NOTES OF THE FINANCE WORKING GROUP MEETING HELD ON MONDAY 16 DECEMBER 2013 AT 7.30 PM AT 19 MILL ROAD

Present: Cllrs. Mrs C Adams, F A Delderfield, J C Gregan and Mrs A V Heaviside. Apologies for absence were received from Cllr A J Gable.

2013/14 Financial Year

The Working Party looked at the estimates for the present year and recommend that the line for election costs which at present shows 0 should have £100 allowed, which would cover a co-option to acknowledge that expenditure on this line always a possibility. If the grass cutting season starts early in 2014 the Grass Cutting line will need reviewing.

The current year expenditure on the new burial ground is unpredictable at present and all or some of it may need rolling over to next year.

The sum of £4,324 redeemed from an investment is shown as transferred from reserves.

An investment of £8,933.85 matures on 7 March 2014 and the Working Group recommends that this is not re-invested but the cash used to support further projects such as the development of a local plan and further improvements to amenities

2014/15 Financial Year

In considering its advice for 2014/15 the Working Party repeated most of the General Administration and Amenity budget lines.

It has already been agreed to review The Clerk's salary and this should be carried out by the full Council.

The grass and hedge cutting contracts are in their third and final years. Both contracts have been executed satisfactorily (some minor points sometimes arise with grass cutting which are always resolved) and both contractors were cheaper, grass cutting significantly, than their competitors. The Working party recommends that both contracts are extended for a further three years with reasonable price increases.

Under non-recurring budgets £1,000 is provisionally included as the Council has previously expressed interest and some potential volunteers have recently approached the Clerk. This sum would cover purchase of equipment, signs and high visibility clothing, although it may be possible to share a "gun" or take over a redundant one. £500 is allowed to upgrade the Council's IT capacity.

Income will be £173 lower this year as the proceeds of the 8% Treasury Stock was not re-invested. It will be reduced by a further 201 if the 2.25% TS is redeemed as recommended above.

If £2,000 of reserves is used the precept would need to be set at £10 for a Band D Household. This takes into account the reduction in the tax base

For Information

Long Term Investments at 23 December 2013

Type.	Interest	Purch Date	Red Date	Red Value £	Purch'e Cost (£)	Indicative Value at 31 March 13	Value in Acc'ts
2.5% Consols	1.44	1930	None	57* (10)	0.00	35.61	10.00
National Savings	45.00	1989	3 mths notice	3,000.00	3,000.00	3,000.00	3,000.00
8% Treasury Stock 2013		160707	27 09 13	4,323.50	5,000.00	4,486.92	
2.25% Treasury Gilt 2014	201.00	071209	07 03 14	8,933.85	8,974.24	9,103.59	8,974.24
8% Treasury Stock 2015	1431.58	071207	07 12 15	17,894.93	22,000.00	21,638.55	17,894.93
3.75% Treasury Gilt 2019	141.49	251110	07 09 19	3,773.15	3,975.04	4,409.68	3,975.04
Total	1619.51		**Total**	**37,935.43**	**42,949.28**	**42,674.35**	**33,854**

* As this stock has no redemption date it's value is recorded at notional value (£10) in both this register and the receipts and payments book.

** Variable interest rate

With the exception of Consols, long term investments have previously been recorded in the accounts at redemption value, since they are kept for their full life, with gains or losses accounted for at the time of purchase. Following revised accounting advice indicating that long term investments should be recorded at purchase cost with gains or losses accounted for at the time of disposal, the Council is moving to the revised method as investments mature and are reinvested. The 2.25% and 3.75% Treasury Gilts are recorded in the accounts at purchase cost following direct reinvestment of redeemed stock with HM Treasury. The 8% Treasury Stocks 2013 and 2015 are shown at redemption value and their successor stock will be shown at purchase value upon reinvestment.