

# COTHERSTONE PARISH COUNCIL

## Finance Report

Author Responsible Financial Officer  
Meeting date 10 January 2018

### 1. Receipts and Payments

#### a) Income received: 8 November 2017 to 21 November 2017

From	Description	Amount
Brownless	Interment fee – Alderson	£75.00
Teesdale Memorials	Headstone fee - Whitfield	£75.00
R Goldsbrough	Hearse House rent	£78.00

#### b) Payments due and needing authorisation on 10 January 2018

Payee	Description	Amount
Clerk	Salary – December 2017 and January 2018	£400.00

### 2. Report on year to date expenditure against budget

At Appendix 1 is a summary of expenditure between April 2017 and December 2017. The precept for 2017/18 was set as a 2.5% increase over that for 2016/17, and this has been used to present an expenditure against budget comparison. Using knowledge of known expenditure which will arise before the year end, a forecast of Council's anticipated expenditure is shown.

### 3. Reserves, draft budget and precept setting for 2018/19

The Council needs to consider its expenditure plans for 2018/19, and its precept requirement. The forecast balance at the year end is estimated to be approx.£18,600. Good practice suggests that small councils need to keep reserves to cover operating costs at a level of between 25% and 100% of annual turnover (between 3 and 12 months of operation). Operating reserves of less, or more, than these levels are likely to be questioned by auditors, and by the taxpaying local population.

A council may, however, set aside reserves for specific purposes, outside of the general operating costs.

Assuming a similar programme of expenditure for 2018/19, and a similar precept to the current year (whereby precept generally covers expenditure), it is suggested that reserves of £18,000 be 'ring-fenced' as follows:

General (operating) reserves	£7,000
Election costs	£2,000
Cemetery	£5,000
Allotments	£4,000

## 4. Transparency Fund

### a) Background

The Local Audit and Accountability Act 2014 set out a new audit framework under which 'smaller authorities' including parish councils, with an annual turnover not exceeding £25,000 will be exempt from routine external audit. In place of routine audit, these smaller authorities are subject to new transparency requirements which enable local electors and ratepayers to access relevant information about the authority's accounts and governance.

In brief, the Transparency Code requires this Parish Council to publish (online, as the Parish Council has a website) the following information:

- i. all items of expenditure above £100
- ii. end of year accounts
- iii. annual governance statement
- iv. internal audit report
- v. list of councillor or member responsibilities
- vi. the details of public land and building assets
- vii. Minutes, agendas and meeting papers of formal meetings

The Parish Council is currently compliant with the requirements.

### b) Application for grant, 2017-18

2017/18 is the last year in which central government funding will be available to help small councils comply with Transparency Code legal requirements and the final date for receipt of applications is 12 February 2018.

An application for £586.64 has been drafted, comprising:

Laptop computer	HP 15-bw059sa 15.6" 4GB/1TB HDD with Windows 10	£290.83
Software	Microsoft Office 365 Personal – 1 user, 1 year subscription	£49.16
All-in-in-one printer/scanner	Canon Pixma MG3500	£66.65
Monthly staff costs	1 hour/month @ £15 per hour, April 2017-March 2018	£180.00
TOTAL grant application		£586.64

## 5. Banking arrangements

The Council currently banks with HSBC. Since the closure of the Barnard Castle branch, face to face contact with the bank requires a visit to Darlington. Even minor changes to arrangements (eg. for the correspondence address) require two signatories to present personal photographic identification in Darlington.

Barclays has branches in both Barnard Castle and Middleton-in-Teesdale and would be willing to open a Community Account for the Parish Council. There would be no charge for this banking facility, although a maximum of three signatories could be set up, and a face to face meeting, at Darlington or hopefully Barnard Castle, would be necessary to open the account. Online facilities would also be available to assist the Clerk in operating the account.

## **Recommendations**

1. To receive the monthly report of receipts and payments and authorise due payments.
2. To receive a report on year-to-date expenditure against budget.
3. To consider reserves allocation, a draft budget for 2018/19 and decide on a precept request for 2018/19.
4. To consider an application to the Transparency Fund for a grant of £586.64.
5. To consider possible changes to banking arrangements.

## Appendix 1

<b>Cotherstone Parish Council: expenditure against budget 2017/18</b>							
	Year to date expenditure	Total expenditure in 2016/17	2017/18 budget *	% of budget spent at end of Quarter 3	Forecast expenditure in Quarter 4	Forecast % of budget spent at year end	Proposed budget for 2018/19
Grass cutting	£2,508.00	£2,540.00	£2,603.50	96%	£0.00	96%	
Cemetery	£281.19		£0.00		£0.00		
Estate maintenance	£30.00	£122.00	£125.05	24%	£55.00	68%	
Allotments	£64.25		£0.00		£0.00		
Village Hall hire	£126.00	£98.00	£100.45	125%	£42.00	167%	
Neighbourhood Plan	£1,557.84	£1,147.00	£1,175.68	133%	£0.00	133%	
Contributions and support	£500.00	£776.90	£796.32	63%	£0.00	63%	
Section 137 donations	£17.00	£22.00	£22.55	75%	£0.00	75%	
Clerk's salary	£1,050.00	£1,000.00	£1,025.00	102%	£400.00	141%	
Insurance	£448.25	£477.55	£489.49	92%	£0.00	92%	
Membership subscriptions	£100.48	£97.84	£100.29	100%	£0.00	100%	
Website, domain, maintenance		£130.00	£133.25	0%	£130.00	98%	
Audit fees	£100.00	£100.00	£102.50	98%	£0.00	98%	
Postage	£4.28	£3.20	£3.28	130%	£0.00	130%	
	£6,787.29	£6,514.49	£6,677.35	102%	£627.00	111%	
* assumed as total expenditure in 2016/17 + 2.5%, as per minutes of meeting held 11/1/17							