

FILEY TOWN COUNCIL

MINUTES OF THE FINANCE & GENERAL PURPOSES COMMITTEE
MEETING HELD 20 MAY 2009 AT 7.00PM

Present: Cllr D Murton (in the Chair), Cllr Mrs S Bradney, Cllr S Cross, Cllr J Haxby, Cllr C Hodgson, and Cllr Mrs M Wright, RFO Mrs G Robinson

Also present Cllr P Bradney

NOTICE OF THE MEETING

RESOLVED : That Public Notice of the meeting had been given in accordance with Schedule 12, para 10(2) of the Local Government Act 1972 F309/09

APOLOGIES

All members of the Finance & General Purposes Committee were present at the meeting.

RESOLVED: That this information be noted. F310/09

DECLARATIONS OF INTEREST

There were no declarations of interest made on items on the agenda, it was

RESOLVED : That it be noted that no declarations of interest were made. F311/09

REVIEW OF INVESTMENTS

The Independent Financial Advisor had been invited to the meeting and was welcomed by the Chairman. Members had previously been circulated with the IFA's report and investment valuations up to 31 March 2009 (copies attached). The Independent Financial Advisor explained the reasons behind recommendations made in his report to switch 50% of funds held in Government Gilts to a Corporate Bond within the existing investment which would not incur any charges. Members were invited to ask questions by the Independent Financial Advisor and after discussion it was

RESOLVED: That a recommendation be made to full council to switch 50% of the funds held within the investment (£17,500) presently held in UK Government Gilts to an M & G Corporate Bond.

F312/09

The Independent Financial Advisor was thanked by the Chairman for attending the meeting and he left at this point.

INTERNAL AUDIT REPORT – YEAR END ACCOUNTS 2008/2009

The RFO had previously circulated to Members a detailed copy of the Internal Auditors final report for the Year End 2008/2009. The Internal Audit report was very satisfactory and gave detailed information on all areas covered by the Internal Auditor and highlighted no areas for concern. The Internal Auditor made reference to the following:

- Financial Regulations, Payments and VAT – Your RFO is currently considering a more regular reclaim of VAT which would assist cash flow
- Payroll – The incentive for small employers to send their annual returns on line to HMRC applies for the first year and afterwards for a limited period. £100 not claimed in 2008/09 and £75 not claimed in 2009/10 is now being sought
- Year End Procedure – the Management/Audit trails developed by your RFO are sound

The Internal Auditor made comment that he was able to sign Section 4 (Internal Audit) of the External Audit Report that all control objectives were achieved during the year to a standard adequate to meet the needs of the Council.

Members congratulated the RFO on the excellent internal audit report for the year end 2008/2009 and wished their thanks to be recorded. It was

RESOLVED: That a recommendation be made to full council that the Internal Auditors Report for the Year End Accounts 2008/2009 be accepted. F313/09

RESOLVED: That the RFO and staff be thanked for their work throughout the year which had resulted in the council receiving an excellent internal audit report.

F314/09

YEAR END BUDGET STATEMENT 2008/2009

Members had previously been circulated with a copy of the Year End Budget Statement for 2008/2009 together with a Year End Report for 2008/2009 from the RFO. The RFO gave a full explanation of the Year End Report and the Budget Statement and invited questions from members. The Budget Statement had been produced to show net income and expenditure figures and transfer values to and from reserves were shown separately for external audit purposes. The RFO gave an explanation to members in relation to actual income and expenditure which was compared with the planned budget and projections, the income figure was as projected and expenditure was slightly lower than predicted due to under spends in some budget headings. After discussion it was

RESOLVED: That a recommendation be made to full council that the Year End Budget Statement for 2008/2009 and the Year End Report for 2008/2009 from the RFO be accepted.

F315/09

RESOLVED: That Cllr D Murton and the RFO be thanked for presenting the Financial Year End Report at the Annual Parish Meeting

F316/09

STATEMENT OF ACCOUNTS 2008/2009 (Externally Unaudited)

Members had previously been circulated with the Income & Expenditure Account, Balance Sheet, Bank Reconciliation and related documents comprising the 2008/2009 Statement of Accounts which had been internally audited but yet to be externally audited. The RFO explained to members that the accounts for year ending 2008 had been re-stated to accord with accounting regulations to reflect an investment of £120,000 being transferred to the Asset Investment Register. The balance of the accounts for year ending 31 March 2009 reflected a decrease in net assets of £110,978.20 mainly due to the large grant awarded by the council towards the youth sports facility. The General Fund balance had increased from £23,593.14 to £31,946.43. The RFO explained how the council's assets were represented on the Balance Sheet and confirmed that requests made by the External auditor at the end of 2008 had all been complied with. After discussion it was

RESOLVED: That a recommendation be made to full council that the Statement of Accounts for 2008/2009 (Externally Unaudited) be accepted.

F317/09

ANNUAL RETURN

The RFO had previously circulated to members a prepared Annual Return based upon the Statement of Accounts for 2008/2009 with the exception of Section 2, the Annual Governance Statement. The RFO asked members of the committee to confirm whether they could answer all questions 1 -8 positively. Members of the committee agreed that the council could positively answer every question on Section 2 of the Annual Governance Statement. Members also checked the information on Section 1 – Statement of Accounts and noted Section 4 – Annual Internal Audit Report which all questions had been completed positively by the Internal Auditor. The RFO informed members that the council would be subject to a middle audit due to income and expenditure being over £200,000 and additional supplementary evidence was required which would be collated by the RFO prior to submission with the Annual Return. It was

RESOLVED: That a recommendation be made to the full council meeting on 10 June 2009 that the Annual Return, Section 1 – Statement of Accounts and Section 2 – Annual Governance Statement for the year ended 31 March 2009 as duly completed by the RFO be signed by the Chairman of the Council.

F318/09

MODEL AREA AGREEMENT

Members had previously been circulated with copies of a letter from Mr I Anderson, SBC Head of Legal and Support Services attaching a copy of the now completed Model Agreement which will start in April 2010. The letter stated that the functions on the schedule had been allocated to legal statutes and Town and Parish Councils were being asked to apportion the percentage of income received under the Model Agreement to the appropriate statute. It was noted that the letter stated the Model Area Agreement had been ratified by Scarborough Borough Council and would take effect from the financial year 2010/2011. The RFO informed members that the Model Agreement figures quoted on the form were incorrect and she would pursue this with the Borough Council and would also apportion the amounts to the relevant legal statutes. It was

RESOLVED: That a recommendation be made to full council that the Model Area Agreement document be accepted which would be effective from the financial year 2010/2011 and be signed in due course.

F319/09

RESOLVED: That the RFO complete the form with the correct Model Area Agreement figures apportioned to the relevant legal statutes for submission to the Borough Council.

F320/09

Under Section 17 of the Crime and Disorder Act 1998, members considered that none of the above decisions would impact on crime and disorder.

Councillor D G Murton
Chairman
Finance & General Purposes Committee