WINSTER PARISH COUNCIL FINANCE COMMITTEE

Clerk & Financial Officer: Trisha Dale

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MINUTES OF COMMITTEE MEETING: 17th October 2022, 7pm in the Burton Institute, Winster.

These minutes are hereby approved as a true and accurate record of the above meeting following Resolution of the Committee at the next Committee meeting.

Signed ……. Chair of meeting

In attendance: Cllr. Hatfield (Chair); Cllr. Frederickson, Cllr. Brown, Cllr. Wood.

Also Present: Clerk/RFO Trisha Dale.

No.	Item
FC10/01/22	**Apologies** Received from Cllr. Robinson
FC10/02/22	**Declaration of Interests** None this meeting.
FC10/03/22	**Public Speaking** None this meeting.
FC10/04/22	**Members question to the Chair** None this meeting.
FC10/05/22	**Approval and Ratification of the Minutes of the previous meeting** A: The minutes of the previous Finance Committee meeting held on 20th Jun 2022 were considered and approved (Prop DF. 2nd SW, unan). B: There were no matters to discuss relating to the minutes of the previous meeting.
FC10/06/22	**Business Matters** A: Prior to meeting Clerk shared summary of accounts between April – September 2022 (Annex A). Explaining step by step the entries in the document. Balance brought forward at the beginning of the financial year following income & expenses from the previous year. Total receipts (income including precept) cumulated month-on-month. Total income cumulative month-on-month (balance brought forward plus total receipts. Total payments (expenses) incurred cumulative month-on-month. Current balance, finances of the Council on a month-on-month basis Difference between income (excluding balance BF) and expenditure. Adjustments – Cheques issues by unpresented and income received by not cleared by the bank at the time of statement issued. Account balance, adjustments added to up subtracted from the current balance shown above. Statement balance, what is shown on the bank statement at close of play month-on-month.

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	Bank reconciliation to show that all has been accounted. Clerk reminded the Council that the jump in expenses from August to September was attributed to Grounds Maintenance payment, replacement of bollards and included other payments covering for both July and August. Clerk also provided prior to the meeting slides (PowerPoint file) to gain understanding on Parish Councils financial history, to understand annual financial commitments and aid discussion. Clerk stated that the slides were to gain some insight into the finances, as not in post between 2018-2021 there will be elements/rationale that are not available. These are for the purpose of learning and demonstrating against previous years where current finances sit. **Winster Historic Data (source Agars**) – The rationale was to try to establish a typical year, with the theory that history can aid preparation for the future. Unfortunately, nothing is that simple. 2018/19; finances benefited from a VAT claim on the previous year's expenditure of c£5K this aided an increase in what would have been a balance brought forward by c£3.5K. 2019/20; there was no expenditure for Grounds maintenance, estimated cost of c£5.2K saved. Additional reduction in expenditure of c£1.3K plus the balance brought forward (see above) of £3.5K aided an increase in the balance brought forward for 2020/21 of c£10K. 2020/21; the finances saw an increase in staff costs of c£3.3K, belated Grounds Maintenance for 2019/20 of c£5.2K was paid and reserves were increased by c£4.9K. Increasing costs by c£8.5K and reducing available spend of c£4.9K due to movement of finance into reserves. However, in addition to other receipts (income) c£16.2K was received from the Outdoor Gym project. Unlike the previous two years, had the income from the outdoor project not been received there would not have been any savings from 2020/21 brought forward to 2021/22 therefore the balance brought forward would have been c£41.2K less than the opening balance for 2020/21. 2021/22, whilst it appears that there was a healthy balance of £57.7K brought forward this included the donation from the outdoor gym project. In addition to the previous year the outdoor gym project provided a further c£5.8K towards the costs to be incurred. However, the cost of the gym, together with the unforeseen legal expenses totalled c£32.7K, which impacted on the Parish Council's finances. reducing overall finances to c£56.1K. Furthermore, taking into account reserves of c£28.4K (reduced from previous year), an increase in staffing costs of c£1.3K and a cost imposed for midyear election, due to complaint for noncompliance, of £1.3K this leaves the finance spending capacity at c£25.1K. And furthermore, factoring in the average annual spend (see average income/costs adjusted for exceptional payments below) of c£24.8K this leaves a surplus of c£0.3K. Overall this provided for a balance brought forward for 2022/23 of £28.4 (reserves) plus £0.3K totalling £28.7K. **Exceptional Payments between 2020 – 2022** – This slide shows the exceptional income received from the outdoor gym project £16,171 and £5,980. Exceptional payments the Council were committed of £32,671. **Average Income/Costs adjusted for exceptional payments** – to gain an understanding of what the average spend and income (including precept) of the Council to aid future budgeting and understanding of financial commitments. 2021/22 spend and income reduced by payments shown on previous slide (see above). Based on this information the average annual spends c£24.8K with average annual income (including precept) c£26K **Current Reserves** – This slide shows the current reserves held by the Council; these were adjusted down in 2021/22.

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	Current Financial Position based on average spend only -This slide demonstrates, using average spend and retaining current reserve levels, the finances should cover annual commitments but leaves only c£2K to cover new initiatives. **Current Financial Position based on estimated expenditure** -This slide sets out to demonstrate this year's financial position including estimated committed spend and income for the remaining financial year. Based on this information we could be looking at a potential overspend. However, Councillors pointed out that it was agreed in a previous Parish Council meeting that consideration should be given to using the Open Space reserve to fund/part fund the cost of the Wildflower meadow project. The project group has also applied for funding from the Secret Gardens Committee and the Winster Wakes Carnival Committee for the cost of seeds. Clerk to consult minutes and add to the next Parish Council meeting agenda. Furthermore, Councillors informed the Clerk that it was agreed that the costs of installation of the bollards would be covered by the Property Reserves as advised in a budget report produced 2 years ago. Clerk to check and adjust reserves accordingly. Based on this information any potential overspend will be null and void. **Estimated additional spend 2022/23** – Based on previous years Clerk identified payments and estimated cost of c£6.5K committed spend for the remainder of 2022/23 financial year, these figures were used in the previous slide. With the exception of the Wildflower Meadow seeding for which additional funds are being sought and the repairs required to the public toilet doors which with agreedment will be funded from the Property reserves, Councillors could not think of any other payments which need to be considered. Councillors did question the audit cost of £1,200. Clerk explained that the majority of the costs were attributed to the pervious years 2020/21 and 2021/2022 due to challenges being raised and the requirement to investigate and correspond at a cost of £300 plus VAT an hour. On taking up the role of Clerk every effort was made to ensure 2021/22 accounts were compliant with internal control systems being put in place for this and future years. **Things to consider** – A brief discussion was held, it was thought that this year's finances have been challenging, unlike previous years the balance brought forward at the beginning of the financial year covered the reserves only and there was no additional savings that could assist flexibility. Taking this into account, the current uncertainty in the economy, price rises etc we have and expect to be on budget. However, the Councillor are aware that there is no extra money for additional spend, any other projects will require additional funding. Councillors thanked the Clerk for all the work completed and agreed that it was a good exercise aiding their understanding of the current financial situation. *Note: All above are based on information available, as Councillors and Clerk were not in post at the time there could be other elements/rationale behind income/expenditure* B: To discuss future financial commitments deferred to next meeting. C: To discuss and agree review of assets deferred to next meeting. D: Update on three-year forecast/plan deferred to next meeting. E: A discussion took place with regards to the current reserves and if they should be reviewed. i) General Reserve - £5,000 It was thought that the general reserves should be at some future point be uplifted. It was felt that the current £5K is not sufficient to cover expenditure for a 3 – 4-

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	month period and should increase in line with best practice to £6-7K, possibly £6.5K covering a quarter of the annual spend. ii) Open Spaces - £5,000 It was considered if the reserves should now be moved into business as usual, as the Wildflower Meadow project is up and running, therefore becoming part of the Councils committed annual spend. Possibly consider transferring some of the funds to the general reserve. iii) Property - £3,438 Subject to confirmation the reserve will be reduced by the cost of installation of the bollards (£1122.00) and in addition the finance committee will raise at the next Parish Council meeting, that the cost of repairs to the toilet door should be covered by the reserve. As with the open space reserve it was questioned if there should be a property reserve, should this be included as business-as-usual maintenance? iv) Cemetery - £15,000 Research is still ongoing regarding the expansion of the burial ground, Peak Park Planning have yet to respond on what was agreed and if the planning permission, if agreed, is still valid. It was also discussed that initially we should look at current availability within the burial ground. Clerk advised the Council that all burial plots on consecrated ground have now been either reserved or purchased, that work had been done on this in 2014 for the possibility of converting the grassed area designated for scattered cremation to provide for a further 35 earthen graves or the possibility of using the area below the garden of remembrance for 32 un-consecrated graves. These would need to be investigated. It was questioned if these are a possibility then why was the cemetery reserves set at a high rate. It was agreed that initially a three-year forecast/plan should be considered and agreed, at which point all reserves should be reviewed. F: The discussion on the current situation at the burial ground was included in the above (see 10/06/22 E iv)
FC10/07/22	There were no urgent requirements to discuss or note.
	Meeting closed at 8.10pm

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Annex A

CURRENT ACCOUNT BALANCE SHEET	DATES					
	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22
BALANCE BROUGHT FORWARD 01/04/2022	£28,747.95	£28,747.95	£28,747.95	£28,747.95	£28,747.95	£28,747.95
TOTAL RECEIPTS	£19,082.00	£20,598.00	£21,093.39	£21,357.39	£21,684.39	£22,022.67
TOTAL INCOME (Balance + receipts)	£47,829.95	£49,345.95	£49,841.34	£50,105.34	£50,432.34	£50,770.62
TOTAL PAYMENTS	£3,242.72	£4,634.62	£7,286.54	£10,304.15	£10,720.81	£21,056.64
CURRENT BALANCE (Income - Payments)	£44,587.23	£44,711.33	£42,554.80	£39,801.19	£39,711.53	£29,713.98
DIFFERENCE EXP/INC	£15,839.28	£15,963.38	£13,806.85	£11,053.24	£10,963.58	£966.03
ADD UNREPRESENTED CHEQUES	£621.47	£26.15		£1,063.50	£1,063.50	
LESS UNCLEARED PAYMENTS	£0.00	£896.00	£0.00	£0.00	£0.00	
ACCOUNT BALANCE	£45,208.70	£43,841.48	£42,554.80	£40,864.69	£40,775.03	£29,713.98
STATEMENT BALANCE	£45,208.70	£43,841.48	£42,554.80	£40,864.69	£40,775.03	£29,713.98
BANK BALANCE AND ACCOUNT RECONCILE	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00

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