

**MEETING OF THE FINANCE & ADMINISTRATION COMMITTEE
TO BE HELD ON THURSDAY 4th JUNE 2015
AT 7.30pm**

COMMITTEE REPORT

3. INTERNAL CONTROLS WORKING GROUP

Standing Order 15.9.7 provides that this Working Group shall consist of three members of the Committee. Current members are Councillors Butler, Torn and Mrs S. Wilton.

RECOMMENDATION

That three members of the Committee are appointed to the Internal Controls Working Group

4. PUBLIC FORUM

Members of the public are invited to put questions or draw relevant matters to the Council's attention, prior to the commencement of business. This is for a period of up to 15 minutes and shall be limited to 3 minutes per person.

7. CHAIRMAN'S ANNOUNCEMENTS

(a) Letters of thanks

Members are asked to note receipt of a letter of thanks from 1st Roffey Scout Group for a grant of £1,000 towards their replacement minibus

8. DECLARATIONS OF INTEREST

Members are advised to consider the agenda for the meeting and determine in advance if they may have a Personal, Prejudicial or a Disclosable Pecuniary Interest in any of the agenda items. If a Member decides they do have a declarable interest, they are reminded that the interest and the nature of the interest must be declared at the commencement of the consideration of the agenda item; or when the interest becomes apparent to them. Details of the interest will be minuted.

Where you have a Prejudicial Interest (which is not a Disclosable Pecuniary Interest), Members are reminded that they must now withdraw from the meeting chamber after making representations or asking questions.

If the interest is a Disclosable Pecuniary Interest, Members are reminded that they must take no part in the discussions of the item at all; or participate in any voting; and must withdraw from the meeting chamber; unless they have received a dispensation.

9. ACCOUNTS AT 31.3.2015

(a) Committee and Council Budget Monitoring – to 31.3.2015

Members will be given at the meeting, the Council's internal spreadsheets showing the final Budget position at 31.3.2015, following the closing of the 2014/2015 financial year

RECOMMENDATION

Members are asked to note the Budget Monitoring information

(b) VAT position at 31.3.2015

Members will recall that the percentages applicable to the amounts of VAT that cannot be reclaimed are as follows, subject to the £7,500 *de minimis* limit -

Roffey Millennium Hall – all VAT can be reclaimed

Holbrook Tythe Barn – 70% of VAT cannot be reclaimed

Multi Courts – 85% of VAT cannot be reclaimed

North Heath Hall – 100% of VAT cannot be reclaimed

Administration expenditure – 37% of VAT cannot be reclaimed

Other expenditure – all VAT can be reclaimed

Members are advised that at 31st March 2015 the Council is £1,237.11 below the *de minimis* limit. Members are reminded that this figure is from the Clerk's own spreadsheet, which has been accepted by HMRC, and does not match entirely the VAT figures produced by the accounts system.

RECOMMENDATION

Members are asked to note this section of the Report

(c) Final Accounts for the year ended 31.3.2015

Members will be given at the meeting the following papers in support of the year end accounts for 2014/2015 –

(i) Annual Return papers –

(a) Copy of Parts 1, 2 and 4 of the Annual Return

(b) Explanation of significant variances

(c) Reconciliation between boxes 7 and 8 of the Annual Return

The deadlines of 30th June (approval of the accounts by Council – Council next meets on 25th June 2015); and **7th July** (an amended date for the lodging of all required papers with the external auditor) will, therefore, be able to be met.

(ii) Papers from the accounts –

- (a) Bank Reconciliation at 31.3.2015
- (b) Reserves Reconciliation
- (c) Cash and Investment Reconciliation
- (d) Income and Expenditure Account
- (e) Balance Sheet

RECOMMENDATION

That a Recommendation be made to Council on 25th June 2015 to approve the year end accounts and that Sections 1 and 2 of the Annual Return be signed by the Chairman of Council

10. REPORT OF THE INTERNAL AUDITOR

- (a)** Following the cancellation of the February Committee meeting, due to illness, the Committee have not had the opportunity to consider the Internal Auditor's first Report for the 2014/2015 financial year. The following is taken from the Clerk's Report for the February meeting –

Members are advised that the Internal Auditor made his first visit of the year on Wednesday 10th December 2014. His Report covers the following aspects – Planning; Nominal Ledger Audit; Standing Orders and Financial Regulations; Risk Assessment; Budgeting; and Banking. The comments are as follows –

Systems in place - 'the system in place is robust and entirely fit for purpose for a Parish Council of this size. There are good internal controls, policies and procedures in place which are reviewed on an annual basis'.

Inherent risk assessment - 'I have considered the system in place and am of the opinion that the risk of fraud or error is low and that sample sizes can be adjusted as appropriate and that the internal controls can be relied upon'.

Nominal Ledger and Proper Book Keeping – 'The RBS system is entirely fit for purpose and is used in the proper manner and according to the financial regulations, entries are posted correctly in a clear and logical manner and are easy to trace to supporting documentation'.

Standing Orders and Financial Regulations – ‘The Council has standing orders and financial regulations in place and follows these’.

Risk Management arrangements – ‘The Council has a positive attitude to risk assessment and documents the assessments and reviews in a logical manner’.

Budgetary Controls – The Council has a good system of budgeting and monitors this on a regular basis’.

There are no points to take forward and Members are advised that the full Report will be available at the Committee meeting

RECOMMENDATION

Members are asked to note this section of the Report

- (b) Members are advised that the Internal Auditor will make his final visit for the 2014/2015 financial year on Monday 8th June 2015.

In view of the time scale, Members are asked to consider that the Internal Controls Working Group consider the Report, at its meeting on 15th June, with subsequent formal consideration by Council on 25th June 2015.

RECOMMENDATION

Members are asked to note this section of the Report

11. BANK RECONCILIATION - at 30.4.2015

The Bank Reconciliation at 30.4.2015 is the most recent that is available from the accounts system.

Members are reminded that Bank Reconciliations and associated Bank Statements should ‘be signed periodically at the meetings of the Finance and Administration Committee’. The Bank Reconciliation and Bank Statements will be available at the meeting.

RECOMMENDATION

That the Bank Reconciliation and associated Bank Statements are signed by the Committee Chairman

12. VAT POSITION at 30.4.2015

Members' attention is drawn to the details of the £7,500 *de minimis* limit as described above.

Members are advised that at 30th April 2015 the Council is £7,067.96 below the *de minimis* limit.

RECOMMENDATION

Members are asked to note this section of the Report

13. GRANT APPLICATIONS

The Council's current Budget provision for grants (4155/103) is £15,000 and £2,000 for S.137 expenditure (4150/102), of which the total amount is currently available.

Members will find enclosed Grant Assessment Reports in respect of the following applications for grants -

- (a) **Age UK Horsham** - £5,500
- (b) **Horsham Town Community Partnership** - £180
- (c) **Victim Support** - £500
- (d) **West Sussex Medication Service** - £400

(e) **Horsham in Bloom**

Members are advised that a formal request for sponsorship has been received in respect of the Allotment Competition. The amount of sponsorship has, over the years, been £400; which is for the prize and administration costs.

RECOMMENDATION

Members' views are sought as to the level of grants and sponsorship to be awarded

14. COUNCIL'S BANKING ARRANGEMENTS

(a) **Disbursement of Council Funds**

Members are advised that the cash holding with the Co-Operative Bank is still in existence.

Members are advised that with effect from 25th June 2015 the 'tiers' of the account and interest rates will be changing. Currently, the Council's account is within the £25,000 to £99,999 range, attracting .18%. The new tier will be the same but with a reduced interest rate – down to 0.06%.

RECOMMENDATION
Members' views are sought

(b) Internet Banking

Members are asked to note that an update on this item will be given at the Committee meeting

15. DATE OF NEXT MEETING
Thursday 23rd July 2015 (scheduled)

Sue Kemp – Parish Clerk
28th May 2015