

Kingsbridge Town Council

**FINANCE COMMITTEE**

The next meeting of the Finance Committee will be held in the Council Chamber, Quay House at 7.00 p.m. on Tuesday 23 April 2019. You are summoned to attend.

**AGENDA**

**18/34 APOLOGIES FOR ABSENCE**

To receive apologies for absence.

Public Open Forum

Ten minutes is set aside to enable Kingsbridge electors to ask questions or make statements.

**18/35 DECLARATION OF INTERESTS**

To invite members to declare any pecuniary or non-pecuniary interests.

**18/36 MINUTES OF LAST MEETING**

**Paper 1**

To receive the minutes of the meeting held on 8 January 2019.

**18/37 INTERNAL AUDIT**

**Paper 2**

To receive IAC Audit & Consulting Ltd's internal audit observations dated 15 January 2019 and to note the Town Clerk's comments/actions.

**18/38 MAYOR'S ALLOWANCE ACCOUNT**

To note the transfer of the balance of the Mayor's Allowance to the business premium account.

**18/39 FINANCE REGULATIONS**

To conduct an annual review of council's Finance Regulations.

**18/40 MAYOR'S CHARITY ACCOUNT**

To receive a report on the Town Mayor's charity account.

**18/41 QUARTERLY REPORT**

**Paper 3  
(to follow)**

To receive:

- the Income & Expenditure report for the 4<sup>th</sup> quarter of financial year 2018/19 ending 31 March 2019,
- explanatory comments regarding variance in over or under spend,
- a report on transfers to Reserves at financial year end, and
- information on an investment in the CCLA Public Sector Deposit Fund.

**18/42 BANK RECONCILIATIONS**

**To be presented at the meeting**

To review the bank reconciliations for the accounts held with Barclays.

- 18/43 NOTICE OF ANNUAL AUDIT** **Paper 4**  
To receive PKF Littlejohn's report dated 26 March 2019 providing the procedure for submission of the annual return for financial year ending 31 March 2019.
- 18/44 ANNUAL ACCOUNTS** **Paper 5  
(to follow)**  
To receive the draft annual accounts for financial year 2018/19 ending 31 March 2019 and to consider completion of the annual governance statement 2018/2019 for presentation to the full council.
- 18/45 APPROVAL OF DIRECT DEBIT PAYMENTS FOR FINANCIAL YEAR 2019/20**  
To approve the listing of variable direct debit payments for financial year 2019/20 to: SSE Scottish Hydro (electricity), One Bill (telephones), Johnsons Apparelmaster (towel rental) and the Information Commissioner (Data Protection Act registration).
- 18/46 PAYROLL FOR FINANCIAL YEAR 2019/20**  
To note the National Joint Council for Local Government Services national salary award effective from 1 April 2019 and revised pay spines.
- 18/47 COST CODES FOR FINANCIAL YEAR 2019/20**  
To note the transfer of £1,000 from cost code 272 (Parks & Open Spaces improvements) earmarked for Fore Street public toilets to cost code 131 (Grant Aid – community events) for "Kingsbridge 800".
- 18/48 DATE OF NEXT MEETING**  
Tuesday 23 July 2019 at 7.00 p.m. (income and expenditure report for 1<sup>st</sup> quarter of financial year 2019/20).



Martin Johnson  
Town Clerk  
15 April 2019

Distribution: Town Mayor, Deputy Town Mayor, Cllr Martina Edmonds, Cllr Barrie Fishman, Cllr Irene Jeeninga, Cllr Chris Povey, Town Clerk, Finance Committee file, noticeboards, website & Facebook.

**Kingsbridge Town Council**

**MINUTES OF THE MEETING OF THE FINANCE COMMITTEE  
HELD AT 7.00 P.M. ON TUESDAY 8 JANUARY 2019 IN QUAY HOUSE**

*The meeting commenced later than earmarked*

**Present:** Cllr Anne Balkwill (Chairman)  
Cllr Martina Edmonds  
Cllr Barrie Fishman  
Cllr Irene Jeeninga  
Cllr Mike Jennings

**In Attendance:** Martin Johnson (Town Clerk)

**18/27 APOLOGIES FOR ABSENCE**

Apologies were received from Cllr Chris Povey.

**Public Open Forum**

There were no members of public present.

**18/28 DECLARATIONS OF INTEREST**

There were no declarations of interest.

**18/29 MINUTES OF THE LAST MEETING**

Members received the minutes of the last meeting held on 27 November 2018 which were approved as a correct record.

**18/30 BANK RECONCILIATIONS**

Members received recent bank reconciliations for the Barclays' business current and premium accounts and reviewed the same. It was **RECOMMENDED** to note the bank reconciliations for the bank statements dated 7 December 2018.

**18/31 QUARTERLY REPORT**

Members received the following reports:

- A report on Capital, Revenue and Restricted Reserves.
- A report on an investment in the CCLA Public Sector Deposit Fund.
- The income and expenditure report for the 3<sup>rd</sup> quarter of the current financial year 2018/19 ending 31 December 2018.
- A cost code analysis reporting significant variance in over spend/under spend from the estimated budget.
- A projection to financial year end at 31 March 2019.

The net accumulative variance reported an under spend at £82,729.73 however, taking account of expenditure from allocated Reserves, sale of CCLA Property Fund shares and late receipts from the previous financial year a reconciliation provided an under spend at circa £2,839.69.

Members carefully considered all the reports and it was **RECOMMENDED** to note:

- Capital receipts, Revenue Reserves and CCLA Public Sector Deposit Fund totalling £266,376.59.
- CCLA Public Sector Deposit Fund annual dividends at circa 0.75% and the current holding at £28,178.64 (31 November 2018) should be researched for transfer to a high street bank.
- The 3<sup>rd</sup> quarter income and expenditure report and cost code analysis.
- A projected under spend at financial year end. The Town Centre Task Force budget at £25k had realised current expenditure at £8,560.90 and any balance at financial year end to be transferred to Revenue Reserves. Publicity costs for Kingsbridge In Bloom to be spent from said budget.

### **18/32 BUDGET FOR FINANCIAL YEAR 2019/20**

Members received the following reports:

- Further suggestions for works/projects for the operational budget or reserves.
- Draft estimates of income and expenditure for the operational budget for financial year 2019/20.

Members had already considered income and expenditure estimates at the previous committee meeting which were agreed at the full council meeting held on 11 December 2018. Subsequently a revised Council Tax Base Rate had been received from SHDC.

It was **RECOMMENDED** to:

- Agree the following additional works/projects to be funded from the current financial budget 2018/19 and/or reserves:
  1. Petanque court (Recreation Ground) re-surfacing,
  2. Eastern & Western Backways graffiti over paint,
  3. Bus Station electronic sign re-alignment,
  4. Bus Station information board supply/fitting, and
  5. Community Resilience Store supply/build (restricted reserves already held at £1,500).
- Request SHDC for Tumbly Hill (access route between Quay & Cattle Market car parks) new lighting to be included in the proposed Ropewalk hotel development/Cattle Market car park re-configuration scheme.
- Note potential Cemetery tree surgery to be considered by the next full council meeting.
- Propose approval of the income and expenditure budget for financial year 2019/20 at Annex A (Precept at £148,645 realising an increase of £12,645 at 9.30%; KTC Band D council tax contribution at £68.37 realising an increase of £5.43 at 8.63%) subject to re-consideration of Fore Street public toilets pay-on-entry at the next full council meeting.

**18/33          DATE OF NEXT MEETING**

Tuesday 23 April 2019 at 7.00 p.m. (draft end of financial year 2018/19 accounts).

Annex:

A. Draft Budget for Financial Year 2019/20.

*The meeting closed at 8.25 p.m.*

# IAC



Paper 2

**Martin Johnson**

Town Clerk  
Kingsbridge Town Council  
Quay House,  
Ilbert Road,  
Kingsbridge,  
Devon,  
TQ7 1DZ

15th January 2019

Dear Martin,

Further to my internal audit visit to the Council on 9th January I am pleased to submit my report.

I have made a number of Observations in the attached internal audit report, these mainly relate issues reporting and accounting issues relating to the Mayor, and a couple of observations on VAT.

I would like to thank you for the hospitality extended to us during our visit.

Yours sincerely,

Kevin Rose ACMA  
Director

## Kingsbridge Town Council - Internal Audit Report 2018-19

### Interim Audit Observations

Audit date	Priority	Observation	Recommendation	Status	Comments
9 January 2018	H	The Council maintains a Mayor's Allowance bank account. This account is not included within the Council's reported bank balances.	The Mayor's Allowance bank account must be included within the Council's accounts and be reported with, and subject to reconciliations, in the same manner as other Council bank accounts	Pending ✓	Balance transferred to Business Saver A/c 8 March 2019 Finance Regulation: fin cte 23/4 Standing Orders: Polity cte 30/4
	H	Standing Orders and Financial Regulations were last reviewed at the 19 April 2016 Finance Committee.	The Standing Orders should be annually reviewed and formally adopted by the full council.	Pending ✓	Letter sent 27 March 2019 e feedback awaited
	M	Small VATable supplies are being made for hire of equipment and photocopy charges. The Council is not VAT registered, although liable to be registered if it makes VATable supplies	The Council to write to HMRC to request a dispensation from registration. (A pro forma letter has been provided to the Clerk)	Pending ✓	Noted
	M	The Council receives significant VAT Exempt income in respect of rentals of the Quay House building. There is a limit on the amount of Input VAT that may be recovered in respect of VAT Exempt activities and it is possible, should the Council incur large expenditure on Quay House, that the Council could be unable to recover all the VAT paid.	Council to be aware of potential impact of De Minimis limit on recover of Business Exempt VAT if major expenditure is to be incurred on Quay House.	Pending ✓	
	M	It is not currently practice for transactions on the Mayors Charity account to be subject to independent review	On an annual basis the transactions on the Mayor's Charity account should be agreed by the incumbent Mayor and submitted to Council for their information.	Pending ✓	fin cte 23/4



Kevin Rose ACMA  
Director  
IAC Audit & Consultancy Ltd  
15th January 2019

**Subject:** DV0213 - 2018/19 AGAR PKF Littlejohn instructions  
**From:** "PKF Littlejohn" <sba@pkf-littlejohn.co.uk>  
**Date:** 26/03/2019, 14:29  
**To:** clerk@kingsbridge.gov.uk

## DV0213 Kingsbridge Town Council - 2018/19 AGAR PKF Littlejohn instructions

Dear Clerk/RFO

We are appointed by [Smaller Authorities' Audit Appointments Ltd](#) (SAAA) as the external auditor of your smaller authority for the 5 financial years from 2017/18 to 2021/22. We are writing to you as the 2018/19 financial year ends to provide instructions to enable your smaller authority to comply with the relevant statute and Regulations regarding accounts and audit.

If you are clerk for multiple smaller authorities please accept our apologies if you receive this email more than once. In response to complaints received last year from some smaller authorities that they did not receive our emailed instructions, these instruction emails are now being sent to every smaller authority for whom we act. Please note, however, that the emails are being sent out in batches over the course of this week, so if you are clerk for multiple authorities and have received this email only once, you should receive further emails over the course of the next few days.

### **Contact details**

If you are aware that you are not going to be the main point of contact for this smaller authority going forwards, please could we ask that you provide us with the new contact email address as soon as possible to prevent unnecessary chasing and ensure all correspondence reaches the right person.

### **Completion of documentation for submission**

As was the case last year, access to the Annual Governance and Accountability Returns (AGARs) and instructions is being provided through email links. All the relevant information and guidance is available on [this page](#) of our website.

Please click on the links provided to refer to our instructions and to obtain the relevant forms and information to be provided to us with the AGAR.

Also available on the website is a recording of this year's training update and its accompanying slides with speaker notes for your reference together with the slides from the detailed training webinar that was run for 2017/18.

### **Acknowledgement of receipt of information**

In response to feedback from previous years, for the first time this year, your smaller authority will receive an automated email notifying you when either the AGAR or Exemption Certificate, as appropriate, has been logged onto the authority's record on our database.

**Important:** If you have a query **please do not respond to this email address**. All correspondence should be sent to [sba@pkf-littlejohn.com](mailto:sba@pkf-littlejohn.com).

Kind regards

### **SBA Team**

For and on behalf of PKF Littlejohn LLP  
T +44 (0) 20 7516 2200  
[sba@pkf-littlejohn.com](mailto:sba@pkf-littlejohn.com)