

BILTON IN AINSTY WITH BICKERTON PARISH COUNCIL

2009 Review of Financial Risk assessment

General

The Financial Risk Assessment was last reviewed in March 2008. The Parish Council's Insurance Policy will again be due for renewal in June 2009, when the level of cover offered under all sections can be adjusted if necessary.

Parish Assets

No new assets have been acquired during the financial year. The Parish Council's Insurance cover was adjusted at renewal in June 2008, to include the new field and bridleway gates following the ownership being transferred to the Parish Council at the end of the maintenance period.

The Allianz Insurance Policy

The last revision to the level of cover still provides adequate cover, for the foreseeable future. A review of the policy will be carried out again when the renewal documents are received.

One Year Investment Bond

The Parish Council investment of surplus funds in a one year bond with the Skipton Building Society, matured in March 2009. Current interest rates on offer have reduced substantially from the levels available during the last financial year. A review of alternative investment bonds was undertaken with a Wetherby broker, who could offer higher rates of return than those available at local Banks and Building Societies. The alternative investment bonds considered, did not offer any FSA guarantee in the event of business failure. Councillors decided to adopt a cautious approach to investing surplus funds. It was agreed to restrict investment to local Building Societies or Banks, where FSA guarantees were available in the event of financial failure. The Skipton Building Society agreed to offer a loyalty bonus to the Parish Council, if a further bond was taken with them. As the Society has a Branch in Wetherby, this was agreed as meeting another condition recommended by the finance sub committee, where a local visit was possible. A further one year bond has been arranged.

Conclusions

There has been no increase in the financial risk for the Parish Council and its investment policy involves no risk of a loss of capital.