

**Finance Working Group Meeting 14<sup>th</sup> April 2022, 5.30pm – Notes of Meeting**  
*Meeting held remotely, via Zoom*

Present: Karen Ripley (Clerk/RFO); Cllr Nick Brown; Cllr Sean O’Hara; Cllr David Todd

**Documents referred to:**

- 1) *Accounts Management Reports (computerised accounts programme):*
  - i) *Income and Expenditure Report* – detailed report of income and expenditure under each head of budget to 31/3/22, showing actual expenditure against that planned in the budget (Financial Regulations 4.8 refers) and funds unspent at end of year.
  - ii) *Budget Detail Report* - detailed report showing 21/22 precept figures against each head of budget, brought-forward amounts from 20/21, all virements made during 21/22 and draft precept figures for 22/23.
  - iii) *List of Earmarked Funds at 31/3/22.*
- 2) *Donations* list of all donations made by PC in 21/22.
- 3) *Budget Monitoring Sheet* showing virements at year-end March 2022.
- 4) *General Contingency (307/4070) detail for showing expenditure and balance for 21/22.*
- 5) *Earmarked Funds* spreadsheet showing movements, balances and explanatory notes.
- 6) *Income and Expenditure* spreadsheet showing details of committed expenditure, carry forward amounts and explanatory notes.

**1. BANK RECONCILIATION (Financial Reg. 2.2)**

The RFO confirmed that reconciliations have been completed to 28/2/22. Reports / bank statements have been reviewed by Members up to 28/2/22 for account 1 (Current A/) and to 31/12/22 for accounts 2 (Unity Deposit) and 4 (Hodge).

**2. REVIEW OF THE EFFECTIVENESS OF INTERNAL CONTROLS**

This has to be carried out annually and is one of the ‘assertions’ made by Members in Section 1 of the Annual Governance and Accountability Return (AGAR). Unfortunately due to illness Cllr Todd had not been able to carry out the review, but will do it before the end of the month.

**3. YEAR-END PROCESS / TIMETABLE**

- **Approval of Documents** – work is ongoing by the Clerk on the Risk Management Document and Asset Register; these will need to be approved by full Council at the June meeting. Cllr O’Hara to check over the Risk document. The Clerk/RFO confirmed that the current Asset Register meets statutory and Audit requirements, however Members would like to see further information amalgamated, including locations and insurance values. The Clerk advised that she had been looking at better ways of recording assets that would cover this requirement, including via Parish Online Mapping software, and Microsoft 365 apps, but these need further investigation and consideration by the Clerks (when time allows). Members offered to look at these with the Clerks when they are ready.

- **Annual Governance and Accountability Return 21/22 (AGAR)** – the documentation has been received from the External Auditor. It will need to be signed off by full Council at the meeting on 20<sup>th</sup> June 2022 and submitted to the Auditor by 30<sup>th</sup> June.
- **Internal Audit** – this has been booked for 7<sup>th</sup> June 2022.
- **Finance Working Group** will meet on 13<sup>th</sup> June to review the year-end documents, AGAR and Internal Audit report, prior to the Council Meeting on 20<sup>th</sup>.

#### 4. BUDGET MONITORING 22/22 / Year End position (Financial Reg. 4.2; 4.8; 4.9)

At the full Council Meeting on 21<sup>st</sup> March 2022, Members delegated authority to the FWG to agree any necessary virements and budget movements required prior to year-end. The various detailed documents and figures were discussed; Members acknowledge that a significant amount of money had been spent over the year, completing much needed projects such as new bridges and the Cemetery entrance surfacing and gates etc. This has reduced reserves, which will now need to be built up again. Members agreed the carry forward amounts at year-end, and the virements shown in the following table were agreed (F/R 4.2):

Budget Monitoring March 2022				21/22	
FROM			TO		
BUDGET CODE	DESCRIPTION	AMOUNT	BUDGET CODE	DESCRIPTION	REASON
<b>Virements to Cover Approved Expenditure</b>					
101/4000	Salaries Admin	610.00	101/4023	Pension Contributions	Cover pay rise increases
307/4075	Other Amenity Misc	2,000.00	307/4081	Tree Surveys/Inspections	New separate code
<b>Discussed/agreed by FWG 12/1/22 - Approved PCM 17/1/22 (21/22-103c)</b>					
101/4021	Office Rent	2,500.00	307/4071	£1,500 Platinum Jubilee	New allocation agreed
			307/4079	£1,000 Tree Planting	New allocation agreed
<b>Specific Purpose funds moved to EMF</b>					
101/4018	Website / Internet	1,205.00	900/9019	EMF Website	New website pending
306/4020	Pocket Park Misc.	2,205.00	900/9018	EMF Pocket Park	New boardwalk bridge
401/4131	Playgrounds Capital	2,500.00	900/9005	EMF Playground Fund	Save for repairs/upgrades
401/4145	Defibrillator Capital	1,500.00	900/9020	EMF Defibrillator Fund	Save for replacements

After the above virements the balance in General Contingency will be £2,745. In addition to the carry forwards and virements above, any general surplus funds will also be carried forward to General Contingency, to add to the £2,745.

Members discussed and agreed the carry-forward budget amounts for particular items where works are expected or outstanding. These will be shown in the detailed summary of budget surplus document, to be issued with the year-end financial statements.

Funds have not been specifically allocated for the following works: removal of street light in Willowbank; refurb of Cemetery pavilion (both approved; funds to be vired later, from General Contingency if no other surpluses).

Other matters under discussion that have no funds allocated are parking/safety/access on George Hill and any matters arising from data collected from VAS.

#### **5. HODGE BANK INVESTMENT**

Hodge Bank has informed us that they will be withdrawing from Business and Non-personal investment accounts, and our 90 Day Deposit Account will therefore be closed on 20/6/22 and our funds returned to us. Cllr Todd had already been looking at a further banking institution (see next item) and had found a 95 Day Business Notice Account with Cambridge and Counties Bank that is suitable. It was agreed that this be recommended to full Council at the May meeting, with the same mandate details as the Hodge Bank account (three Members of FWG as signatories, any two of three signatories to sign/approve).

#### **6. FURTHER (THIRD) BANKING INSTITUTION**

The current balances in Unity Trust Bank are currently within the £85,000 limit for protection under the Financial Services Compensation Scheme. However, it was felt that a third institution should still be found, so that balances are not at risk at times when additional funds come in, such as when the precept is paid. Following the closure of Hodge Bank (see item above) and funds from that account to move to a new account with Cambridge and Counties Bank, it was agreed that Cllr Todd will continue to investigate a further suitable institution, to recommend to Council in due course.

#### **Recommendations by the FWG for Parish Council Meetings 16/5/22 and 20/6/22:**

- To approve all budget virements as detailed in item 4 above (20/6/22)
- To approve opening a new 95 Day Business Notice Account with Cambridge and Counties Bank to deposit the funds from Hodge Bank when that account closes.
- To agree the year-end and AGAR timetable as outlined in 3 above.

**Date of next FWG Meeting: 13<sup>th</sup> June 2022, 5.30pm**