

**MINUTES OF FINANCE COMMITTEE HELD ON MAY 8th 2013
IN CAPEL VILLAGE HALL COMMITTEE ROOM**

PRESENT: Mr Salter (Chairman), Mrs Schryver, Mrs Pearson, Mr McLachlan and Mrs Coke (Clerk)

1. APOLOGIES: Mr Dale

2. MINUTES: The minutes of the Finance Committee meeting held on January 16th 2013 were agreed as a correct record.

3. DECLARATION OF INTEREST: None.

4. MATTERS ARISING: None

5. END OF YEAR BUDGET MONITORING to 31.03.13(see accompanying sheet)

Burial Ground receipts came in £3,525 above budget; Grants received £303.00 above budget; Donations allowed £340 above budget; Investment Income £159 above budget and Easements Sales £16,011 above budget. Burial Ground costs were £628 below budget; Parish Maintenance £6,517 above budget; Parish Meeting costs £122 below budget; Playground Maintenance was £780 above budget. No money had been spent on Localism Clerk's salary car, miles and NI was £537 less than budgeted. Amounts under overheads are accounted for under 2012/13 comparisons.

6. END OF YEAR P & L COMPARISONS 2012 / 2013

Year end for 2012 showed a loss of £11,394 against a balance of (+) £3,928 for 2013. This was due largely to the major expenditure of the Europa Oil consultancy fees, the legal fees involved in the Godwin's Easement, and the grant paid to Project OverHall being cancelled out by the Godwin's Easement Sale of £16,000. (See accompanying sheet)

7. SIX MONTHLY AUDIT 12.04.13

Had been carried out on 12th April 2013. (Report kept on file)

All original purchase invoices had been checked that they were correctly authorised and were genuine invoices from Oct 2012 to March 2013. All payments were checked to bank statements.

All receipts in the cash book were checked back to relevant receipts and also to the bank statements.

The bank reconciliation was completed

NS&I balance was checked back to original pass book and interest posted to sage accounts.

All bank payments to HMRC basic tools and NI printouts were checked.

A balance accrued of £411.99 remaining from the balance of McFarlane's JR funds was noted with the suggestion that it be written back to miscellaneous income.

The Sage accounting system was reconciled to the cash book. The cash book was checked for accurate and correct posting. The financial accounts were

reviewed and in the Internal Auditor's opinion they represent a true and fair view of the Capel parish Council's accounts.

The Local Government annual return was completed where applicable and boxes 7 and 8 were reconciled.

8. FURTHER BUDGET/ FINANCIAL CONSIDERATIONS

1. Bill Kear Plant quote for Driveway Revetment works on access road to Beare Green Cottages: Scrape back existing 10mm shingle surface in the damaged areas, scarify the bottom of the holes and surrounding areas. Import type 1 stone and cement mix to lay into the prepared areas and thoroughly consolidate. Re-lay the previously stripped 10mm shingle and top up with 5 to 10 tons of stone. Complete for the sum of £1,905.00 plus VAT

(i) It was proposed that a grant be applied for from SCC as the worst affected area is at the entrance to the road and is probably due to school traffic turning.

(ii) It was proposed that a quote be sought for concreting over the entrance area to provide a more durable surface.

2. Capel Sports pavilion: Capel Cricket Club have requested that the PC pay the invoice for supplying and fitting a new hot water cylinder, servicing showers and fitting isolating valves plus boiler service costing £1,470 + £294 VAT.

The Council was not given prior notice of this work nor is it responsible for internal works.

The Committee recommends the Council should pay £294.00 – equivalent to the VAT.

3. A quote for £850 had been received from Clay Griffin to remove by hand various Willow, Aspen, Ash, Birch, Bramble and Rose growing in the ditch along Misbrooks Green Road.

4. Land Scope – Daniel Melliard was quoting £340.00 to prune back the hedge and clear the ditch for the stretch between the gateway to Hurst and the gateway across the Right of Way.

Mr Cryer to be contacted re the allocation of expense

9. REVIEW OF EFFECTIVENESS OF INTERNAL AUDIT

A list of items to be covered was circulated covering Internal Audit as an independent, objective opinion on Risk Management, control and governance, examining, evaluating and reporting on the adequacy of the control environment following Accounts and Audit Regulations 2003 – amended 2006.

Regulation 6 of the Accounts and Audit Regulations 2003 imposes a duty on local councils to maintain an adequate and effective system of internal audit of its accounting records and of its systems of internal control.

Section 2 of the Annual Return – Statement of Assurance states: 'we have maintained throughout the year and adequate and effective system of internal audit of the Council's accounting records and control systems and carried out a review of its effectiveness.

The Council has arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether these meet the needs of the Council and reviewed the impact of this work.

The Auditor: must be an independent person with no involvement in the financial decision making or management or control of the Council; must not provide consultancy services or conflict of interest risk. CPC elects to have 2 internal audits annually in April and October and the Council appoints the Auditor annually at its Annual Meeting.

The Auditor reviews and assesses the systems in place, performs various tests on the system and assists with the Year End Process.

The Auditor provides a Management Letter after each audit and signs off the Annual Report.

Bank Reconciliation is the third party verification used to check the records.

This is the most important verification and gives an indication of the completeness of transactions, the available funds and the amount of un-cleared amounts.

The auditor checks petty cash, vouchers, approvals and PAYE OK. Asset and investment registers kept up to date, regular Bank Reconciliations properly carried out and Year End Accounting done on a proper basis

DATE OF NEXT MEETING: Wednesday September 26th 2013 in the Committee Room at Capel Village Hall at 8.00pm.