



Seaford Town Council

To the Members of the Finance & General Purposes Committee

A meeting of the **Finance & General Purposes Committee** will be held at **the Council Chamber, 37 Church Street, Seaford**, on **Thursday 16th April 2015** at **7.00 pm**, which you are summoned to attend.



James Corrigan
Town Clerk
9th April 2015

Agenda

1. Apologies for Absence and Declaration of Substitute Members

2. Disclosure of Interests

To deal with any disclosure by Members of any discloseable pecuniary interests and interests other than pecuniary interests, as defined under the Seaford Town Council Code of Conduct and the Localism Act 2011, in relation to matters on the agenda.

3. Public Participation

To deal with any questions, or brief representations, from members of the public in accordance with Standing Order 1 and Seaford Town Council Policy.

4. Finance Report

- a) To consider report 232/14 regarding receipts, payments and bank reconciliation for February 2015 (pages 3 to 20).
- b) To consider report 231/14 regarding the Council budget position for the period 1 April 2014 to 28 February 2015 (pages 21 to 27).

5. Internal Audit Report Year Ended 31st March 2015

To note report 233/14 presenting the Internal Audit report from Mulberry & Co for 2014/15 (pages 28 to 56).

6. Exclusion of the Press and Public

The Chairman will move that in accordance with the Public Bodies (Admission to Meetings) Act 1960, the press and public be excluded from the meeting during the discussion on items 7 and 8 on the agenda as the items concern confidential Personnel and Council matters.

7. Employee's Working Hours

To consider exempt report 240/14 regarding an update on an employee's working hours (page 57).

8. Unrecovered Debt Update

To consider exempt report 241/14 providing an update on an unrecovered debt (pages 58 to 67).

For further information about items appearing on this agenda please contact James Corrigan, Town Clerk, 37 Church Street, Seaford, BN25 1HG. Telephone 01323 894 870.

Circulation:

Committee: Councillor B Burfield (Chairman) and M Brown (Vice Chairman).

Councillors S Adeniji, S Dunn, P Franklin, S Gauntlett, A Hayder, L Lord, R Needham and B Warren.

For information: Councillors R Allen, G Cork, T Goodman, B Groves, P Heseltine, A Latham, S McStravick, L Wallraven, A White and I White.



Seaford Town Council

Report 232/14

Agenda Item No:	4(a)
Committee:	Finance & General Purposes
Date:	16 April 2015
Title:	Receipts, Payments and Bank Reconciliation Reports for February 2015
By:	Lucy Clark, Support Services Manager
Purpose of Report:	To advise the Committee of receipts, payments and bank reconciliations for February 2015

Recommendations

You are recommended:

- 1. To approve the information contained in the report.**
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1. Information

- 1.1** Attached as Appendix A is a copy of the bank reconciliation and cashbook listing receipts and payments for February 2015 and have been reconciled to the relevant bank statements.
- 1.2** Please note that whilst the reconciliation shows listed individual "Unpresented Cheques", the "Receipts not Banked" does not. The reason is that the receipts totals shown are grouped amounts relating to various receipts and the system is unable to list these separately. However, all individual receipts are shown in the cashbook.
- 1.3** The RBS accounts system is set up in such a way that the cash book print outs will only show multiple bacs payments as one overall figure rather than individual payments. The cashbook transaction detail will state 'BACS B/L Pymnt Page XX'. These pages show the individual payments and are attached at the back of each cashbook.

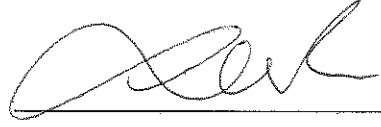
2. Financial Appraisal

The appendix comprises the bank account transactions for February 2015.

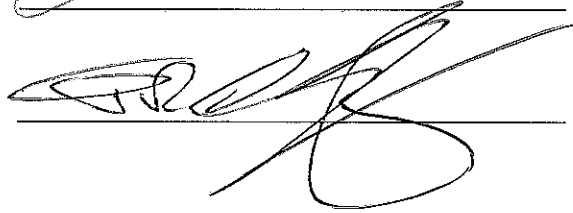
3. Contact Officer

The Contact Officer for this report is Lucy Clark, Support Services Manager

Support Services Manager

A handwritten signature in black ink, appearing to read 'Lucy Clark', written above a horizontal line.

Town Clerk

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Date: 12/03/2015

Seaford Town Council 2014/2015

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User: LC

Bank Reconciliation Statement as at: 28/02/2015 for Cash Book 1 Current/Deposit Account

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Coop Community Direct Plus	27/02/2015	349	109,533.90
			<u>109,533.90</u>
<u>Unpresented Cheques (Minus)</u>			<u>Amount</u>
09/10/2014 202687	East Sussex County Council		25.00
21/01/2015 202776	Post Office Ltd		4,757.16
16/02/2015 202781	SLCC		250.00
23/02/2015 202782	East Sussex Pension Fund		5,026.62
			<u>10,058.78</u>
			99,475.12
<u>Receipts not Banked/Cleared (Plus)</u>			
25/02/2015			154.00
26/02/2015			10.00
27/02/2015			1,073.40
27/02/2015			90.00
27/02/2015			150.00
28/02/2015			2,971.75
28/02/2015			263.00
28/02/2015			3,307.00
			<u>8,019.15</u>
			107,494.27
			107,494.26
			Balance per Cash Book is :-
			Difference is :-
			0.00

Receipts for Month 11

Nominal Ledger Analysis

Receipt Ref	Name of Payer	£ Amnt Received	£ Debtors	£ VAT	A/c Centre	£ Amount	Transaction Detail
Balance Brought Fwd :		260,191.16				260,191.16	
	Banked on : 27/01/2015	-60.00					
13456	Lynda Young	-60.00			540	-60.00	Deposit G/Club func 11/7/15
	Banked on : 27/01/2015	60.00					
13456	Lynda Young	60.00		10.00	540	50.00	L.Young, 11.7.15 ,B/Day
	Banked on : 01/02/2015	52.00					
PDQ	GOLF PDQ	52.00		8.67	120	43.33	GOLF PDQ 01/02/2015
	Banked on : 02/02/2015	106.00					
PDQ	GOLF PDQ	106.00		17.67	120	88.33	GOLF PDQ 02/02/2015
	Banked on : 03/02/2015	11.60					
	Sales Recpts Page 847	11.60	11.60		101		Sales Recpts Page 847
	Banked on : 03/02/2015	10.00					
PDQ	GOLF PDQ	10.00		1.67	120	8.33	GOLF PDQ 03/02/2015
	Banked on : 04/02/2015	20.00					
PDQ	GOLF PDQ	20.00		3.33	120	16.67	GOLF PDQ 04/02/2015
	Banked on : 05/02/2015	54.57					
CO-OP	CO-OP	54.57			1190 201	54.57	Bank Interest Feb 15
	Banked on : 05/02/2015	250.00					
	Sales Recpts Page 855	250.00	250.00		101		Sales Recpts Page 855
	Banked on : 06/02/2015	17.40					
	Sales Recpts Page 844	17.40	17.40		101		Sales Recpts Page 844
	Banked on : 06/02/2015	233.79					
	Sales Recpts Page 854	233.79	233.79		101		Sales Recpts Page 854
	Banked on : 07/02/2015	10.00					
PDQ	GOLF PDQ	10.00		1.67	120	8.33	GOLF PDQ 07/02/2015
	Banked on : 08/02/2015	20.00					
PDQ	GOLF PDQ	20.00		3.33	120	16.67	GOLF PDQ 08/02/2015
	Banked on : 09/02/2015	17.40					
	Sales Recpts Page 842	17.40	17.40		101		Sales Recpts Page 842
	Banked on : 09/02/2015	11.60					
	Sales Recpts Page 843	11.60	11.60		101		Sales Recpts Page 843
	Banked on : 09/02/2015	34.80					
	Sales Recpts Page 845	34.80	34.80		101		Sales Recpts Page 845
	Banked on : 09/02/2015	56.00					
PDQ	GOLF PDQ	56.00		9.33	120	46.67	GOLF PDQ 09/02/2015
	Banked on : 09/02/2015	454.45					
ACS	Bookers Ltd	454.45			4304 103	454.45	Food for Clubhouse

Receipts for Month 11

Nominal Ledger Analysis

Receipt Ref	Name of Payer	£ Amnt Received	£ Debtors	£ VAT	A/c Centre	£ Amount	Transaction Detail
	Banked on : 09/02/2015	-454.45					
3ACS	Bookers	-454.45			4304 103	-454.45	Food for Clubhouse
	Banked on : 10/02/2015	30.00					
03463	Nikki Bond	30.00			550	30.00	Don to M/Charities-M&Co DVD's
	Banked on : 10/02/2015	1,997.49					
	Sales Recpts Page 846	1,997.49	1,997.49		101		Sales Recpts Page 846
	Banked on : 10/02/2015	660.00					
PDQ	GOLF PDQ	660.00		110.00	120	550.00	GOLF PDQ 10/02/2015
	Banked on : 10/02/2015	144.00					
03473	Patrick Goff	144.00			520	144.00	Dep Crypt-Goff-17-30/4/2015
	Banked on : 10/02/2015	4,948.73					
	Sales Recpts Page 856	4,948.73	4,948.73		101		Sales Recpts Page 856
	Banked on : 10/02/2015	177.30					
DDdebit	Seahaven FM	177.30			1105 215	177.30	Repayment of 2nd Instalment
	Banked on : 11/02/2015	20.00					
PDQ	GOLF PDQ	20.00		3.33	120	16.67	GOLF PDQ 11/02/2015
	Banked on : 12/02/2015	30.00					
PDQ	GOLF PDQ	30.00		5.00	120	25.00	GOLF PDQ 12/02/2015
	Banked on : 12/02/2015	250.00					
	Sales Recpts Page 851	250.00	250.00		101		Sales Recpts Page 851
	Banked on : 12/02/2015	383.16					
	Sales Recpts Page 857	383.16	383.16		101		Sales Recpts Page 857
	Banked on : 14/02/2015	10.00					
PDQ	GOLF PDQ	10.00		1.67	120	8.33	GOLF PDQ 14/02/2015
	Banked on : 15/02/2015	140.00					
PDQ	GOLF PDQ	140.00		23.33	120	116.67	GOLF PDQ 15/02/2015
	Banked on : 15/02/2015	2,595.00					
BANKING	GOLF BANKING	2,595.00		432.50	120	2,162.50	GOLF BANKING 1/2/15 - 15/02/15
	Banked on : 16/02/2015	42.00					
PDQ	PDQ	42.00		7.00	120	35.00	PDQ - 16.02.2015
	Banked on : 17/02/2015	1,207.48					
	Sales Recpts Page 848	1,207.48	1,207.48		101		Sales Recpts Page 848
	Banked on : 17/02/2015	135.24					
INSURANC	Zurich Municipal	135.24			1076 117	135.24	Zurich Municipal
	Banked on : 17/02/2015	106.00					

Receipts for Month 11

Nominal Ledger Analysis

Receipt Ref	Name of Payer	£ Amnt Received	£ Debtors	£ VAT	A/c Centre	£ Amount	Transaction Detail
PDQ	PDQ	106.00		17.67	120	88.33	PDQ - 17.02.2015
	Banked on : 17/02/2015	500.00					
35427K	East Sussex County Council	500.00			1070 135	500.00	Tour of Britain Grant
	Banked on : 17/02/2015	846.61					
3ACS	PC World Business	846.61		141.10	4278 102	705.51	x2 TV's & HDMI cables
	Banked on : 17/02/2015	-846.61					
3ACS	PC World Business	-846.61		-141.10	4278 102	-705.51	x2 TV's & HDMI cables
	Banked on : 18/02/2015	208.00					
PDQ	PDQ	208.00		34.67	120	173.33	PDQ - 18/02/2015
	Banked on : 18/02/2015	-40.97					
3ACS	British Bookshops	-40.97			4106 103	-40.97	Diaries for Golf Club
	Banked on : 19/02/2015	2,448.96					
	Sales Recpts Page 850	2,448.96	2,448.96		101		Sales Recpts Page 850
	Banked on : 19/02/2015	760.00					
3488	Margery Diamond	565.00			1072 135	565.00	Tree Planting Downsview & Roth
3490	Mr Roger Lowe	50.00			1072 135	50.00	Tree Planting Downsview & Roth
3489	Mrs Margery Diamond	145.00			1072 135	145.00	Tree Planting Downsview & Roth
	Banked on : 19/02/2015	56.00					
PDQ	PDQ	56.00		9.33	120	46.67	PDQ - 19/02/2015
	Banked on : 19/02/2015	200.00					
3ACS	Swift Owners Club - P Vowles	200.00		33.33	540	166.67	P.Vowles,14/8/15,Club Meeting
	Banked on : 21/02/2015	495.00					
PDQ	PDQ	495.00		82.50	120	412.50	PDQ - 21/02/2015
	Banked on : 22/02/2015	29.00					
PDQ	PDQ	29.00		4.83	120	24.17	PDQ - 22/02/2015
	Banked on : 23/02/2015	150.00					
PDQ	PDQ	150.00		25.00	120	125.00	PDQ - 23/02/2015
	Banked on : 23/02/2015	383.16					
	Sales Recpts Page 859	383.16	383.16		101		Sales Recpts Page 859
	Banked on : 24/02/2015	72.00					
3493	Newhaven Art Club	72.00			520	72.00	Depst Cryp13/11-19/11/15 Newha
	Banked on : 24/02/2015	450.00					
3496	Caralynne McCourt	450.00		75.00	1200 116	200.00	Jeep Shoot
					1200 116	175.00	Tiwan Shoot

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Cash Book 1

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Current/Deposit Account

For Month No : 11

Receipts for Month 11

Nominal Ledger Analysis

Receipt Ref	Name of Payer	£ Amnt Received	£ Debtors	£ VAT	A/c Centre	£ Amount	Transaction Detail
	Banked on : 24/02/2015	40.60					
	Sales Recpts Page 853	40.60	40.60		101		Sales Recpts Page 853
	Banked on : 24/02/2015	40.97					
3ACS	British Bookshops	40.97			4106 103	40.97	Diaries for Golf Club
	Banked on : 25/02/2015	350.00					
3502	Luella Rolph	100.00		16.67	540	83.33	L.Rolph 29/8/2015 B/Party
3501	Mr Howe	150.00		25.00	540	125.00	Mr Howe 12/09/2015 Party
3503	Mr & Mrs Ford	100.00		16.67	540	83.33	Mr Ford-Walkers Lunch
	Banked on : 25/02/2015	3,204.80					
3H	Golf Club House Banking	3,204.80		534.13	130	2,670.67	GCH Banking 25.02.2015
	Banked on : 25/02/2015	154.00					
3DQ	PDQ	154.00		25.67	120	128.33	PDQ - 25/02/2015
	Banked on : 25/02/2015	50.00					
	Sales Recpts Page 860	50.00	50.00		101		Sales Recpts Page 860
	Banked on : 25/02/2015	120.00					
	Sales Recpts Page 861	120.00	120.00		101		Sales Recpts Page 861
	Banked on : 25/02/2015	368.45					
3ACS	Amazon	368.45		61.41	4278 102	307.04	Portable Projector & Screen
	Banked on : 25/02/2015	-368.45					
3ACS	Amazon	-368.45		-61.41	4278 102	-307.04	Portable Projector & Screen
	Banked on : 26/02/2015	10.00					
3DQ	PDQ	10.00		1.67	120	8.33	PDQ - 26/02/2015
	Banked on : 26/02/2015	694.80					
3acs	Days Aggregates	694.80		115.80	4261 101	579.00	40mm Clean Limestone
	Banked on : 26/02/2015	-694.80					
3ACS	Days Aggregates	-694.80		-115.80	4261 101	-579.00	40mm Clean Limestone
	Banked on : 27/02/2015	1,073.40					
	Sales Recpts Page 852	1,073.40	1,073.40		101		Sales Recpts Page 852
	Banked on : 27/02/2015	90.00					
3DQ	PDQ	90.00		15.00	120	75.00	PDQ - 27/02/2015
	Banked on : 27/02/2015	150.00					
3513	Dr & Mrs Fenwick	50.00			550	50.00	Fenwick-May Ball Tickets x 2
3497	Cllr Terry Goodman	25.00			550	25.00	Goodman-May Ball Tickets x1
3495	Maeve Mabey	25.00			550	25.00	Mabey -May Ball Tickets x1
3504	Joyce Randall	25.00			550	25.00	Randall-May Ball Ticket x1
3512	Cllr Linda Lord	25.00			550	25.00	Lord - May Ball Ticket x1
	Banked on : 28/02/2015	2,971.75					

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Receipts for Month 11

Nominal Ledger Analysis

Receipt Ref	Name of Payer	£ Amnt Received	£ Debtors	£ VAT	A/c Centre	£ Amount	Transaction Detail
CH	Golf Club House Banking	2,971.75		495.29	130	2,476.46	GCH Banking 28/02/2015
	Banked on : 28/02/2015	263.00					
PDQ	PDQ	263.00		43.83	120	219.17	PDQ - 28/02/2015
	Banked on : 28/02/2015	3,307.00					
Golf Bank	Golf Course Banking	3,307.00		551.17	120	2,755.83	Golf Course Banking 28/02/15
Total Receipts for Month		31,318.23	13,479.57	2,645.93		15,192.73	
Cash Book Totals		291,509.38	13,479.57	2,645.93		275,383.88	

Payments for Month 11

Nominal Ledger

Date	Payee Name	Cheque	£ Total Amnt	£ Creditors	£ V A T	A/c Centre	£ Amount	Transaction Detail
01/01/2015	Onestop Padlocks	DEBIT	122.40		20.40	4278 102	102.00	100 x Tri-circle Brass Padlock
1/01/2015	BACS B/L Pymnt Page 1094	BACS	6,216.88	6,216.88		501		<i>see attached</i> BACS B/L Pymnt Page 1094
2/02/2015	South East Water	200841X	180.11	180.11		501		5052 - 20/11/14 - 19/12/14
2/02/2015	South East Water	400541X	864.52	864.52		501		5053 - Crouch 05/06-27/11
2/02/2015	South East Water	400551X	15.21	15.21		501		5054-Crch Grns 05/06-27/11
2/02/2015	Southern Electric	97431	165.20	165.20		501		5118-Elec 28/10/14-22/11/15
3/02/2015	PWLB	DD	7,501.20			4301 206	7,501.20	HURDISHSEPWLBF1
4/02/2015	UK Fuels	46242	30.60	30.60		501		5119-Diesel & Guard Card
4/02/2015	Talk Talk Business	470/882	84.49	84.49		501		5075-TIC Tele01/01/15-31/01/15
6/02/2015	Strictly Tables & Chairs	DEBIT	1,034.88			4278 102	1,034.88	6ft Round Tressle Table
7/02/2015	B & Q	DEBIT	184.48			4278 102	184.48	Decorating equip - Golf Club
9/02/2015	Petty Cash	BACS	11.60			201	11.60	Replenishment of Float
9/02/2015	Petty Cash	TRANSFER	17.40			201	17.40	Replenishment of Float
9/02/2015	Petty Cash	TRANSFER	34.80			201	34.80	Replenishment of float
9/02/2015	Petty Cash	TRANSFER	17.40			201	17.40	Replenishment of float
9/02/2015	Nisbets	DEBIT	428.13		71.36	4303 103	356.77	Cultery - Golf Club
9/02/2015	Bookers	BACS	454.45			4304 103	454.45	Food for Clubhouse
06/02/2015	Barclaycard	78590	77.17	77.17		501		5138-PDQ Golf Shop- Jan 15
01/02/2015	Nisbets	DEBIT	969.24		161.54	4278 102	807.70	Kitchen Equipment - Golf Club
01/02/2015	Seahaven FM	DDEBIT	177.30			1105 215	177.30	Repayment of 2nd Instalment
01/02/2015	Seahaven FM	DDEBIT	-177.30			1105 215	-177.30	Repayment of 2nd Instalment
11/02/2015	Newhaven Town Council	BACS	50.00			4181 210	50.00	x2 Mayor Gala Dinner 14/3/15
2/02/2015	B & Q	DEBIT	95.33		15.89	4278 102	79.44	Signs, Brackets - Golf Club
2/02/2015	Wynne's/Seaford Fencing	202778	28.60	28.60		501		5156-Ballast,Cement, Fence Pos
2/02/2015	Don Burtenshaw	202779	1,087.20	1,087.20		501		5143-Replace fencing & gateway
3/02/2015	BACS B/L Pymnt Page 1097	BACS	8,487.36	8,487.36		501		<i>see attached</i> BACS B/L Pymnt Page 1097
3/02/2015	Mr Phil Duncan	BACS	30.95		5.16	4199 113	25.79	arts@crypt materials/goods

Payments for Month 11

Nominal Ledger

Date	Payee Name	Cheque	£ Total Amnt	£ Creditors	£ V A T	A/c Centre	£ Amount	Transaction Detail
3/02/2015	SLCC	BACS	366.00			4112 201	366.00	2015-2016 SLCC Subscription
3/02/2015	James Corrigan	BACS	90.60		8.10	4012 201	65.83	Staff Expenses
						4011 101	16.67	Staff Expenses
3/02/2015	Bookers Ltd	DEBIT	73.43		10.76	4303 103	13.37	Bar Utentiles & Equipment
						4307 103	49.30	Bar Utentiles & Equipment
3/02/2015	Nisbets	DEBIT	702.52		117.09	4304 103	585.43	Cutlery, Plates - Golf Club
3/02/2015	SLCC	202781	250.00			4010 201	250.00	CILCA registration 14/15 -JC
6/02/2015	02 (UK) Ltd	725/001	50.81	50.81		501		5129-Mobiles for BM & HG Jan15
6/02/2015	Morrisons	DEBIT	109.82		8.69	4303 103	101.13	Food - Golf Club
6/02/2015	Co-Operative Bank	DIR FEES	118.82	118.82		501		5163-Transactions Fee's & Tok
6/02/2015	Southern Water	4600017	96.51	96.51		501		5077 -Water 21/11/14-19/12/14
6/02/2015	Southern Electric	97431	1,812.64	1,812.64		501		5115-Elec 22/10/14-16/01/15
7/02/2015	B & Q	DEBIT	272.33		45.39	4278 102	226.94	Signs, Door Guard - Golf Club
7/02/2015	Booker Ltd	DEBIT	567.65		71.23	4278 102	180.42	Food & Equip - Golf Club
						4303 103	316.00	Food & Equip - Golf Club
7/02/2015	ASDA	DEBIT	57.63		6.99	4303 103	50.64	Cultery & Food - Golf Club
7/02/2015	LIDL	DEBIT	35.64		2.00	4303 103	33.64	Cultery & Food - Golf Club
7/02/2015	Nisbets	DEBIT	174.38		29.06	4278 102	145.32	Kitchen Equipment
7/02/2015	British Sky Broadcasting Ltd	DEBIT	439.20		73.20	4114 103	366.00	Sky TV- Feb 2015
7/02/2015	Asda	DEBIT	60.61		9.58	4278 102	51.03	Utensils - Golf Club
7/02/2015	PC World Business	BACS	846.61		141.10	4278 102	705.51	2x TV's & HDMI Cables
8/02/2015	Travis Perkins	REFUND	-172.80	-172.80		501		Refund
8/02/2015	Morrisons	DEBIT	18.74		0.09	4304 103	18.65	Coffee, Tea, Milk - Golf Club
8/02/2015	Nisbets	DEBIT	766.34		127.72	4278 102	638.62	Kitchen Equipment - Golf Club
8/02/2015	J Cheesmur & Sons (Lewes) Ltd	202780	103,546.18	103,546.18		501		5139-Certificate 17 for G/Club
9/02/2015	Co-op	DEBIT	7.28			4306 103	7.28	Catering Utentiles
9/02/2015	Tiger	DEBIT	55.10		9.18	4278 102	45.92	Glasses & Bowls - Golf Club
9/02/2015	Churchill Square	DEBIT	3.00		0.50	4278 102	2.50	Car Parking Charges
9/02/2015	Total Gas & Power	1026869	1,688.88	1,688.88		501		5142-Gas 30/11/14-02/02/2015
0/02/2015	BACS B/L Pymnt Page 1099	BACS	4,755.51	4,755.51		501		<i>see attached</i> BACS B/L Pymnt Page 1099
0/02/2015	BACS B/L Pymnt Page 1100	BACS	2,503.20	2,503.20		501		<i>see attached</i> BACS B/L Pymnt Page 1100

Payments for Month 11

Nominal Ledger

Date	Payee Name	Cheque	£ Total Amnt	£ Creditors	£ V A T	A/c Centre	£ Amount	Transaction Detail
3/02/2015	Asda	DEBIT	18.33			4303 103	18.33	Food - Golf Club
1/02/2015	Asda	DEBIT	17.06			4303 103	17.06	Food - Golf Club
2/02/2015	Esk Warehouse Store	DEBIT	46.91		7.82	4278 102	39.09	Mats, Wall Clock- Golf Club
2/02/2015	Argos Ltd	DEBIT	52.92			4278 102	52.92	Racks,Rails, Hangers Golf Club
3/02/2015	East Sussex Pension Fund	202782	5,026.62			517	5,026.62	Feb 15 Pension Contribution
3/02/2015	HMRC Cumbernauld	BACS	5,800.20			515	5,800.20	PAYE Contribution FEB 15
3/02/2015	Morrisons	DEBIT	22.87			4304 103	22.87	Coffee - Golf Club
3/02/2015	Talk Talk Business	98/882	208.51	208.51		501		5195- 01/02 - 28/02/2015
4/02/2015	Nisbets	DEBIT	742.57		123.76	4278 102	618.81	Kitchen Equipment - Golf Club
4/02/2015	Nisbets	DEBIT	-76.76		-12.80	4278 102	-63.96	Credit Items - RTNS - G/Club
4/02/2015	Nisbets	DEBIT	-121.16		-20.20	4278 102	-100.96	Credit Items -RTNS- G/Club
4/02/2015	Nisbets	DEBIT	-93.58		-15.60	4278 102	-77.98	Credit Items -RTNS- G/Club
4/02/2015	British Bookshops	BACS	40.97			4106 103	40.97	Diaries for Golf Club
5/02/2015	BASC	DEBIT	117.00			4112 201	117.00	Membership 24/2/15-23/2/16
5/02/2015	Nisbets	DEBIT	428.59		71.43	4278 102	357.16	Kitchen Equip - Golf Club
5/02/2015	Co-op	BACS	19,952.22			516	19,952.22	Salaries - February 2015
5/02/2015	Fraser Morley	BACS	3,367.00	3,367.00		501		5171-Retainer Fee Feb 15
5/02/2015	Amazon	BACS	368.45		61.41	4278 102	307.04	Portable projector & screen
3/2/2015	Days Aggregates	BACS	694.80		115.80	4261 101	579.00	40mm Clean Limestone
7/02/2015	Nisbets	DEBIT	-188.34		-31.39	4278 102	-156.95	Credit Items - RTNS - G/Club
7/02/2015	Booker Ltd	DEBIT	103.71		8.48	4278 102	42.40	Food - Golf Club
						4303 103	52.83	Food - Golf Club
Total Payments for Month			184,015.12	135,212.60	1,243.74		47,558.78	
Balance Carried Fwd			107,494.26					
Cash Book Totals			<u>291,509.38</u>	<u>135,212.60</u>	<u>1,243.74</u>		<u>155,053.04</u>	

Ledger : 1			Month : 11		Linked to Cash Book : 1		
Invoice Date	Invoice No	Supplier Name and Invoice Details	Authorized Ref	Amount Due	Discount Taken	Amount Paid	Invoice Balance
					0.00	2,493.26	
				Above paid on : 31/01/2015		BACS No PYRO	
		Supplier : RIBA Enterprises	RIBA				
30/01/2015	383598	5123-JCT x3 Design & Buld Book		163.52	0.00	163.52	0.00
					0.00	163.52	
				Above paid on : 31/01/2015		BACS No RIBA	
		Supplier : John Spicer	SPI				
29/01/2015	373	5128-Labour ' Jan 15'		430.00	0.00	430.00	0.00
					0.00	430.00	
				Above paid on : 31/01/2015		BACS No SPI	
			PAYMENT TOTALS		0.00	6,216.88	

List of Purchase Ledger BACS Payments

Ledger : 1

Month : 11

Linked to Cash Book : 1

Invoice Date	Invoice No	Supplier Name and Invoice Details	Authorized Ref	Amount Due	Discount Taken	Amount Paid	Invoice Balance
Supplier : Arrow Tyre Services			ARROW				
31/01/2015	1AC48844	5125-L/Mower Tyres		286.80	0.00	286.80	0.00
					0.00	286.80	
Above paid on : 31/01/2015						BACS No ARROW	
Supplier : Water for Work & Home Ltd			EDG				
31/01/2015	INV1427705	5133-Bottled Water & Cups		25.56	0.00	25.56	0.00
					0.00	25.56	
Above paid on : 31/01/2015						BACS No EDG	
Supplier : G W Ironworks Ltd			GW				
20/01/2015	118236	5126-Handrail at Hope Gap		1,452.00	0.00	1,452.00	0.00
					0.00	1,452.00	
Above paid on : 31/01/2015						BACS No GW	
Supplier : H T White & Co Ltd			HTWHITE				
20/01/2015	HYIP1777	5121-Alcohol & soft drinks		1,116.14	0.00	1,116.14	0.00
20/01/2015	HYIP1778	5122-Soft Drinks for SHGC bar		75.60	0.00	75.60	0.00
					0.00	1,191.74	
Above paid on : 31/01/2015						BACS No HTWHITE	
Supplier : Mr P S Kennard			KENN				
31/01/2015	61	5130-Beach Shelter x 4		40.00	0.00	40.00	0.00
31/01/2015	62	5131-Window cleaning Jan 15		6.00	0.00	6.00	0.00
31/01/2015	63	5132-Bus Stop cleaning Jan 15		18.00	0.00	18.00	0.00
					0.00	64.00	
Above paid on : 31/01/2015						BACS No KENN	
Supplier : C.McCormick			MCTC				
30/01/2015	000018	5124-Removal of dead mem tree		110.00	0.00	110.00	0.00
					0.00	110.00	
Above paid on : 31/01/2015						BACS No MCTC	
Supplier : Pyrotec Fire Protection Ltd			PYRO				
30/01/2015	109598	5135-Fire Exting & Signage		2,493.26	0.00	2,493.26	0.00

List of Purchase Ledger BACS Payments

Ledger : 1

Month : 11

Linked to Cash Book : 1

Invoice Date	Invoice No	Supplier Name and Invoice Details	Authorized Ref	Amount Due	Discount Taken	Amount Paid	Invoice Balance
					0.00	534.00	
				Above paid on : 13/02/2015		BACS No SUSSEXPRIN	
		Supplier : Wave Leisure Trust	WAVE				
04/02/2015	0000529	5137-50%contrbt-staff play sch		224.40	0.00	224.40	0.00
					0.00	224.40	
				Above paid on : 13/02/2015		BACS No WAVE	
		Supplier : C B Winter & Sons Ltd	WINTER				
26/01/2015	38071	5152-Thick Turf		720.00	0.00	720.00	0.00
					0.00	720.00	
				Above paid on : 13/02/2015		BACS No WINTER	
			PAYMENT TOTALS		0.00	8,487.36	

List of Purchase Ledger BACS Payments

Ledger : 1

Month : 11

Linked to Cash Book : 1

Invoice Date	Invoice No	Supplier Name and Invoice Details	Authorized Ref	Amount Due	Discount Taken	Amount Paid	Invoice Balance
					0.00	280.00	
					Above paid on : 13/02/2015		BACS No FULLERS
		Supplier : G W Ironworks Ltd	GW				
05/02/2015	118242	5145-Materials fencing Hope Ga		2,220.00	0.00	2,220.00	0.00
					0.00	2,220.00	
					Above paid on : 13/02/2015		BACS No GW
		Supplier : Hire-a-Loo	HIRE				
30/01/2015	63350	5157-Chemical Toilet Jan 15		95.60	0.00	95.60	0.00
					0.00	95.60	
					Above paid on : 13/02/2015		BACS No HIRE
		Supplier : Lewes District Council	LDC				
04/02/2015	6141015	5148-01/02 - 28/02/15 D/Bins		813.70	0.00	813.70	0.00
					0.00	813.70	
					Above paid on : 13/02/2015		BACS No LDC
		Supplier : Office Depot UK Ltd	OFFD				
31/01/2015	81333085	5141-Stationery Order		101.88	0.00	101.88	0.00
					0.00	101.88	
					Above paid on : 13/02/2015		BACS No OFFD
		Supplier : SSALC Ltd	SALC				
03/02/2015	8030	5159-Become a cllr pack		10.20	0.00	10.20	0.00
					0.00	10.20	
					Above paid on : 13/02/2015		BACS No SALC
		Supplier : Seaford Head Golf Club	SEA				
02/02/2015	FEB15	5140-16xGreen Fees Memberships		880.00	0.00	880.00	0.00
					0.00	880.00	
					Above paid on : 13/02/2015		BACS No SEA
		Supplier : Sussex Print Services	SUSSEXPRIN				
09/02/2015	944	5158-Print of newsletter Jan15		534.00	0.00	534.00	0.00

List of Purchase Ledger BACS Payments

Ledger : 1

Month : 11

Linked to Cash Book : 1

Invoice Date	Invoice No	Supplier Name and Invoice Details	Authorized Ref	Amount Due	Discount Taken	Amount Paid	Invoice Balance
Supplier : Chris Hatcher & Son			CHRIS				
04/02/2015	9933319	5147-Crypt-Emergency Repairs		71.00	0.00	71.00	0.00
					0.00	71.00	
				Above paid on : 13/02/2015		BACS No CHRIS	
Supplier : Countrywide Farmers Plc			COUNTRY01				
04/02/2015	11280550	5151-Renova & Sundries		88.20	0.00	88.20	0.00
					0.00	88.20	
				Above paid on : 13/02/2015		BACS No COUNTRY01	
Supplier : CTLA			CTLA				
08/12/2014	6538	5136-Park & Ride- Xmas Magic		194.00	0.00	194.00	0.00
					0.00	194.00	
				Above paid on : 13/02/2015		BACS No CTLA	
Supplier : English Woodlands			ENGL				
11/02/2015	94354	5146-Tree order & materials		1,820.44	0.00	1,820.44	0.00
					0.00	1,820.44	
				Above paid on : 13/02/2015		BACS No ENGL	
Supplier : Ernest Doe & Sons Ltd			ERNE				
06/01/2015	G14419	5154-Equipment		80.47	0.00	80.47	0.00
16/01/2015	G15093	5155-Equipment/Filters		188.64	0.00	188.64	0.00
20/01/2015	G15444	5153-Parazone Bleach/Oil		68.83	0.00	68.83	0.00
					0.00	337.94	
				Above paid on : 13/02/2015		BACS No ERNE	
Supplier : East Sussex County Council			ESCC				
10/02/2015	8002010766	5144-Install of Nuane PDF B.K		96.00	0.00	96.00	0.00
					0.00	96.00	
				Above paid on : 13/02/2015		BACS No ESCC	
Supplier : Fullers Fencing & Groundworks			FULLERS				
28/01/2015	100762	5150-Digger Hire x 2 days		280.00	0.00	280.00	0.00

At : 15:33

Reprint of Purchase Ledger Payments Entered

		Ledger No : 1	Month No : 11	Linked to Cash Book : 1			
Invoice Date	Invoice No	Supplier Name and Invoice Details	Authorised	Amount Due	Disc Taken	Amount Paid	Invoice Balance
		East Sussex County Council	ESCC				
13/02/2015	8002010818	5169-Addition.pay of Nuane PDF		10.80	0.00	10.80	0.00
				0.00		10.80	
				Above paid on : 20/02/2015		By BACS	ESCC
		Nash & Partners Ltd	NASH01				
12/02/2015	P9833	5165-Monitor H&S - Golf club		1,830.00	0.00	1,830.00	0.00
				0.00		1,830.00	
				Above paid on : 20/02/2015		By BACS	NASH01
		Newsquest (Sussex) Ltd	NEWS				
27/12/2014	9865038	5161-Adverts for Golf		655.20	0.00	655.20	0.00
12/02/2015	CR203386	5162-Credit for Advert for Gol		-55.20	0.00	-55.20	0.00
				0.00		600.00	
				Above paid on : 20/02/2015		By BACS	NEWS
		Harry Stebbing	STEBBING				
13/02/2015	2129	5160-Honours Board for Freeman		689.66	0.00	689.66	0.00
				0.00		689.66	
				Above paid on : 20/02/2015		By BACS	STEBBING
		Robert Ward	WARD				
31/01/2015	676	5166-cleaning club & portacabi		1,425.05	0.00	1,425.05	0.00
				0.00		1,425.05	
				Above paid on : 20/02/2015		By BACS	WARD
		Wave Leisure Trust	WAVE				
22/01/2015	520	5127-Swim Pool Repairs		1,425.66	0.00	1,425.66	0.00
22/01/2015	CR520	5168-Credit Emergency Repairs		-1,425.66	0.00	-1,425.66	0.00
10/02/2015	530	5167-Emergency Repairs-SH Pool		200.00	0.00	200.00	0.00
				0.00		200.00	
				Above paid on : 20/02/2015		By BACS	WAVE
				PAYMENT TOTALS	0.00	4,755.51	

At : 15:35

Reprint of Purchase Ledger Payments Entered

		Ledger No : 1	Month No : 11	Linked to Cash Book : 1			
Invoice Date	Invoice No	Supplier Name and Invoice Details	Authorised	Amount Due	Disc Taken	Amount Paid	Invoice Balance
		Golf Swing Systems Ltd	GOLF01				
08/12/2014	1988	5017-Install golf lesson area		2,503.20	0.00	2,503.20	0.00
					0.00	2,503.20	
				Above paid on : 20/02/2015	By BACS		GOLF01
				PAYMENT TOTALS	0.00	2,503.20	



Seaford Town Council

Report 231/14

Agenda Item No:	4 (b)
Committee:	Finance & General Purposes
Date:	16 April 2015
Title:	Finance Report
By:	Lucy Clark, Support Services Manager
Purpose of Report:	Inform Members of Income and Expenditure for the period 1 April 2014 to 28 February 2015 compared to projected annual budget.

Recommendations

You are recommended:

- 1. To approve the report.**
-

1. Information

- 1.1** Attached at Appendix A are the statements detailing income and expenditure for the period 1 April 2014 to 28 February 2015 compared to the projected annual budget.
- 1.2** Overall the budget % for the period is broadly in line with the projected annual budget. When the figures for the expenditure (£1,016,215 code 4277) and income from the loan for the new clubhouse (£810,000 code 1304) are removed from the figures as these were not included in the budget the figures are in line with budget. The expenditure shows an overspend of £14,758 and the income shows a surplus of £21,813. But this is before the use of ear marked reserves has been completed.
- 1.3** Variances not previously reported may be explained as:
 - a) 4010 / Staff Training** – this shows a 12% overspend which relates to new staff training.
 - b) 4051 / Rates** – the overspend relates to the Golf Club House and Hurdis House which were not budgeted for.
 - c) 4052 / Water & Sewerage** – although there further costs are expected prior to the year end, there will be a significant underspend largely in relation to the Golf Course.

- d) 4056 / Gas – as above, although there further costs are expected prior to the year end, there will be a significant underspend largely in relation to the Golf Course.
- e) 4059 / Church Street Service Charge – It is anticipated that these costs will have to be met and that this amount will be transferred to an EMR at the end of the financial year for this purpose.
- f) 4110 / Advertising & Publicity – the overspend largely relates to printing costs for the publishing of the quarterly newsletter which is now distributed to various locations around the town.
- g) 4114 / Licence Fee – there is an overspend showing on this account due to the required alcohol license fee that was required for the new Club House along with Sky TV licence.
- h) 4184 / Civic Other – the overspend relates to the purchase of the Honours Board for Freedom of the Town.
- i) 4201 – Cleaning – the overspend largely relates to the Golf Club House
- j) 4260 - Grounds Maintenance Contract – the final costs, once all received, will reflect and approximate underspend of £10K. This is due to the budget figure being based on the previous LDC contract which was considerably higher than the actual 2014/15 contract figure.
- k) 4262 – Tree Warden Expenses – the slight over expenditure will be offset by the income code.
- l) 4272 – Equipment Purchase – the overspend relates to the purchase of a new greens mower; £8,673 of which came from an EMR and £1,537 of which is being left in the Vehicles & Equipment Maintenance account.
- m) 4274 / Projects Expenditure – the projects originally budgeted for have been put on hold due to priority of the Salts Development Plan. If the Councils end of year performance is positive it is planned to request an addition to the Earmarked reserves budget for projects to enable the projects to progress.
- n) 4275 – Building Maintenance – this account shows a significant overspend which relates to: two insurance payments which are offset by the income code; works on South Hill Barn roof which has been resolved that up to £8,500 is to come out of the general reserves.
- o) 4277 – New Golf Club House – this amount is met by the loan received from PWLB.
- p) 4303 – Food Expenditure – this relates to the food costs at the new club house. It is expected that this will be offset by the income code
- q) 4304 – Bar Expenditure – this relates to the bar costs at the new club house. It is expected that this will be offset by the income code
- r) 4305 – Fire Extinguishers – this cost relates to the new club house.
- s) 4402 – Seaford In Bloom – these costs will be met by the EMR.

- t) 1011 – Income Filming – this income relates to a shoot on the golf course earlier in the year.
- u) 1050 – Income Rent – the AYT D figure reflects a historical accrual for £25K, but in reality, the amount received in 2014/15 is £26,627.
- v) 1060 & 1061 – Beach Hut Rent & Licences – the additional income is temporary as it reflects invoices raised for the rent and licences relating to 2015/16. Reversing journals will be made at the end of the financial year which will correct the figures for both years.

2. Financial Appraisal

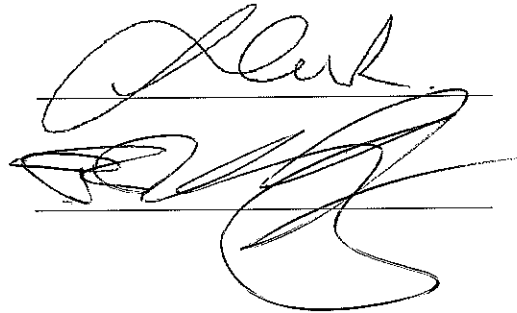
The financial implications of this report are detailed in Section 1 of the report.

3. Contact Officer

The Contact Officer for this report is Lucy Clark, Support Services Manager.

Support Services Manager

Town Clerk

Two handwritten signatures are present, each written over a horizontal line. The top signature is in cursive and appears to read 'Lucy Clark'. The bottom signature is also in cursive and is more stylized.

Date :- 23/03/2015

Seaford Town Council 2014/2015

Page No: 1

Time :- 14:32

Detailed Income & Expenditure by Account 28/02/2015

Month No : 11

Account Code Report

	Actual Year to Date	Current Annual Bud	Budget Variance	Committed Expenditure	Funds Available	% of Budget
Expenditure Detail						
Total	0	0	0	0		0.0 %
Expenditure Detail						
4000 Salaries & Wages	222,847	237,426	14,579		14,579	93.9 %
4001 Employers NI	16,246	19,659	3,413		3,413	82.6 %
4002 Employers Superannuation	30,150	36,803	6,653		6,653	81.9 %
4009 Recruitment Costs	4,453	2,000	-2,453		-2,453	222.6 %
4010 Staff Training	7,843	7,000	-843		-843	112.0 %
4011 Staff Protective Clothing	883	1,000	117		117	88.3 %
4012 Staff Expenses	342	500	158		158	68.3 %
4013 Members Expenses	108	150	42		42	71.9 %
4014 Member Training	408	1,500	1,092		1,092	27.2 %
4015 Office Refreshments	266	0	-266		-266	0.0 %
4041 Golf Professional Retainer	37,037	41,006	3,969		3,969	90.3 %
4045 Golf Course Player Costs	-250	2,350	2,600		2,600	-10.6 %
4046 Golf Club Membership Fees	20,013	0	-20,013		-20,013	0.0 %
4050 Rent payable	15,000	17,500	2,500		2,500	85.7 %
4051 Rates	22,924	20,730	-2,194		-2,194	110.6 %
4052 Water & Sewerage	7,954	16,459	8,505		8,505	48.3 %
4055 Electricity	13,422	14,421	999		999	93.1 %
4056 Gas	2,638	5,744	3,106		3,106	45.9 %
4059 Church Street Service Charges	0	8,500	8,500		8,500	0.0 %
4060 Refuse	282	320	38		38	88.0 %
4100 Telecommunications	3,823	5,250	1,427		1,427	72.8 %
4105 Postage	1,494	2,705	1,211		1,211	55.2 %
4106 Stationery	1,930	2,750	820		820	70.2 %
4107 Photocopier	2,398	2,300	-98		-98	104.3 %
4110 Advertising & Publicity	5,311	4,500	-811		-811	118.0 %
4111 Office Equipment New	2,440	1,500	-940		-940	162.7 %
4112 Subscriptions	4,224	4,442	218		218	95.1 %
4113 Software Support	1,935	3,830	1,895		1,895	50.5 %
4114 Licence Fee	597	110	-487		-487	542.7 %
4115 Insurance	24,273	28,363	4,090		4,090	85.6 %
4116 Web Site	197	1,800	1,603		1,603	11.0 %
4117 Seaford Town Guide App	1,794	0	-1,794		-1,794	0.0 %
4155 Professional Fees	92,855	12,000	-80,855		-80,855	773.8 %
4156 Bank Charges	1,538	2,257	719		719	68.1 %
4157 Audit Fees	998	3,900	2,902		2,902	25.6 %
4181 Civic - Mayors Allowance	1,065	1,500	435		435	71.0 %
4182 Catering & Hospitality	50	850	800		800	5.9 %

Detailed Income & Expenditure by Account 28/02/2015

Account Code Report

	Actual Year to Date	Current Annual Bud	Budget Variance	Committed Expenditure	Funds Available	% of Budget
4183 Civic - Awards	605	2,000	1,395		1,395	30.3 %
4184 Civic - other	813	450	-363		-363	180.7 %
4185 Fun Day & Tourney	880	450	-430		-430	195.6 %
4188 Town Crier Expenses	125	125	0		0	100.0 %
4189 Young Mayor	2	500	498		498	0.5 %
4190 Election Costs	10,051	9,000	-1,051		-1,051	111.7 %
4195 Community Services Events Exp	1,431	200	-1,231		-1,231	715.5 %
4199 Other Expenditure	945	1,917	972		972	49.3 %
4201 Cleaning	6,105	5,276	-829		-829	115.7 %
4251 Dog Bin Emptying	7,459	7,597	138		138	98.2 %
4253 Shelters	1,140	1,848	708		708	61.7 %
4260 Grounds Maintenance Contract	123,439	172,612	49,173		49,173	71.5 %
4261 Grounds Maint non contract	61,112	45,839	-15,273		-15,273	133.3 %
4262 Tree Warden Expenses	2,372	2,310	-62		-62	102.7 %
4263 Bus Shelter Maintenance/Clean	198	750	552		552	26.4 %
4270 Vehicles & Equipment Maint	13,506	15,506	2,000		2,000	87.1 %
4271 Vehicle & Equipment Lease	20,996	20,996	0		0	100.0 %
4272 Equipment Purchase	30,210	20,000	-10,210		-10,210	151.0 %
4273 Christmas Lights	8,801	13,000	4,199		4,199	67.7 %
4274 Projects Expenditure	388	35,000	34,612		34,612	1.1 %
4275 Building Maintenance	19,813	6,500	-13,313		-13,313	304.8 %
4276 CCTV	8,466	9,285	819		819	91.2 %
4277 New Golf Club House	1,016,215	0	-1,016,215		-1,016,215	0.0 %
4278 Golf Club Fittings & Equipment	43,980	0	-43,980		-43,980	0.0 %
4281 Christmas Event Expenses	3,558	0	-3,558		-3,558	0.0 %
4290 Pysical Activity Proj Expenses	4,044	8,000	3,956		3,956	50.6 %
4301 Public Works Loan Payment	55,222	108,889	53,667		53,667	50.7 %
4303 Food Expenditure	1,096	0	-1,096		-1,096	0.0 %
4304 Bar Expenditure	6,583	0	-6,583		-6,583	0.0 %
4305 Fire Extinguishers	2,241	0	-2,241		-2,241	0.0 %
4306 Catering Utensils & Equip	7	0	-7		-7	0.0 %
4307 Bar Utensils & Equip	49	0	-49		-49	0.0 %
4401 Grants	23,389	29,750	6,361		6,361	78.6 %
4402 Seaford in Bloom	7,802	0	-7,802		-7,802	0.0 %
4405 Grants in Kind	2,076	2,200	124		124	94.4 %
4410 Swimming Pool	167	10,000	9,833		9,833	1.7 %
4411 VAT Assessment Payement	31,381	0	-31,381		-31,381	0.0 %
4500 Nature Reserve Expenses	9,303	10,500	1,197		1,197	88.6 %
Total OverHead	2,075,461	1,051,625	-1,023,836	0	-1,023,836	197.4 %

Income Detail

Time :- 14:32

Detailed Income & Expenditure by Account 28/02/2015

Month No : 11

Account Code Report

	Actual Year to Date	Current Annual Bud	Budget Variance	Committed Expenditure	Funds Available	% of Budget
1000 Golf Course Season Ticket	159,029	194,615	-35,586			81.7 %
1001 Golf Course Green Fees M-F	44,141	53,352	-9,211			82.7 %
1002 Golf Course Green Fees w/eb/h	33,456	44,883	-11,427			74.5 %
1003 Golf Course Specials	28,112	40,500	-12,388			69.4 %
1004 Golf Course Locker	0	3,500	-3,500			0.0 %
1005 Golf Course Credit Card Charge	132	160	-28			82.5 %
1007 Golf Course Air Traffic	5,000	5,130	-130			97.5 %
1011 Income Filming	458	0	458			0.0 %
1049 Income Postage Recharge	7	0	7			0.0 %
1050 Income Rent	51,627	27,204	24,423			189.8 %
1051 Income Insurance Recharge	2,157	2,880	-723			74.9 %
1053 Income Grants	13,658	6,534	7,124			209.0 %
1054 Income Other	8,853	8,992	-139			98.5 %
1056 Income Fun Day & Tourney	430	0	430			0.0 %
1057 Income Electricity Recharge	5,929	2,345	3,584			252.8 %
1058 Income Water Recharge	1,797	2,041	-244			88.0 %
1059 Income Photocopying	27	25	2			107.0 %
1060 Beach Huts Site Licence	30,231	14,880	15,351			203.2 %
1061 Beach Hut Annual Rent	21,465	11,430	10,035			187.8 %
1062 Income Telephone Recharge	751	858	-107			87.6 %
1063 Income Gas Recharged	711	0	711			0.0 %
1065 Income Xmas Lights	620	500	120			124.0 %
1066 Income Concession	61,425	59,425	2,000			103.4 %
1070 Income Community Serv Events	2,095	0	2,095			0.0 %
1071 Income Base Rent	1,746	300	1,446			582.0 %
1072 Income Tree Wardens	1,075	0	1,075			0.0 %
1074 Income Vehicle & Equip Maint	650	0	650			0.0 %
1075 Income Christmas Event	4,152	400	3,752			1037.9 %
1076 Income Insurance Claim	135	0	135			0.0 %
1090 Income Physical Activity Proj	1,509	0	1,509			0.0 %
1091 Income Building Maintenance	5,472	0	5,472			0.0 %
1092 Income Grnds Maint Non Contrat	8,670	0	8,670			0.0 %
1100 Income Advertising	0	2,000	-2,000			0.0 %
1105 Seahaven Loan Repayment	355	532	-177			66.7 %
1176 Precept	516,194	557,502	-41,308			92.6 %
1177 Council Tax Support Grant	41,308	0	41,308			0.0 %
1190 Interest Received	1,156	2,500	-1,344			46.2 %
1200 Income Nature Reserve	5,362	2,000	3,362			268.1 %
1304 PWLB - New Club House	810,000	0	810,000			0.0 %
1306 Income Golf Club Room Hires	425	0	425			0.0 %
1307 Income Bar Sales	4,203	0	4,203			0.0 %

	Actual Year to Date	Current Annual Bud	Budget Variance	Committed Expenditure	Funds Available	% of Budget
1308 Income Food Sales	1,778	0	1,778			0.0 %
Total Income	1,876,301	1,044,488	831,813			179.6 %
Total Expenditure	2,075,461	1,051,625	-1,023,836	0	-1,023,836	197.4 %
Total Income	1,876,301	1,044,488	831,813			179.6 %
<u>Net Expenditure over Income</u>	<u>199,160</u>	<u>7,137</u>	<u>-192,023</u>			



Agenda Item No: 5
Committee: Finance & General Purposes
Date: 16 April 2015
Title: Internal Audit Report Year Ended 31st March 2015
By: James Corrigan, Town Clerk
Purpose of Report: To receive a report from Mulberry & Co, Internal Auditor.

Recommendations

You are recommended:

1. To note the Internal Auditor's report.

1. Information

- 1.1 Mulberry & Co were appointed as the replacement Internal Auditor for 2014-15. Their first visit to the Council took place on 19 February 2015.
- 1.2 Mulberry & Co's letter and report is attached as Appendix A.
- 1.3 In summary, it was concluded that the financial systems and procedures are effective and fit for purpose; however it was strongly advised that the Financial Regulations are looked into immediately.
- 1.4 The Committee will note that new Financial Regulations were presented to the Town Council on the 9th April 2015 for adoption. In line with the recommendations of the Internal Auditor these Regulations better reflected actual practice of the Council and its procedures.
- 1.5 We will be looking at the procedures in more detail also to ensure there is a clear segregation of duties.
- 1.6 The issue of Committee Minutes not being adopted by the full Council is again raised as an issue, however the committee will be aware that this system was rectified recently.
- 1.7 The loan by the Council to the Golf Pro is highlighted as not being administered correctly and the legal authority is questioned. This is a situation the Council will have to resolve in due course but it was never anticipated that the loan would be repaid quickly.
- 1.8 The issue of how the Council spends its budgets and allows some to overspend has been addressed within the new Financial Regulations.

- 1.9 The issue with regard to the petty cash and cash receipts is one of undertaking correct practice and has been rectified.
- 1.10 The risk highlighted of an associate being deemed an employee is to be addressed in the near future when a full HR review is undertaken.
- 1.11 The lack of a coherent system detailing all the assets of the Council is one that has previously been highlighted and one that is currently being addressed by way of purchasing new software to log and depict on a plan all the Council assets.
- 1.12 Officers will continue to address the issues raised within the report with a view to addressing them all in the near future.
- 1.13 The Internal Auditor is due to visit the offices again imminently to review previously internal audits as requested by this committee.

2. Financial Appraisal

There are no financial implications as a result of this report.

3. Contact Officer

The Contact Officer for this report is James Corrigan, Town Clerk

Town Clerk

A handwritten signature in black ink, appearing to read 'James Corrigan', is written over a horizontal line. The signature is stylized and somewhat cursive.


MULBERRY & CO

Chartered Certified Accountants
Registered Auditors
& Chartered Tax Advisors

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East Molesey
Surrey, KT8 9DZ

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m + 44 (0)7710 410 552 w www.mulberryandco.co.uk

Our Ref: MARK/SEA002

Mr J Corrigan
Seaford Town Council
37 Church Street
Seaford
East Sussex
BN25 1HG

24th February 2015

Dear Mr Corrigan

Re: Seaford Town Council
Interim Internal Audit 2014/15

I am writing to commence matters in respect of the internal audit for the year ended 31st March 2015. I would like to extend my thanks to your team for their kind assistance. My audit was conducted in accordance with current practices and guidelines and testing was conducted in line with the inherent risks assessment. Whilst I have not tested all transactions, my sample has where appropriate has covered the entire year to date. Amongst others the following areas were covered in my testing:-

- Review of the Financial Regulations & Standing orders
- Review of the Risk Assessments
- Review of the Budgeting process
- Proper Bookkeeping – review of the use of the RBS system.

I have provided a copy of the interim audit working papers together with this letter for your records which contains amongst others the independence and competence questionnaire, audit plan and audit budget. It will be necessary for you to discuss with your council how the audit was conducted and the findings of my report so that the effectiveness can be reported on. The comments below are in the order of the headings in Section 4 of the Annual Return. Recommendations are shown in bold.

Summary and Conclusions

On the whole the financial systems and procedures described and in part demonstrated to me on site were effective and fit for purpose. Sample testing identified no errors or misstatements.

However, what was described and demonstrated to me on site was in many respects not detailed within the council's own financial regulations and as such my overriding concern is that the council's written and described particulars for the safeguarding of public funds is not fit for purpose and sadly very much out of date. It was therefore obviously clear; council was and is prepared to take actions that may not be specifically allowed by their own regulations; which from a risk perspective raises the level risk of invalid or improper transactions being undertaken.

I am therefore recommending that council take some immediate action as described in the detailed report below and the attached workings.

Detailed Report

Pre Audit Planning

Discussion with Council showed that there is segregation of duties within the finance function and a hierarchical structure both of which lend themselves to good internal controls. I did see some evidence of this, but my concern was that documentary proof was light. In addition to this, I noted that there is no quarterly/six monthly review of the financial records carried out by members as part of their own review of the effectiveness of the internal control function.

I would recommend council make use of its hierarchical structure and inherent segregation of duties.

A. Books of Account

The brought forward balances were tested against last year's annual return and there were no errors. Accounting entries are entered regularly onto the RBS accounting system, and accounts are reconciled regularly, with hard copies printed off for the file. The RBS system is tried and tested and entirely fit for purpose for a council of this size and I make no recommendation for change at this stage.

I noted during my review on the trial balance an amount of £25,000 described as a loan to Mr Fraser Morely. A review of the minutes of the time showed that the Golf subcommittee approved the loan – however it was further revealed that the minutes of this subcommittee and others were never taken to full council. Therefore I have concluded council may not have properly approved this payment. In addition to this, my concerns over this loan are as follows and **I would recommend council consider appropriate actions to rectify these and properly document answers to these queries.**

1. Very loose repayment terms
 - a. when exactly is repayment to start ?
 - b. at what amounts per month/quarter/year ?
 - c. what happens on default ?
2. No evidence that due process was followed in respect of making this grant/loan – the report dated 03/09/2013 at para 1.3 would appear to indicate that money in the business was "tight before the period of uncertainty" – if this is the case, I would surmise that council has funded an unprofitable business for the benefit of the business owner and not the wider community as a whole?

On what grounds did council consider this a good use of public funds?

3. Little or no evidence to suggest council had power to make this loan in the first instance. Under what power was the grant/loan made?

B. Financial Regulations

The Financial Regulations and Standing Orders were on site and to hand, the standing orders are based on the NALC model and are current. The financial regulations are bespoke and very much out of date. It is my opinion the financial regulations are not fit for purpose for this council, there are a number of key regulations missing and many of the regulations as written are not being routinely followed. **I recommend an immediate review and rewrite of financial regulations or adoption of the new NALC model.**

1. No regulation for preparation of bank reconciliations
2. No regulation for use and control of debit cards
3. No regulation for payment via Bacs
4. No regulation for safeguarding "pin" numbers on debit cards
5. Cash income being banked directly into petty cash – contravenes current Financial Regulations
6. No regulation for receipt and monitoring of golf club income

In practice repayment procedures, including invoice authorisation, purchase order matching where applicable and cheque signing are satisfactory; this is a robust system that allows for the monitoring of expenditure through all stages and for advanced cashflow planning and I make no significant recommendation to change to this system, however council needs to be aware that it is currently acting outside its own regulations when making Bacs payments.

On a final note here, whilst the payments and receipts schedules are referred to in the body of the minute they are not explicit enough to prove beyond reasonable doubt that the schedule in the file was that taken to council. **I would recommend the body of the minute detail text stating "payments totalling "#" and receipts totalling "#" per the attached schedule "#" were reviewed and approved".**

C. Risk Management & Insurance

A Regular review of risks is carried out and I am satisfied that council reviews its risk arrangements and documents in a clear and logical manner that allows for mitigation in terms of insurance or action, and that council considers the risks the council faces in terms of achieving its objectives. I was pleased to see the council has a good system of risk assessment and documentation

D. Budget & Precept

Discussion with council at the planning stage and a review of financial regulations revealed that budgets heads are allowed to overspend so that true expenditure profile is known with prior approval of RFO; however, evidence was light to show this. If a budget is to be overspent, minutes need to record that this was reviewed and approved by the RFO and the reasons noted for the overspend and the appropriateness of the overspend. Budgets are a form of control and if they are routinely overspent this will indicate not only poor procedures in terms of preparation, but also poor controls over spending.

I recommend council review its documentation and review of budget overspends to provide a clear audit trail to show that regulations were followed.

E. Income & VAT

I only had a brief chance to review this at my visit and I will arrange to return to test this in detail. I feel there is weakness when an invoice or receipted invoice is issued as this did not appear to be consistent. By way of example golf members are issued an invoice if they pay by standing order, those who pay in full are not. From a VAT perspective this makes for an inconsistent approach which is a risk factor.

I would recommend that the council wherever possible use the sales ledger and raise invoices for all income as this will provide a better more robust audit trail.

F. Petty Cash

Regulations state cash is not to be paid into petty cash, rather banked – this is not happening in practice. **I recommend all cash is properly banked entire on a regular basis.**

G. Payroll

I noted that Mr Morely is on a monthly retainer and not listed as an employee – **council needs to assure itself that Mr Morley can be classed as self-employed and is therefore not exposing itself to a national insurance risk.**

Council needs to ensure references are taken up and retained for all new employees.

H. Assets and Investments

The fixed asset register was to hand, but this was just a simple list that showed assets at insurance valuation and did not agree to the 2014 annual return. I remind council that whilst the register may show an insurance valuation the annual return can only show assets at historic cost or proxy cost and the only time this value changes year on year is on disposal of an asset or additions to fixed assets.

The asset register seen did not contain sufficient information in my opinion to describe the following particulars

1. Description and location of asset
2. Current condition
3. Historic cost
4. Replacement cost
5. Insurance valuation
6. Person responsible for the asset
7. Last date physically checked (and by whom)

Council needs to consider its fixed asset policy and update its fixed asset register

I. Bank Reconciliations

Reconciliations for the bank accounts are carried out regularly. I reviewed the reconciliation drawn at random – there were no errors. However I noted that this is not signed off by the preparer or anyone who may have reviewed it.

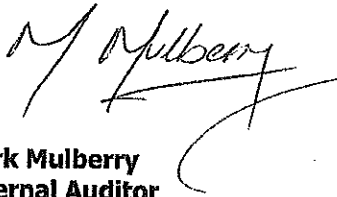
I recommend that the bank reconciliation when presented to council at the relevant meeting is physically signed together with a copy of the bank statement which should be attached to the reconciliation.

J. Year End Accounts

To be tested at the year end.

K. Trusteeship

N/A



**Mark Mulberry
Internal Auditor
24/02/2015**

Seaford Town Council
Internal Audit
Year Ended 31st March 2015

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The material contained in this audit plan is subject to annual change and must not be carried over from one year to the next.

Contents

Sch.	Description	Completed by	Date completed	Conclusion
1	Planning	MLM	19/02	Satisfactory
2.0	Nominal Ledger Audit	MLM	19/02	Points forward
3.0	Standing Orders & Financial regulations	MLM	19/02	Points forward
4.0	Risk Assessment	MLM	19/02	Satisfactory
5.0	Budgeting	MLM	19/02	Points forward
6.0	Payments testing			
7.0	Income Testing			
8.0	Petty Cash			
9.0	Wages & Salaries	MLM	19/02	Points forward
10.0	Fixed Assets	MLM	19/02	Points forward
11.0	Fixed Asset Investments			N/A
12.0	Bank	MLM	19/02	Points forward
13.0	VAT			
14.0	Year End Process			
15.0	Internal Audit Review			
16.0	Trustee responsibilities			N/A

Planning Memorandum

Points Forward

Planning & Nominal Ledger

The IA noted on the trial balance an amount of £25,000 as a loan to Mr Fraser Morely. A review of the minutes of the time showed that the Golf subcommittee approved the loan – however it was further revealed that the minutes of this subcommittee and others were never taken to full council. This has highlighted a number of issues

1. Very loose repayment terms
2. No evidence that due process was followed in respect of making this grant – the report dated 03/09/2013 at para 1.3 would appear to indicate that money was tight before the period of uncertainty – if this is the case is the council actually funding an unprofitable business ?
3. No evidence to suggest council has power to make this loan
 - a. If S.137 or power of wellbeing or general competence – then no evidence to show how this will benefit the wider community as a whole

Standing Orders & Financial Regulations

As noted below – it is my opinion the financial regulations are not fit for purpose for this council, there are a number of key regulations missing and many of the regulations as written are not being routinely followed. I recommend an immediate review and rewrite of financial regulations.

1. No regulation for preparation of bank reconciliations
2. No regulation for use and control of debit cards
3. No regulation for payment via Bacs
4. No regulation for safeguarding “pin” numbers on debit cards
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Budgeting

Discussion with council at the planning stage and a review of financial regulations revealed that budgets heads are allowed to overspend so that true expenditure profile is known with prior approval of RFO. However, evidence was light to show this.

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Wages & Salaries

The IA noted that Mr Morely is on a monthly retainer and not listed as an employee – council needs to assure itself that Mr Morley can be classed as self-employed and is therefore not exposing itself to a national insurance risk.

Council needs to ensure references are taken up and retained for all new employees

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The fixed asset register was to hand, but this was just a simple list that showed assets at insurance valuation and did not agree to the 2014 annual return. I remind council that whilst the register may show an insurance valuation the annual return can only show assets at historic cost or proxy cost and the only time this value changes year on year is on disposal of an asset or additions to fixed assets.

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2. Current condition
3. Historic cost
4. Replacement cost
5. Insurance valuation
6. Person responsible for the asset
7. Last date physically checked (and by whom)

Bank Reconciliations

I noted that this is not signed off by the preparer or anyone who may have reviewed it.

Prepared by: MLM Ref: 1.0
 Reviewed by: Date: 19/02
 Date:

Planning Memorandum Overall Plan

	Work Task	Schedule Ref	Notes/Results
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Terms of Engagement			
1	Review terms of engagement letter and confirm appropriate to this year		New engagement letter issued Engagement letter is kept on the correspondence file.
2	Confirm that the professional independence and competence questionnaire has been completed and agreed with the client	1.2	Yes – confirmed and attached
3	Complete Budget	1.3	Completed & Agreed with Client
4	Complete Timetable	1.4	Completed & Agreed with Client

Planning Notes – Understanding the Town & Parish Council			
	Number of electors and size of precept		19,758 (2013/14: 19,758) Precept £516k Grant £41k total £557k (2013/14: Precept £474K Grant £50k = Total £524k) Increase of circa £30k = <10%
	Key personnel		James Corrigan Clerk & RFO Lucy Clark – Support Services manager Ben King – Facilities Manager Oli Stanyard – Business Manager Liz Harvey – Finance Assistant There are circa 17 employees In house payroll by Lucy – Iris PAYE Master
	Type of financial accounting in place i.e. Manual books, computerised system		RBS system – Omega James, Lucy and Liz have access
	Any significant changes since prior year (staff or procedures)		Yes – numerous staff changes
	Any there any matters arising from last year's audit and/or management letter		Internal auditor raised concerns see report – however in my opinion these are not significant and not an indicator of incorrect accounts. External auditor provided unqualified report but made mention of adding club house as a fixed asset and restating the comparative figures on the annual return when completing the 2014/15 AR

	Matters arising from discussions with council, including whether there is any evidence of fraud or material misstatement.		Council would like a detailed review and consideration of prior IA reports
2	Make notes on the systems in place and discuss with the RFO	1.5	Completed and agreed with RFO

Prepared by: MLM Ref: 1.1
 Reviewed by: Date: 19/02
 Date:

**Planning Memorandum
 Overall Plan - continued**

	Work Task	Schedule Ref	Notes/Results
--	------------------	---------------------	----------------------

Specific Plan			
3	Identify and assess the risks of material misstatement, and or error inherent in the system	1.6	Low risk
4	Document the overall audit approach to each component/audit area by completing the specific audit plan	1.7	Yes – normal testing

Audit plan approved on 19/02/15 by Mark Mulberry

Prepared by: MLM
Reviewed by:

Ref: 1.2
Date: 19/02
Date:

Professional Independence and Competence Questionnaire

	YES	NO
1. INDEPENDENCE Do you have any specific reliance on the fee to be earned from this assignment	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2. Overdue fees Does the client/group of clients owe the firm any money which exceeds our normal credit terms?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3. Litigation Is there any actual or anticipated litigation between us and the client in relation to fees, audit work or other work?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4. Associated firms Are you or your staff associated with any other practice or organisation which has had any dealings with the client council?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5. Family or other personal relationships Do you or any of your staff have personal or family connections with the council or its officers?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6. Mutual business interest Do you or any of your staff have any mutual business interests with the client or with an officer or employee of the client?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7. Financial involvement Do you or your staff, or anyone closely related to you or any of your staff, have any financial involvement in the client in respect of the following:		
(a) Any beneficial interest in shares or other investments?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(b) Any loans or guarantees?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
8. Goods and services: hospitality Have you or any of your staff accepted materials, goods or services on favourable terms or received undue hospitality from the council?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
9. Ex-partners or senior staff		
(a) Has any senior officer of the council been a partner or senior employee of the practice?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(b) Is the partner or any senior employee on the audit team in negotiations to join the client?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Prepared by: MLM
 Reviewed by:
 Ref: 1.2
 Date: 19/02
 Date:

Professional Independence and Competence Questionnaire - continued

	YES	NO
10. Long association Have you been acting for more than 10 years? If yes, then consider rotation/engagement quality review. 1st Year of auditing	<input type="checkbox"/>	<input checked="" type="checkbox"/>
11. Provision of other services Do we provide any of the following services to the client:-		
(a) Accounting services, book-keeping or payroll services	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(c) Staff secondments	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(d) IT services where we are involved in the design, provision or implementation of systems	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(e) Specialist valuations which are included in the accounts	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(f) Tax compliance work or tax planning	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(g) Corporate finance activities	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(h) Any advocacy services e.g. Tax commissioner hearings	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(i) Any services relating to the management of the council	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(j) Any other services that may cause a threat to the firm's objectivity or independence	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Safeguards

Where any of the above have been answered 'yes', then specify below what safeguards are proposed to maintain integrity and independence:-

12 Competence

Consider the following matters prior to deciding to accept appointment/re-appointment as auditors:

(a) Are there any particular challenges and risks associated with this client?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(b) Do we have sufficient expertise available to undertake this audit engagement?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(c) Are there sufficient resources available to undertake this audit engagement?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

CONCLUSION

Having regard to the safeguards identified, I am satisfied that we are independent and competent to perform this audit.

Signed: Mark Mulberry Date: 19/02/2015

Prepared by: MLM
 Reviewed by:
 Ref: 1.3
 Date: 19/02
 Date:

Budget and Staff Allocation

Work type	Partner	Manager	Senior	Assistant	Total
Name	MLM				
Planning/Systems	15				15
File Review	1				1
Completion, incl. client meeting					
Fieldwork					
On site work	7.5				7.5
Travel					
TOTAL BUDGET HOURS	23.5				23.5
Hourly rate	£50				£50
	£1,175.00				£1,175.00
Other costs:					
Travel, lunch, etc	£200				£200
TOTAL BUDGET COST £	£1,375.00				£1,375.00
BUDGET FEE £	£ 1,375.00				£1,375.00

Prepared by: MLM **Ref: 1.4**
Reviewed by: **Date: 19/02**
 Date:

Timetable

Spring	Planning and Interim Audit work
May 2015	Final Audit work
June 2015	Issue Audit Report & Letter

Prepared by: MLM Ref: 1.5
Reviewed by: Date: 19/02
Date:

Systems Notes

Seaford Town Council is located in the heart of the town in its own self-contained offices, which comprise a suite of rooms, kitchen and toilet facilities and a meeting room. These are rented from the police station below.

The offices are open daily from 9.00 am to 5pm Monday to Thursday – 4.30 on a Friday.

The Accounting system in place is described as follows:-

Expenditure:

General Overhead

Purchase orders will be raised for the majority all new expenditure items except utilities. PO book has to be requested from a manager and the populated PO signed and approved by a manager. The manager is responsible for ensuring at this stage that sufficient funds are available within a budget head to make payment. Budgets are allowed to overspend so that true expenditure profile is known. PO is filed in the live folder in readiness for matching to invoice. POS are emailed to the supplier.

Quotes are obtained depending on the expense type and amount, for those amounts over £5,000 three quotes are obtained. However, if deemed appropriate or significant a quote will be obtained even if below the £5k limit. Public tender is £25k. The Clerk has a pre-authorised limit of £5000.00 for emergencies

Invoices are passed to the finance assistant, and a blue authorisation slip is attached, together with PO. The fields are then populated as appropriate (NL, Date etc). POS are raised retrospectively if necessary and signed off properly.

Invoices etc passed to finance officer who verifies details and populates appropriate filed on blue slip. Finance officer does not complete initial details. This demonstrates hierarchical review. Goods and services are checked in where possible documentary evidence is taken to prove receipt or completion – this will be attached to PO where applicable.

Once checked and signed off – passed back to finance assistant for posting onto RBS – [processing completed weekly] and proposed invoices for payment list printed from system, this is passed to clerk along with bundle of invoices for verification and approval of payment. Councillors invited to attend to sign blue slip as authorised for payment.

Authorised bundle of invoices returned to finance assistant for finalisation on RBS. This triggers payment. Invoices file in RBS audit trail number order.

Proposed payments list showing authorisation and RBS bank list showing physical payments filed together in payments folder.

Cashbook Payments

Mayoral grants, grants, petty cash, pension, paye – these wont necessarily have a purchase order or invoice – a pink slip will be populated in the same manner as the blue slip above. The pink slip is authorised by councillors and clerk before any entry is made to RBS. As entries on RBS will trigger payment.

Debit Card

Oli [Business Manager at Golf Club], James [Clerk] and Ben [Facilities Manager]. Each card has a limit of £1,000 per day.

User completes a PO prior to use and a white authorisation slip attached and populated as appropriate. This sent to accounts department and filed in a folder awaiting matching with bank entry when bank is reconciled [weekly] Authorisation is made after payment as above with cashbook payments. Entry posted to RBS when completing the bank rec.

Direct Debits

Used for utilities

Petty Cash:

There is a £500 float on petty cash which is kept in a locked draw with spreadsheet to monitor use. Small office incidentals – cash receipts paid into petty - Banked every 7 days. Higher amounts from tin banked immediately.

Receipt book used to denote customer and type.

General Controls

The council has good general controls

- Locked Offices
- Locked filing cabinets
- F&GP meets 4 x per annum
- Hierarchical review
- Passwords on computers (renewed regularly)

Bank reconciliation is checked & signed of monthly
Report against budget at each PC meeting
External PC back up – daily

Income

The council has streams of income:-

1. Precept 50%
2. Grants 8%
3. Golf club – green fees and tickets 25%
4. Rental income 5%
 - a. National Airspace at golf club
 - b. Room hire at council offices
 - c. Martello fields – rental – fair bonfire, car boots
 - d. Salts recreation ground [rugby, scouts]
 - e. The base – music hall hire
 - f. Crypt – Hall hire
 - g. The crouch – bowling and football
 - h. Old Town hall
 - i. Hearders House
5. Concessions 6%
 - a. Ice cream Van 3 of
 - b. Kiosk 2 of
 - c. Café [salts]
6. Beach huts 60 of 48 ground rent 12 owned <5%
7. Filming at nature reserve <5%
8. Allotments – allotment society <5%

Invoices raised for all fees even if a receipted invoices. RBS used. Finance assistant raises invoices – and posts receipt and deals with receipt. Income received by cheque and cash and occasionally bacs, and PDQ. Finance officer reviews aged debts and postings to sales ledger on a monthly basis.

Hire fees are set in advance by the council annually.

Cash is banked on a weekly basis – the cash goes in the tin in a locked draw. Significant amounts of cash are banked daily.

Staff

There are personnel files on all members of staff retained by clerk in locked draw

Annual appraisals

References taken and retained

There is a hierarchical management structure

No councillor allowances

Contracts of employment

Council meetings

F&GP – 5 times a year

Planning – 3 weekly

Golf – 5 times a year

Full council – 6 times a year

Community services – 5 times a year

Conclusion & Opinion

I discussed the system above with the RFO and reviewed an invoice picked at random, which contained all the details mentioned above.

The system in place is robust and entirely fit for purpose for a Parish Council of this size. There are good internal controls, policies and procedures in place which are reviewed on an annual basis.

I am of the opinion that the inherent risk in the system is low and would recommend a sample size of 10 when testing in detail and would also state that the internal controls can be relied upon.

Prepared by: MLM
 Reviewed by:
 Ref: 1.6
 Date:19/02
 Date:

Inherent Risk Assessment

	Work Task	Schedule Ref	H/L or N/A
1	Does our past experience indicate that there may be difficulties?		No problems in past Records neat and tidy Accounting records up to date All info on site and to hand No complicated transactions
2	Is the control environment weak?		No changes in systems Systems notes indicate good controls Experienced qualified staff Evidence of internal review
3	Are there other conditions that increase the risk of fraud and error?		No breaches of laws No Litigation Good moral and working environment
4	Are there any other factors to consider?		None

Conclusion on sample sizes

I have considered the system in place and am of the opinion that the risk of fraud or error is low and that sample sizes can be adjusted as appropriate and that the internal controls can be relied upon.

Initial sample size 10.

Prepared by: MLM
Reviewed by:

Ref: 1.7
Date: 19/02
Date:

Specific Audit Plan

Audit Area Section 4 Annual Return	Inherent Risk (H/L)	Severity of risk (H/L)	Test on controls	Sch. ref	Other tests
(A) Appropriate books of account	L	H	Normal Testing	2.0	None required
(B) Invoices, Payments, & VAT	L	H	Normal Testing	6.0	None required
(C) Risk Management	L	L	Normal Testing	4.0	None required
(D) Budgeting	L	L	Normal Testing	5.0	None required
(E) Receipts and banking & VAT	L	H	Normal Testing	7.0	None required
(F) Petty Cash,	L	L	Normal Testing	8.0	None required
(G) Salaries and PAYE	L	H	Normal Testing	9.0	None required

Prepared by: MLM
 Reviewed by:
 Ref: 1.7
 Date: 19/02
 Date:

Specific Audit Plan - continued

Audit Area	Inherent Risk (H/L)	Severity of risk (H/L)	Test on controls	Sch. ref	Other tests
(H) Asset & investment Registers	L	L	Normal Testing	10.0 & 11.0	None required
(I) Bank Reconciliations	L	H	Normal Testing	12.0	None required
(J) Year end accounting	L	L	Normal Testing	15.0	None required
(K) Trustee Responsibilities	N/A	N/A		16.0	
Financial Regulations & Standing Orders	L	L	Normal Testing	3.0	None required
Internal Audit review	L	L	Normal Testing	14.0	None required

Prepared by: MLM
Reviewed by:

Ref: 2.0
Date: 19/02
Date:

Nominal Ledger & Proper Bookkeeping Audit Programme

Objective	To confirm that appropriate books of account have been properly kept throughout the year
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	Test	Name & date	Sch. Ref	Comments/Conclusions
1	Using the previous year's annual return agree the current year's brought forward balances in the cash book	MLM 19/02		Using to 2014 annual return I can confirm the bfwd balances in the cash book agree to the closing balances. Preliminary review showed no unusual amounts or adjustments.
2	Review the nominal ledger/cashbook for large and unusual entries and agree to supporting documentation	MLM 19/02		Council uses RBS system, all entries laid out in clear and logical manner with references and cross references as appropriate.
3	Verify arithmetic by casting a sample of the cash book, if this is maintained electronically check one month only	MLM 19/02		Tested the January 2015 bank reconciliation in detail – this was cast correctly by the auditor and there is evidence of monthly reconciliations in place.
4	Note how often cashbooks are maintained – are they up to date	MLM 19/02		Weekly at least – bank reconciliation to January 2015 evidenced.
5	Do books balance ie TB	MLM 19/02		Trial balance is balanced as at today's date
6	Is system separating VAT	MLM 19/02		Yes VAT is shown separately
7	Carry out any other tasks deemed necessary	MLM 19/02		None

OVERALL CONCLUSION

(Subject to points carried forward in final notes)

Satisfactory – The nominal ledger balances are brought forward correctly and the postings to the nominal accounts are properly made. The books of account are up to date and balanced. Use of RBS is appropriate for a council of this size and it is being used in the proper manner.

Points Forward/Notes

No recommendation for change on use of RBS

Loan to Golf Club individual for £25k noted on trial balance – IA to see evidence and power to make this loan

Signed: Mark Mulberry Date: 19/02/2015

Ref: 3.0
Prepared by: MLM **Date: 19/02**
Reviewed by: **Date:**

Standing Orders & Financial; Regulations Audit Programme

Objective	To confirm that the standing orders and financial regulations have been applied and adopted by the council
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	Test	Name & date	Sch. Ref	Comments/Conclusions
1	Obtain a copy of the current Standing Orders, Financial Regulations and any internal instructions. Review and make comment if necessary	MLM 19/02		Copy given to IA on arrival. These was reviewed and commented upon. These are bespoke sets based loosely around NALC models. On first review the financial regulations are lacking many key controls – I recommend strongly council review the latest set of NALC model Financial regulations
2	Have SO and FR been updated during the year.	MLM 19/02		Financial regulations reviewed 9 th May 2013. Standing orders – will be updated in February 2014.
3	Test a random sample of policies from the financial regulations to verify that internal controls are operating as described:- Purchase order procedures: <ul style="list-style-type: none"> • that the correct number of estimates, quotes or full tenders depending on estimated value of contract have been obtained • that proper purchase authority by council, a committee or officers (under clear delegated powers) is in place; and • that a proper legal power has been identified for the expenditure. Purchase payments: <ul style="list-style-type: none"> • that the supporting paperwork confirms that there is a fully approved invoice and authorisation for payment; and • that VAT is identified appropriately for reclaim. 	MLM 19/02		<p>Tested 7 Budgetary Control Budget overspends are in evidence and Fr's allow this with prior RFO approval. However there is limited evidence to show this approval being documented and referred to in the minutes. Council needs to ensure that these considerations are documented in the minutes to show that budgets are not just routinely overspent, that there are considerations of the regulations in place.</p> <p>Tested 9 Banking Arrangements. No regulation in place regarding production and authorisation of regular bank reconciliations.</p> <p>Whilst payments and receipts schedules are referred to in the minutes they are not explicit enough to prove beyond reasonable doubt that the schedule in the file was that taken to council. I would recommend the minute description be improved along the lines of - to show payments totalling “#” and receipts totalling “#” per the attached schedule “####” were reviewed and approved.</p>

				<p>There are no regulations to detail the making of bacs payments</p> <p>There are no regulations to cover the use of the debit card. And controls over monitoring the spend are a little loose – insofar as each card holder can spend up to £1k per day and its only when the bank reconciliation is performed that the spend is reconciled to internal documentation.</p> <p>Tested 10 Payment for goods and services Regulations state cash is not to be paid into petty cash, rather banked – this is not happening in practice.</p> <p>Tested 12 – Income and external funding It is clear that invoices are not always raised for income items i.e golf club annual subscriptions paid by DD have an invoice raised, but those that pay in full do not.</p> <p>There are few controls in place at council level regarding the receipt and verification of the golf club income – I will be attending site again to test this in more detail.</p>
4	S.137 expenditure show separately - minuted	MLM 19/02		
5	Other			

OVERALL CONCLUSION

(Subject to points carried forward in final notes)

Inconclusive – I do not believe the financial regulations in place are fit for purpose and these must be updated without delay not least because they do not cover all the day to day transactions

Points Forward

As noted above in the detail workings, I have a number of concerns, most of which can be addressed by a detailed review and updating of the financial regulations.

Signed: Mark Mulberry Date 19/02/2014.

Ref: 4.0
Prepared by: MLM Date: 19/02

Risk Management Arrangements Audit programme

Objective	To confirm the council assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.
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Test	Name & date	Sch. Ref	Comments/Conclusions
1	Review financial risk assessment and ensure up to date, note down any significant risks facing the council MLM 19/02		Council reviews all risk assessments and other critical systems on a rolling basis and as and when required e.g. There is a comprehensive file of assessments and background information with appropriate action planes in place
2	Review the insurance cover of the council and note if adequate or not MLM 19/02		PC is insured by Zurich. The assets are listed and the values are comparable to the FAR. However there may be issue with the value of the assets shown on the AR these may be insurance value and not cost or proxy cost.
3	Review other risk assessments and ensure up to date note down any significant risks facing the council MLM 19/02		Above
4	Note down if council has documented internal control procedures and when these were last updated MLM 19/02		None - although controls within the PC are tightly monitored and these would not necessarily be of any additional benefit.
5	Review internal controls and note whether adequate for this particular council MLM 19/02		As above
6	Document retention MLM 19/02		Council has no formal process but is aware of LTN40 Digital information backed up daily off site by virtue that information is kept on East Sussex county council servers. New contract and SLA being negotiated 20/02/2015

OVERALL CONCLUSION

(subject to points carried forward in final notes)

Satisfactory – The council has a positive attitude to risk assessment and documents the assessments and reviews in a logical manner.

Points Forward

There are no points to carry forward from this section.

Signed: Mark Mulberry Date: 19/02/2015

Prepared by: MLM Ref: 5.0
 Reviewed by: Date:19/02
 Date:

Budgetary Controls Audit programme

Objective	To confirm the annual precept requirement resulted from an adequate budgetary process; progress against budget was regularly monitored; and reserves were appropriate.
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Test		Name & date	Sch. Ref	Comments/Conclusions
1	Note key dates for budget process	MLM 19/02		Council has a very robust system of budgeting and forecasting – council is fully informed
2	Note how client prepares budget	MLM 19/02		Zero based approach
3	Note if client produces reports against budget	MLM 19/02		Monthly reporting against budget/Forecast – see points forward in Financial regulations
4	Note down any significant variances to budget	MLM 19/02		There are variances to budget and current financial regulations allow this with prior RFO approval – although as noted above no evidence of this seen.
5	Review council’s reserves and reserves policies and make a note of how many months cover they have and whether this is sufficient for this particular council	MLM 19/02		Earmarked reserves fully listed and explainable. Earmarked reserves are circa £300k
6	Carry out any other tasks deemed necessary	MLM 19/02		None

OVERALL CONCLUSION
(subject to points carried forward in final notes)

Satisfactory – The council has a good system of budgeting and monitors these on an monthly basis.

Points Forward

Little evidence seen of prior RFO approval of budget overspends.

Signed: Mark Mulberry Date: 19/02/2015

End of interim report