPORT OF THE AUDIT COMMITTEE  
HELD ON 16 APRIL 2026**

0 Councillor C Downey – Vice Chair  
\* Councillor Martin  
\* Councillor Steel  
\* Councillor Thomson – Chair  
\* Councillor Williams

\* Present            # Absent & No Apology Received            0 Apology for Absence            L Late

633. MINUTES

The Minutes of the Meeting held on 5 February 2026 were signed by the Chair as a correct record.

634. APOLOGIES FOR ABSENCE

Apologies for absence were received and recorded as above.

635. DISCLOSABLE PECUNIARY INTERESTS AND OTHER REGISTERABLE INTERESTS

Members made no declarations of interest in relation to any item on the agenda for this meeting, which is required to be disclosed by the Localism Act 2011 and the Godalming Members' Code of Conduct.

636. PETITIONS/STATEMENTS/QUESTIONS FROM MEMBERS OF THE PUBLIC

No petitions/statements/questions had been received from members of the public in accordance with Standing Order No 5.

637. QUESTIONS BY MEMBERS

No questions from Councillors were submitted in accordance with Standing Order 6.

638. WORK PROGRAMME

Members considered the Committee's Work Programme and noted progress on the items therein (copy attached to record minutes).

639. BANK RECONCILIATION

The Responsible Finance Officer tabled the current Bank Reconciliation for the information of Members.

Members agreed that the Chair should sign the bank reconciliation tabled.

640. CCLA BALANCE REPORTING ERROR AND NEW PROCEDURE

Members considered the report regarding the previously identified CCLA balance reporting error and the revised reporting procedure, as referred from the Policy & Management Committee .

Members noted that the updated procedure now requires bank and CCLA statements to be tabled alongside income and expenditure reports, enabling balances to be supported by

primary documentation and allowing the Chair, when signing the report, to verify the closing balances.

The Committee agreed that the revised procedure provides a strengthened level of assurance and is sufficient to prevent a recurrence of the earlier error.

Members RESOLVED that:

- the report be noted; and
- the Committee is satisfied that the revised reporting arrangements provide adequate assurance and that no further measures are required.

#### 641. REVIEW SYSTEM OF INTERNAL CONTROL

Members considered a report from the Responsible Finance Officer (report attached to record minutes) and agreed the review of the system of internal control would form part of the supporting evidence for meeting Objectives 2 and 6 of the Annual Governance Statement for 2026/27.

RESOLVED that the report be agreed and noted.

#### 642. ANNUAL GOVERNANCE STATEMENT

Members considered the answers to the questions posed by the Annual Governance Statement (copy attached to record minutes) and agreed recommendations to Full Council as to how it should respond to those questions.

#### 643. ACCOUNTING STATEMENTS 2025/26

Members reviewed the draft Accounting Statements for the financial year ended 31 March 2026, which were tabled for the information of Members.

The Committee noted that, subject to confirmation by the Internal Auditor, the statements would be presented to Full Council on 4 June 2026.

RESOLVED that the draft Accounting Statements be noted.

#### 644. MANAGEMENT OF DEBT 2025/26

Members considered the report regarding the outstanding debt.

The Committee noted that the company concerned had entered administration and that the administrative cost of recovery would exceed the value of the debt.

Members accepted that it would not be proportionate to pursue recovery in these circumstances.

RESOLVED that the position be noted and that the RFO seek Full Council approval to write off this debt.

#### 645. TREASURY & INVESTMENT STRATEGY

Members considered the Treasury & Investment Policy.

During discussion, clarification was provided by the Responsible Finance Officer regarding the requirement to consult with the Committee Chair prior to making short-term investments under delegated authority. Members noted that this arrangement provides an appropriate

balance between Officer delegation and Member oversight, with the consultation process acting as an effective check. The Committee agreed that no amendment to this wording was required.

Members also debated the statement within the Policy that preference should be given to banking institutions with “strong ethical and sustainable practices,” and whether a more detailed definition should be included. The Responsible Finance Officer advised that, for practical reasons including administrative burden and financial cost, changes to banking arrangements are typically only considered once per Council administration. At that point, Members consider eligible institutions meeting the required financial criteria and determine how to interpret ethical and sustainable considerations.

Cllr Williams proposed that the Committee recommend to Council that the statement be more clearly defined. The motion was not seconded.

Members therefore agreed that no amendments to the Policy were necessary.

Members RESOLVED that the Treasury & Investment Policy be recommended for re-adoption at Annual Council without amendment.

646. DATE OF NEXT MEETING

Subject to any amendments agreed at Annual Council, the next meeting of the Audit Committee is scheduled to be held in the Council Chamber on Thursday, 28 May 2026 at 7.20pm or at the conclusion of the preceding Policy & Management Committee, whichever is later.

647. ANNOUNCEMENTS

There were no announcements.