

FELSTED PARISH COUNCIL

Minutes of the Finance Committee Meeting held on 4 June 2014 at 7:00 pm in the United Reformed Church Hall, Committee Room.

- Present** Councillors John Moore (Chairman), Richard Freeman, Graham Harvey and Kay Milford.
- F14/1 **Apologies for absence and declarations of interest**
Apologies had been received from Cllr Peter Rose. There were no declarations of interest.
- F14/2 **Minutes of Previous Meeting**
Minutes of the meeting on 12 March 2014 were agreed and signed.
- F14/3 **Bank Reconciliation and PAYE records**
Having had the opportunity to examine the records, the Chairman signed the Bank Reconciliations and the PAYE Records for March, April and May 2014.
- F14/4 **Consideration of 2013-14 Year End Return and Internal Auditors Report**
Members noted that the Clerk would not receive the Internal Auditors Final Report until later in the month, once all Year End Returns had been submitted. It was therefore agreed to consider this item at the July Finance meeting in future.
2013-14 Year End Return
Members studied the 31 March 2014 Year End figures and the Clerk briefly explained the main areas where the figures differed from the original budget. The main variation related to the playing field car park project which had been delayed by wet weather and so would now take place in the current financial year instead of in 2013-14 as budgeted.
The Clerk went on to present the Year End Return which included the Accounting Statements (Section 1), Annual Governance Statement (Section 2), Bank Reconciliation as at 31 March 2014, the Explanation of Variances and the Explanation for High Reserves. Members studied these documents, discussed the figures in detail and formally agreed to propose acceptance of the Year End Return to the full Council. (Copies of all these documents are attached to these Minutes.)
- F14/5 **Next Meeting**
The meeting closed at 7.28 pm.
The next meeting will be held on Wednesday 9 July 2014 at 5 pm.

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Committee Chairman

9 July 2014

Section 2 – Annual governance statement 2013/14

We acknowledge as the members of:

FELSTED PARISH COUNCIL

Council/Meeting

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 2014, that:

	Agreed –		"Yes" means that the council
	Yes	No	
1 We approved the accounting statements prepared in accordance with the requirements of the Accounts and Audit Regulations and proper practices.	<input checked="" type="checkbox"/>		prepared its accounting statements in the way prescribed by law.
2 We maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	<input checked="" type="checkbox"/>		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 the council to conduct its business or on its finances.	<input checked="" type="checkbox"/>		has only done what 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.	<input checked="" type="checkbox"/>		during the year has given all persons interested the opportunity to inspect and ask questions about the council's accounts.
5 We carried out an assessment of the risks facing the council and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	<input checked="" type="checkbox"/>		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 council accounting records and control systems.	<input checked="" type="checkbox"/>		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 the council.
7 We took appropriate action on all matters raised in reports from internal and external audit.	<input checked="" type="checkbox"/>		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 the council and, where appropriate have included them in the accounting statements.	<input checked="" type="checkbox"/>		disclosed everything it should have about its business activity during the year including events taking place after the year-end if relevant.
9 Trust funds (including charitable) – in our capacity as the sole managing trustee we discharged our responsibility in relation to the accountability for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts.

This annual governance statement is approved by the council and recorded as minute reference

dated

Signed by:

Chair

dated

Signed by:

Clerk

dated

*Note: Please provide explanations to the external auditor on a separate sheet for each 'No' response. Describe how the council will address the weaknesses identified.

FELSTED PARISH COUNCIL - BANK RECONCILIATION

Financial year ending 31 March 2014

Prepared by Diane Smith (Clerk and RFO) on 7 April 2014

Balance per bank statements as at 31 March 2014

	£	£
Barclays Community Account	130,344.71	
Barclays Premium Account	<u>0.00</u>	
		130,344.71
Petty cash float		0.00
Less any unpresented cheques at 31 March 2014		
Cheque number 102020	<u>(9.90)</u>	
		(9.90)
Add any unbanked cash at 31 March 2014		<u>0.00</u>
Net balances as at 31 March 2014 (Box 8)		<u>130,334.81</u>

The net balances reconcile to the Cash Book (Receipts and Payments Account) for the year, as follows:

CASH BOOK:

Opening balance 1 April 2013 (Prior year Box 8)	124,529.35
Add: Receipts in the year	87,180.56
Less: Payments in the year	(81,375.10)
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Closing balance per cash book as at 31 March 2014	<u>130,334.81</u>

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Approved by G M Harvey (Chairman)

4 June 2014

Explanation of Variances 2013-14 Felsted Parish Council

Section 1	2012/13 £	2013/14 £	Variance £	Variance %	Detailed explanation of variance	£
Box 1 <i>Balances brought forward</i>	104,430	124,529	+ 20,099	+ 19%	Funds being built up to pay for Car Park project in 2014-15 (Total cost £42,000)	
Box 2 <i>Precept</i>	60,000	60,000	-	-		
Box 3 <i>Other receipts</i>	30,178	27,180	- 2,998	- 10%		
Box 4 <i>Staff costs</i>	9,753	10,579	+ 826	+ 8%		
Box 5 <i>Loan interest/ capital repayments</i>	-	-	-	-		
Box 6 <i>Other payments</i>	60,326	70,796	+ 10,470	+ 17%	Professional fees + 5,500 Allotment water supply/track repairs + 12,186 VAT paid + 1,901 Play equipment maintenance + 4,255 Sustainability Grant + 2,000 Green waste skips + 2,546 Risk Assessment/Insurance + 1,080 Printing Footpath maps /Parish Plan + 2,460 1000th Meeting + 1,377 Book Boxes + 500 Street lights + 1,616 Car Park repairs + 720 Litter bins etc + 715 Other admin, maintenance and upkeep + 195 Jubilee event - 2,852 Heritage Boards - 2,052 Playing Field toilet - 16,635 Pavilion drains/toilet maintenance - 572 Playing Field improvements - 4,470 + 10,470	
Box 7 <i>Balances carried forward</i>	124,529	130,334	+ 5,805	+ 5%		
Box 8 <i>Cash and short term investments</i>	124,529	130,344	+ 5,815	+ 5%		
Box 9 <i>Fixed assets & long term assets</i>	467,050	487,687	+ 20,637	+ 4%		
Box 10 <i>Borrowings</i>	-	-	-			

Explanation of High Reserves

Box 7 is more than twice Box 2 because the Council had planned to construct a car park within the playing field, at a cost of £42,000, during the 2013-14 financial year. Very wet winter weather delayed the start of the project until 28 April 2014. Funds have therefore been carried forward to the 2014-15 financial year to cover the cost of this project.