

NWIFCA Annual Meeting

13 June 2014: 10.30 a.m.

**AGENDA
ITEM NO.
10**

FINANCIAL REPORT as at 31 May 2014

Purpose of Report

- To present the Final Budget Review for the year ended 31 March 2014
- To present the Annual Return for the Year Ended 31 March 2014
- To report on the Internal Audit for the year ended 31 March 2014
- To update Bank Signatories for NWIFCA NatWest Business Account
- To give a brief financial report on the start of the year 2014-15

Recommendations

- The Budget Review for 2013-14 is approved
- The Annual Return for 2013-14 Sections 1 & 2 are approved and signed
- The Internal Audit Report for 2013-14 is approved
- The updated NWIFCA Bank Signatories are approved and a minute recorded
- The Financial Report is approved

1. Final Budget Review for the year ended 31 March 2014

- a) The budget review for the year 2013-14 is attached at Annex A
- b) The income of £88,550 from Byelaw 3 Permit Fees was less than budget due to a decrease in the uptake of permits.
- c) Spending on the Authority & Audit section was over budget due to a large number of extra sub-committee meeting being held.
- d) Although approval was given by from NWIFCA to transfer £70,668 from the 2012-13 surplus in Revenue Reserve to purchase 'Bay Protector' RIB from Humber RIB of Hull, this was not required and no transfer was made. 'Bay Protector' was purchased from the budget for purchase of vessels which was not needed to finance the replacement main patrol vessel in 2013-14 as tendering had not been completed.
- e) The operating surplus for 2013-14 is £71,654. This is largely made up of savings in payroll costs due to staff turnover, and in transport costs due to fuel savings while 'Solway Protector' was under repair. Savings were made where possible in all areas to conserve funds for the urgent need to replace the main patrol vessel.
- f) The surplus will go into Reserves to be used to finance the replacement patrol vessel.

2. NWIFCA Annual Return and Audit for the year ended 31 March 2014

- a) Sections 1 and 2 of the Annual Return for 2013-14 need to be approved by NWIFCA at this meeting and signed by the Chairman and Chief Executive (*copy follows this report*). The completed Annual Return must be submitted to NWIFCA external auditor BDO Stoy Hayward LLP by 30 June 2014.
- b) **Section 1** of the Annual Return is a summary of NWIFCA finances. **Section 2** is the Statement of Internal Control for NWIFCA. **Section 3** will be completed by external auditor BDO Stoy Hayward LLP. **Section 4** will be completed by Moore and Smalley LLP after receiving signed copies of Sections 1 and 2.
- c) NWIFCA Bank Reconciliation for the Year Ended 31 March 2014 (*Annex B following this report*) is sent with the Annual Return to BDO Stoy Hayward.

3. Internal Audit for the year ended 31 March 2014

- a) The annual internal audit for 2013-14 was carried out by Moore and Smalley LLP; an accountant spent the day at NWIFCA Carnforth office on 15 May 2014.
- b) A copy of their Internal Audit Report follows this report.

4. Updating of NWIFCA Bank Signatories

- a) Due to the change in Chairman of NWIFCA, Bank Signatories for the business account with NatWest need to be amended. The only change will be that the current Chairman elected at this meeting will be added, and that a previous Chairman will be removed. (*Forms will be available for inspection at the meeting.*)
- b) To do this, a Resolution must be passed at NWIFCA meeting stating "*It was resolved that the Authorised Signatories in the current Mandate, for the Accounts detailed in section 2, be changed in accordance with sections 5 and 6, and the current Mandate will continue as amended.*"

5. Financial Report on the start of 2014-15

There has been no unusual expenditure so far in the current financial year 2014-15, and expenditure is therefore well within budget.

FINANCE OFFICER
29th May 2014