

**UPPER MEDWAY INTERNAL DRAINAGE BOARD**



**MINUTES OF THE MEETING of the Finance Committee held at  
the Boards Offices, 17 Albion Place, Maidstone, Kent  
held on Thursday 25 May 2017.**

**Members of the Committee Present**

D Aikman - Chairman

J I B Cannon

M Dobson

T J Reader

C B Wheeler

**In attendance**

M D Watson - Chief Executive

P Bush - Technical Engineer

L Collins - Office Administrator

**1. APOLOGIES FOR ABSENCE**

No apologies for absence received.

**2. INTERNAL CONTROLS – YEAR ENDING MARCH 2017**

**RECEIVED** a copy of the Boards Statement of Accounting Policies and the Statement of Internal Control for the year ending March 2017.

**(As attached to these Minutes)**

Members were given time to read the documents.

The Office Administrator explained that these documents had been reported at the last Board Meeting for members consideration and approval.

The Chairman asked whether the narrative was correct on the Statement of Internal Control, Item 3 The Internal Control Environment – “The Board has appointed a Finance Committee of Members who meet five times each year.....”

The Office Administrator explained that this statement was correct as it related to the financial year 1 April 2016 to 31 March 2017. The Board agreed at a previous

meeting to reduce the number of Board Meetings held from 5 to 3 and this will be reflected in next years Internal Control documents.

Also, the change of Job Title from Clerk to Chief Executive will be reflected in next years Internal Control documents.

All Members present **AGREED** that the Chairman should approve the Statement of Accounting Policies and the Statement of Internal Control for the year ending March 2017.

Members were asked to consider whether the Committee agrees an adequate and effective Internal Audit of its accounting records and of its system of internal control has been undertaken as required by the Accounts and Audit Regulations 2015.

Members **AGREED** that an adequate and effective Internal Audit of its accounting records and of its system of internal control had been undertaken as required by the Accounts and Audit Regulations 2015.

### **3. ANNUAL GOVERNANCE STATEMENT – YEAR ENDING MARCH 2017**

**RECEIVED** the Annual Governance Statement as required by the amended Accounts and Audit Regulations 2015.

**(As attached to these Minutes)**

The Office Administrator explained that this document is basically Section 1 of the Annual Return.

Members discussed the content of this document and no concerns were raised.

The Chairman asked Members if they were happy for him to sign this document.

All members in attendance **AGREED** that the Chairman should sign the Annual Governance Statement.

Members were then asked to consider and approve by resolution Section 1 (Annual Governance Statement) of the Annual Return.

All Members present **RESOLVED** that the Chairman should sign and date Section 1 of the Annual Return.

### **4. INTERNAL AUDIT**

**RECEIVED** David Griffiths' end of year internal audit report carried out on 11 May 2017.

**(As attached to these Minutes)**

Members noted the content of the audit report and were pleased that no matters of concern had been raised.

**5. ANNUAL RETURN – YEAR ENDING MARCH 2016**

**RECEIVED** a copy of the External Auditor Certificate and Opinion - Section 3 of the 2015/16 Annual Return.

**(As attached to these minutes)**

The Office Administrator explained to members that this shows any comments raised by the External Auditor on last years accounts. Any matters raised should be discussed and addressed by the Board prior to submission of the next Annual Return.

**REPORTED** that no matters affecting the External Auditors opinion had been raised, therefore, no action is required.

**6. END OF YEAR ACCOUNTS – YEAR ENDING MARCH 2017**

**RECEIVED** the End of Year Accounts for the year ending 31 March 2017 produced for information only.

**(As attached to these Minutes)**

The Office Administrator explained that these were produced for members information only and showed the true value of the Boards assets, rather than the figures that have to be reported in the Annual Return.

Members **NOTED** the End of Year Accounts.

The Office Administrator explained that the first page provides details of the Boards assets and liabilities, and the second page shows the Boards income and expenditure.

**REPORTED** that this document is produced from the figures contained within the end of year trial balance and the figures are then used to compile the Annual Return.

**7. ANNUAL RETURN – YEAR ENDING MARCH 2017**

**RECEIVED** a copy of the IDB Annual Return for the year ending 31 March 2017.

**(As attached to these Minutes)**

**REPORTED** that the Annual Return is issued to Local Councils, Internal Drainage Boards and other Smaller Authorities in England.

Members were asked to consider and approve by resolution Section 2 (Accounting Statements) of the Annual Return.

The Office Administrator explained that the Internal Auditor had used the End of Year Accounts document in order to verify the figures reported on the Annual Return during his end of year audit and as a result was able to sign off Section 3 of the Annual Return.

The Office Administrator explained to Members where the figures in Boxes 1 to 10 on the Annual Return had come from.

The Chairman asked whether the fixed asset figure in box 9 was declared at 50%.

The Office Administrator explained that 50% of the original purchase value of the Boards Offices are declared, which is in line with the revised Practitioners Guide issued last year. The Boards depot is declared at the actual building cost, along with the original purchase price of the Boards plant, equipment and vehicles.

Members were reminded that the Practitioners Guide states that all assets must be recorded at their original purchase price, not what they are actually worth. Therefore, the Boards Offices are reported at a cost of £6,565.96 even though the last revaluation was £147,500. Depreciation is not taken into consideration.

All Members present **RESOLVED** that the Chairman should sign and date Section 2 of the Annual Return.

**REPORTED** that Section 3 relates to the External Auditor Report and Certificate and the Annual Internal Audit Report 2016/2017.

**REPORTED** that PKF LittleJohn LLP will complete the first page of Section 3 and this is where any comments on their findings will be made.

**REPORTED** that David Griffiths', the Boards Internal Auditor completed the second page of Section 3 during his audit on 11 May 2017.

## **8. ANY OTHER BUSINESS**

There was no other business to discuss.

## **9. CLOSURE**

The Chairman thanked Members for their attendance and declared the meeting closed.