

TWYFORD PARISH COUNCIL

Minutes of the meeting of the Finance Committee

held on **Thursday 10th October 2019** at 7.30pm. Gilbert Room, Twyford Parish Hall

Councillors present	Councillors absent/apologies	In attendance
Councillor Sellars (Chair)	Councillor Corcoran	J.Nicholson - Clerk
Councillor Wheeler	Councillor Cook	
Councillor Lawton		
Councillor Pullen		
Councillor Forder-Stent		

Item	Business Transacted
F28/19	To note absences and consider apologies for absence
	Apologies were received from Cllr Corcoran and Cllr Cook
F29/19	To receive declarations of interest relevant to Agenda Items
	The registered declarations were applied
F30/19	Public Participation - To receive questions from the members of the public
	None received
F31/19	To approve and sign as a true record the minutes of the meeting held on 11th July 2019
	The minutes from 11 th July were considered a true record of events. Proposed by Cllr Wheeler and seconded by Cllr Pullen. The Minutes were signed by Cllr Sellars at the meeting.
F32/19	Update on matters arising from the minutes of the meeting held on 11th July 2019
IW	Action: Cllr Wheeler to remind the Ballard Close Trustees to complete the S137 for the play inspection.
F33/19	Review and Sign off Q2 financials
	The RFO compiled a report on Q2 financials and the VAT return. The report was circulated to the Cllrs present, and discussed in relation to the following items. See Appendix 1. The Q2 financials were reviewed, discussed and approved. Cllr Sellars signed the Cash Reconciliation to the HSBC Statements for the Current and Savings Accounts. Proposed by Cllr Wheeler and seconded by Cllr Pullen
F34/19	Review and approve Q2 VAT return
	The VAT return has been completed based on the financials (see Appendix 1). The VAT return was approved. Proposed by Cllr Pullen and seconded by Cllr Forder-Stent.

F35/19	Review spend against budget: year to date and forecast to year end.																								
	The RFO provided a commentary to variances to budget, and highlighted any potential risks to year end (see Appendix 1). The Committee were content with the points highlighted, and no actions were taken at this point. Proposed by Cllr Forder-Stent and seconded by Cllr Wheeler																								
F36/19	Notice of Conclusion of audit 2018 / 2019																								
	<p>The external auditor. PKF Littlejohn have completed the Annual Governance & Accountability Return for Twyford for the year ending 31st March 2019. The external audit report did not highlight any areas for concerns or queries. The Notice of Conclusion of Audit has been published online, and available notice boards.</p> <p>The Committee thanked the RFO for her hard work and diligence to have the audit completed successfully, and commended the RFO for not having any comment or queries raised by the external auditor.</p>																								
F37/19	Review budgeting timetable for 2020 / 2021 financial year and precept submission																								
RFO	<p>The RFO proposed a timetable to complete the budget to meet precept submission deadlines.</p> <p><u>Steps to Drafted Budget</u></p> <p>Budgeting Timetable for 2020 / 2021</p> <ol style="list-style-type: none"> 1 Review year end Forecast 2 Review against actual for year to date for any amends / learnings - PO Box renewal 3 Consult with Parish Councillors for their priorities for next 5 years 4 Review Neighbourhood Plan projects and deliverable dates and budgets 5 Check that the 2019 / 2020 5 year plan is still on track, and fits with Councillor aims and NP plans (4 & 5) 6 Draft revised 5 year plan with detailed assumptions for 2020 / 2021 and assumed precept to fill the gap 7 Finance Committee to review the assumptions and details, and recommend a precept 8 FPC approve the budget and precept 9 Allow for reiterations 10 Precept submitted to WCC <p><u>Key Meeting Dates</u></p> <table border="0"> <tr> <td>Finance</td> <td>10.10.19</td> <td></td> </tr> <tr> <td>FPC</td> <td>17.10.19</td> <td></td> </tr> <tr> <td>Finance</td> <td>14.11.19</td> <td>Review 5 year plan and key projects</td> </tr> <tr> <td>FPC</td> <td>21.11.19</td> <td>note key learnings and review assumptions / draft budget</td> </tr> <tr> <td>FPC</td> <td>12.12.19</td> <td>present draft budget and precept</td> </tr> <tr> <td>Finance</td> <td>16.01.20</td> <td>Sign off budget and precept</td> </tr> <tr> <td>FPC</td> <td>23.01.20</td> <td>contingency</td> </tr> <tr> <td></td> <td></td> <td>contingency</td> </tr> </table> <p>The following actions were agreed:</p> <ul style="list-style-type: none"> - RFO to circulate the 5 year plan & Neighbourhood Plan project assumptions (which the 2019 / 2020 budget is based on) to all Cllrs. Cllrs to review and feedback any amends to the RFO before the end of October. 	Finance	10.10.19		FPC	17.10.19		Finance	14.11.19	Review 5 year plan and key projects	FPC	21.11.19	note key learnings and review assumptions / draft budget	FPC	12.12.19	present draft budget and precept	Finance	16.01.20	Sign off budget and precept	FPC	23.01.20	contingency			contingency
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All	- Finance Committee to meet in November to review a draft budget, ready to propose to the FPC on 21st November.
RFO	- RFO and Cllr Sellars to meet to review the first draft of the new budget.
F38/19	Review the responses from the internal auditor quotation process and decide next step
RFO	<p>The RFO had invited quotes from 5 internal auditors listed with HALC. Four companies had chosen to respond. The quotes varied little in price, with £80 being the difference between the cheapest and most expensive.</p> <p>The Committee discussed the alternative quotes. The existing auditor was not the cheapest, however, the value of the current working relationship, the history that has built up, and awareness of the workings of Twyford Parish Council were considered a greater value than the money saved. It was agreed to continue with the existing internal auditor, and to be reviewed in 2 years time as good practise.</p> <p>Action: RFO to inform current auditor to continue, and inform the other auditors who kindly quoted that they were unsuccessful.</p>
F39/19	Review amends to the Financial Regulations issued by NALC / HALC
	HALC circulated the financial regulations issued by NALC. The RFO reviewed the regulations, and noted there are a few variances to Twyford Financial Regulations, but the variances have been previously noted and signed off by the FPC as being specific to Twyford. The committee agreed that no amends were required until the next review in April 2020.
F40/19	To raise any items for the next agenda and agree the date of the next meeting currently scheduled for 14th November 2019
	The next finance committee meeting will be coupled with the next planning committee meeting. The date of the next meeting will therefore be 8.15pm on Thursday 7th November 2019.

Jo Nicholson - Clerk to the Parish Council – 10th October 2019

Contact: clerk@twyfordhants.org.

Appendix 1 – Q2 Financials – RFO Report

Twyford Parish Council RFO report to Finance Committee: 10th October 2019 End of Quarter 2 Report (1st July 2019 to 30th September 2019)

1.0. Incoming

Financial Budget Comparison Q2							
		2019/2020 Budget	Quarter 1 Actual	Quarter 2 Actual	Actual YTD	Balance YTD	Variance
INCOME							
FINANCE							
100	Precept	£99,559.90	£49,125.00	£49,125.00	£98,250.00	-£1,309.90	-1%
105	VAT			£4,141.00	£4,140.00		#DIV/0!
110	Bank Interest (current)	£0.00	£0.00	£0.18	£0.18	£0.18	#DIV/0!
115	Bank Interest (savings)	£70.00	£80.64	£75.42	£156.06	£86.06	123%
120	CIL	£2,000.00	£0.00	£0.00	£0.00	-£2,000.00	-100%
		£101,629.90	£49,205.64	£53,341.60	£102,546.24	-£3,223.66	-3.17%
PARISH FARM							
400	Grants & Donations	£37,064.45	£200.00	£9,860.39	£10,060.39	-£27,004.06	-73%
		£37,064.45	£200.00	£9,860.39	£10,060.39	-£27,004.06	-72.86%
NEIGHBOURHOOD PLAN							
300	NP Production	£0.00	£0.00	£0.00	£0.00	£0.00	#DIV/0!
305	NP Project 1 - Flooding	£0.00	£0.00	£0.00	£0.00	£0.00	#DIV/0!
		£0.00	£0.00	£0.00	£0.00	£0.00	
RECREATION AND OPEN SPACES							
200	Pavilion Hire	£240.00	£174.00	£75.00	£249.00	£9.00	4%
205	Pitch Hire	£2,200.00	£454.00	£1,840.00	£2,294.00	£94.00	4%
210	Allotments	£675.00	£582.74	£23.18	£650.43	-£24.57	-4%
215	Deposits	£100.00	£150.00	£200.00	£350.00	£250.00	250%
220	Grants & Donations	£0.00	£0.00	£0.00	£0.00	£0.00	#DIV/0!
		£3,215.00	£1,360.74	£2,138.18	£3,543.43	£328.43	10.22%
TOTAL							
		£141,909.35	£50,766.38	£65,340.17	£116,150.06	-£29,899.29	-21.07%

1.1. ACTUAL FOR QUARTER 2:

Total incoming: £65,340.17

- Half of precept (£49,125)
- Bank interest (£75.42)
- Grants and donations: RPA = £5,244.32 + £17.57, and HCC grant to Water Meadows = £4,598.50.
- Few private hires of pavilion (£75)
- Cricket hire this season £1,190 and football hire last season
- Outstanding allotment fees were paid

1.2. **BUDGET: Incoming Variances to budget / what we are expecting to come in?**

Full year budget: £141,909

- Nothing received from SDNPA CIL (£2,000) – not sure if we will get anything
- Should expect more RPA to the rest of the year
- The HCC grant for £4,598 is unbudgeted so additional spend towards the Water Meadow project reducing the overall contribution of the Parish Council. There are additional costs anticipated in Consultation fees, but Water Meadows are still tracking to budget.
- Leaders grant (£29,764)
- A few outstanding pith hire invoice (Fair Oak Cricket club)
- Two grants have been awarded, which were non budgeted: £750 towards goals and £120 towards sand. These are yet to be received.

Summary on income: Nothing out of expectation on income

2.0. Expenditure

	2019/2020 Budget	Quarter 1 Actual	Quarter 2 Actual	Actual YTD	Balance YTD	Variance
EXPENDITURE						
Finance						
1000	Employment Costs	£15,235.54	£4,244.42	£3,955.43	£8,199.85	£7,035.69 46%
1010	Expenses	£540.00	£450.69	£58.30	£508.99	£31.01 6%
1020	Administration	£3,474.00	£1,542.18	£725.13	£2,267.31	£1,206.69 35%
1030	External Advice	£500.00	£80.00	£0.00	£80.00	£420.00 84%
1040	Training	£500.00	£0.00	£0.00	£0.00	£500.00 100%
1050	Insurance	£2,372.00	£0.00	£0.00	£0.00	£2,372.00 100%
1060	Grants and Donations	£2,000.00	£0.00	£0.00	£0.00	£2,000.00 100%
1070	Section 137	£4,000.00	£340.00	£0.00	£340.00	£3,660.00 92%
1080	Room Hire	£1,000.00	£0.00	£425.00	£425.00	£575.00 58%
1090	Legal Fees	£500.00	£0.00	£0.00	£0.00	£500.00 100%
1100	Audit Fees	£925.00	£475.00	£0.00	£475.00	£450.00 49%
1110	Subscriptions	£500.00	£464.00	£0.00	£464.00	£36.00 7%
1120	Street Lighting	£3,000.00	£1,383.52	£0.00	£1,383.52	£1,616.48 54%
1130	Speed Camera	£3,300.00	£19.54	£0.00	£3,169.54	£130.46 4%
1140	PWLB interest - Gilbert Room	£1,688.25	£252.00	£0.00	£252.00	£1,436.25 85%
1141	PWLB capital - Gilbert Room	£0.00	£600.00	£0.00	£600.00	£-600.00 #DIV/0!
1142	PWLB - interest Berry Mead	£3,455.59	£67.92	£0.00	£67.92	£3,387.67 98%
1143	PWLB - capital Berry Mead	£0.00	£1,666.67	£0.00	£1,666.67	£-1,666.67 #DIV/0!
1150	VAT on payments	£0.00	£1,385.43	£0.00	£1,385.43	£-1,385.43 #DIV/0!
1160	Street Furniture	£0.00	£0.00	£56.70	£56.70	£-56.70 #DIV/0!
	TOTAL	£42,990.38	£12,971.37	£5,220.56	£21,341.93	£21,648.45 50%
Parish Farm						
4000	PWLB - Water Meadow	£0.00	£0.00	£0.00	£0.00	£0.00
4010	Water Meadow Maintenance	£3,783.00	£1,137.00	£301.80	£1,438.80	£2,344.20 62%
4020	Water Meadow Project	£38,164.45	£0.00	£998.82	£998.82	£37,165.63 97%
	Total	£41,947.45	£1,137.00	£1,300.62	£2,437.62	£39,509.83 94%
Neighbourhood Plan						
3000	NP Production	£13,250.00	£1,549.50	£675.00	£2,224.50	£11,025.50 83%
3010	NP Projects	£16,000.00	£10,407.78	£0.00	£10,407.78	£5,592.22 35%
	Total	£29,250.00	£11,957.28	£675.00	£12,632.28	£16,617.72 57%
Recreation & Open Spaces						
2000	Employment Costs	£960.00	£240.00	£308.34	£548.34	£411.66 43%
2020	Hunter Park Grounds	£25,211.50	£5,516.56	£6,346.78	£13,038.55	£12,172.95 48%
2030	Hunter Park Pavilion	£6,160.00	£1,031.06	£492.46	£1,523.52	£4,636.48 75%
2040	Northfields	£3,035.00	£422.17	£422.17	£1,055.51	£1,979.49 65%
2050	New Assets	£24,750.00	£10.89	£2,510.80	£2,521.69	£22,228.31 90%
2060	Other Open Space	£9,464.00	£73.00	£325.00	£398.00	£9,066.00 96%
2070	Allotments	£200.00	£407.79	£179.43	£587.22	£-387.22 -194%
2080	Deposits returned	£100.00	£150.00	£50.00	£200.00	£-100.00 -100%
	Total	£69,880.50	£7,851.47	£10,634.98	£19,872.83	£50,007.67 72%
	TOTAL	£184,068.33	£33,917.12	£17,831.16	£56,284.66	£127,783.67 69%
Financial Budget Comparison						
		2019/2020 Budget	Quarter 1 Actual	Quarter 2 Actual	Actual YTD	
	Total Income	£141,909.35	£50,766.38	£65,340.17	£116,150.06	£-25,759.29 -18%
	Total Expenditure	£184,068.33	£33,917.12	£17,831.16	£56,284.66	£-127,783.67 -69%
	Funded by reserves					
	Total Net Balance	£-42,158.98	£16,849.26	£47,509.01	£59,865.40	£102,024.38

2.1. ACTUAL FOR QUARTER:

Total outgoing: £17,831.16

- Clerk salary and associated £3,955.43
- Expenses £58.30
- Admin £725.13 (£500 hardware purchases for new Assistant Clerk)
- Water Meadow project £998.82 Aquascience
- Parish Farm new gate £301
- Neighbourhood plan admin £675
- Hunter Park groundsman £6,346 includes Hunter Park and Cricket square keeping
- New assets £2,510.80 for goals and locks
- Expenditure is £16,000 less than Q1, due to £10k spend in Q1 to Mayer Brown, and Street Lighting and loan payments were made in Q1 but not in Q2.

2.2. BUDGET: Expenditure Variances to Budget / What we were expecting

Full year budget: £184,068

- Clerk pay is tracking at just over 50% for the year – it is estimated this will come in over budget now that Assistant Clerk is in role since 9th September.
- Expenses over budget, only £31 left in the budget for rest of year (out of total budget of £540). Budget did not include P.O Box – to be reviewed for next year budget.
- Administration spend is 65% of budget, due to purchase of accounting package in Q1.
- No expenditure from S137 or grants yet – we need to consider how we are going to promote this fund.
- Cricket groundsman is tracking to over budget but as the work is seasonal it is expected to come in on budget at the end of the year.
- No expenditure against the play assets – which is waiting for the strategy to be finalised
- Expenditure on goals £1,800 over budget. Grant has been awarded for £750, reducing the overspend to £1,050 which will come from the pollution testing budget.

Summary on expenditure: A few items to review and keep an eye – sufficient funds to cover

3.0. Year to date

At half way through the year, and the creation of the Two Parks Strategy, expenditure has not commenced on the basketball court. The Parish Council need to be mindful that a timetable is created to ensure expenditure commences prior to the end of the financial year.

4.0. Financial Summary - Actual

Financial Summary - Cashbook

Summary between 01/07/19 and 30/09/19 inclusive.

Balances at the start of the year

Ordinary Accounts

HSBC C/A	£3,556.88
HSBC Savings	£127,104.99
Total	£130,661.87

Balances at start of period

Ordinary Accounts

HSBC C/A	£1,184.75
HSBC Savings	£142,185.63
Total	£143,370.38

	Net	Vat	Gross
Finance			
Receipts	£53,341.60	£0.00	£53,341.60
Payments	£8,370.56	£735.49	£9,106.05
Parish Farm			
Receipts	£9,860.39	£0.00	£9,860.39
Payments	£1,300.62	£165.12	£1,465.74
Neighbourhood Plan			
Payments	£675.00	£0.00	£675.00
Recreation & Open Spaces			
Receipts	£2,182.69	£0.00	£2,182.69
Payments	£12,021.36	£2,168.27	£14,189.63

Closing Balances

Ordinary Accounts

HSBC C/A	£16,057.59
HSBC Savings	£167,261.05
Total	£183,318.64

Signed

Chair

Clerk / Responsible Financial Officer

5.0. VAT Return

VAT Reconciled Management Statement

VAT Reconciled Statement

End Date 01/07/19

Closing Date 30/09/19

VAT due in this period on sales £0.00 Box 1

VAT due in this period on EC acquisitions £0.00 Box 2

Total VAT due in this period (box 1 + box 2) £0.00 Box 3

VAT reclaimed in this period on purchases £3,068.88 Box 4

Net VAT to be reclaimed from Customs £3,068.88 Box 5

Total sales, ex. VAT (includes box 8) £12,118.68 Box 6

Total purchases, ex. VAT (includes box 9) £17,995.47 Box 7

Total EC sales, ex. VAT £0.00 Box 8

Total EC purchases, ex. VAT £0.00 Box 9

6.0. Actions

- TPC need to ensure the 2020 / 2021 budget has realistic assumptions of deliverable dates of key projects and dates to commence spending reserves
- S137 fund may need further promoting
- TPC need to plan publicity for the grants received from HCC, WCC, SDNPA, Football Foundation.