

SHEPHERDSWELL WITH COLDRED PARISH COUNCIL

Minutes of a Parish Council Finance Committee meeting held in Shepherdswell Village Hall on Wednesday 04 May 2016 at 7:30pm

PRESENT: Councillors K Regan (Chairman), M Elgar, C Pickaver

IN ATTENDANCE: S Durbidge (Clerk to the Council)

F01/2016 Apologies: Councillors B Crush, G Peagram, C White

Declaration of interests: There were no declarations of interest

F02/2016 Minutes of last Finance Committee Meeting

Minutes of 04 November 2015 were proposed, seconded and approved as a true record.

F03/2016 Finance

- a) Amendments to the Model Financial Regulations issued by the NALC's Audit and Accounts Advisor were considered. **It was resolved that** the Council be recommended to accept the revisions.
- b) Insurance cover for new items added to the Asset Register since the last meeting were considered. It was noted that the insurers should be informed that new play equipment is to be installed on the Recreation Ground. Insurance brokers Came & Co have presented the Council with a discounted quote, providing the Council enters into a 3-year binding agreement until 31 May 2019. **It was resolved that** the Council be recommended to accept the quote for a 3-year binding agreement from Hiscox at £755.02pa (inclusive of insurance premium tax).
- c) A financial risk assessment was completed for the 2015/16 accounts, see attachment 1. **It was resolved that** the financial risk assessment was satisfactory.
- d) Section 1 of the Annual Return was completed, see attachment 2. **It was resolved that** the Council be recommended to approve the 2015/16 Annual Return (Annual Governance Statement and Accounting Statements).
- e) The budget for 2016/17 was reviewed, see attached. It was noted that the expected balances in hand at the end of the financial year were higher than predicted because the replacement of play equipment had been unavoidably delayed. It was suggested that 'office equipment' be added to capital expenditure.
- f) Alternative accounts or investments and interest for year 2016/17 were considered. It was agreed that in the current economic climate the existing instant access accounts remain suitable.

F04/2015 Risk Assessments

- a) The Council assessments were reviewed as required by insurance. It was noted that the assessment including the former steps from Coxhill should be amended and that Reed Meadow be included. It was noted that Preschool, Mode Hair & Beauty and Village Hall risk assessments were out of date. **It was resolved that** the Council be recommended to ask Preschool, Mode Hair & Beauty and Village Hall for current copies of their risk assessments.
- b) The Council events permission form was reviewed and found satisfactory.

F05/2016 Date of next Finance Committee meeting:

Wednesday 02 November. Public and press are cordially invited. An agenda will be displayed three clear days before the meeting.

F06/2016 Closure of meeting: The meeting closed at 8:10pm

Note: Minutes subject to approval at the next meeting

Finance Attachment 1

Financial Risk Assessment

Specific Risk	Likelihood of Occurrence H/M/L	Severity H/M/L	Existing Controls in Place	Action Needed
What systems are in place for operation of financial regulations?	L	M	RFO† appointed. Financial Regulations followed by RFO. Tenders sought.	None
Have Financial Regulations been updated with other procedures and contracts?	M	L	Financial Regulations reviewed May 2016.	None
Has the council budgeted in a clear and adequate way?	L	M	Annual budget prepared, approved by Council and monitored by RFO	None
Is the insurance in order and the correct things covered?	L	H	Insurance items and values approved by Council annually.	None
Are legal powers of expenditure exceeded?	L	H	Business activities checked by RFO to be within legal powers.	None
Is there a clear separate list of S137 payments, showing the initial allowance and amount remaining?	L	M	Power of General Competence adopted 19/09/2012 and reviewed 20/05/2015.	Review at Annual Meeting of the Council 2016
Is vat shown separately?	L	L	Separate columns for vat in Cash Book. Regular returns of vat made.	None
What steps are taken to ensure bank security and accuracy?	L	H	Monthly reconciliation by RFO. Statements are copied to Chairman and Vice-Chairman.	None
Are payments supported by invoices?	L	H	Two Cllrs sign each cheque and counterfoil, supported by invoice and approved in minutes.	None
Is expenditure properly approved before and after action?	L	M	Blank cheques not signed. Every a/c balance recorded in minutes.	None
Does the system of receipt of income ensure that it is properly recorded and promptly banked?	L	M	Income is banked promptly by RFO.	None
Are balances invested in the best safe a/c?	L	M	Cash Book and deposit a/c details sent to all Cllrs.	None
Is there an adequate check on petty cash?	L	M	Cash transactions avoided. No petty cash held.	None
Are reserves/balances appropriate?	L	M	Reserves earmarked for projects and recorded in minutes.	None
Is there a clear minute and	L	M	Employees pay recorded in	None

contract which details the employees' pay and conditions?			minutes. Contract issued.	
Are Fixed Assets properly accounted for?	L	M	Fixed Asset Register compiled and updated annually by RFO.	None

†RFO = Responsible Financial Officer

Finance Attachment 2 Annual Governance Statement (Section 1 of Annual Return)

We acknowledge as the members of Shepherdsweil with Coldred Parish Council our responsibility for ensuring that there is a sound system of internal control, including the preparation of the accounting statements. We confirm, to the best of our knowledge and belief, with respect to the accounting statements for the year ended 31 March 2016, that:

	Agreed yes /no	'Yes' means that this Council:
1) We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	yes	prepared its accounting statements in accordance with the Accounts and Audit Regulations.
2) We maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	yes	made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.
3) We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and proper practices that could have a significant financial effect on the ability of this smaller authority to conduct its business or on its finances.	yes	has only done things that it has the legal power to do and has complied with proper practices in doing so.
4) We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	yes	during the year has gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.
5) We have carried out an assessment of the risks facing this smaller authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	yes	considered the financial and other risks it faces and has dealt with them properly.
6) We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	yes	arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.
7) We took appropriate action on all matters raised in reports from internal and external audit.	yes	responded to matters brought to its attention by internal and external audit.
8) We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this smaller authority and, where appropriate have included them in the accounting statements.	yes	disclosed everything it should have about its business activity during the year including events taking place after the year- end if relevant.
9) (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting	N/A	has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts.

and, if required, independent examination or audit.		
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