

COTHERSTONE PARISH COUNCIL

Finance Report

Author Responsible Financial Officer
 Meeting date 10 April 2019

1. Receipts, Payments and bank reconciliation

Bank statement balances		
Closing balance at bank 31 March 2018		£18,358.00
Less unpresented cheques		0.00
Net balance at bank		£18,358.00
Income and Expenditure account balances 1 – 31 March 2019		
<i>Opening balance at 1 March 2019</i>		£19,214.68
<i>Income</i>		
Cemetery fees – Lee	£580.00	
Cemetery fees – Addison	£45.00	
		£625.00
<i>Expenditure</i>		
100058 – Planning Advice Plus	£1,000.00	
100059 – Cotherstone Village Hall	£60.00	
100060 – Clerk March salary	£179.26	
100061 – William Smith Group 1832	£54.30	
100062 – Mark Armstrong	£70.74	
100063 – Cotherstone Methodist Church	£85.00	
100064 – Ink Factory (clerk reimbursement)	£32.38	
		£1,481.68
Balance of income and expenditure		£18,358.00

2. Draft annual accounts for 2018/19

Draft accounts for the financial year 1 April 2018 to 31 March 2019 are presented at Appendix 1, together with a comparison with the accounts for the previous year.

Notes to the accounts give a commentary on any significant year-on-year variances ($\pm 15\%$ threshold, and for not insignificant amounts).

A breakdown of the end of year balance is supplied in relation to the earmarked reserves and general reserves, as agreed when the budget for 2019/20 was set in January 2019.

3. Internal auditor's report for 2018/19

It is hoped that at the meeting on 10 April, the report from the appointed auditor, Chris Butler of Butler & Gee, will be available to councillors.

4. Self-certification as exempt from a Limited Assurance Review (external audit) for 2018/19

As neither the receipts nor payments during 2018/19 exceeded £25,000 and there is no other requirement resulting from previous audits, the Parish Council has the opportunity to once more certify itself exempt from having Mazars (the Parish Council's appointed external auditor) perform a limited assurance review. It should be noted that the internal audit is still needed, and the

requirements of the Transparency Code for Smaller Authorities must be complied with (relating to the publication of a number of financial and governance statements on the parish council's website). Should exemption be requested and approved, then the Parish Council would not be charged the £200 limited assurance review fee.

5. VAT reclaimed on purchases made during 2018/19

A claim for a refund of £54.98 has been submitted to HMRC in respect of VAT paid on purchases during the financial year 2018/19.

6. Payments due and needing authorisation on 10 April 2019

Payee	Description	Amount
Clerk	Salary – April	£148.66
Came & Company Local Council Insurance	Annual insurance from 1/5/19 to 30/4/20	£346.69
Information Commissioner's Office	Annual Data Protection Fee (renews 13/5)	£40.00

Recommendations

1. To receive a report of receipts and payments 1 to 31 March and bank reconciliation at 31 March 2019.
2. To receive the draft annual accounts for 2018/19 and a variance analysis against the annual accounts for 2017/18.
3. To receive the internal auditor's report for 2018/19.
4. To decide on whether to self-certify the Parish Council as exempt from having a limited assurance review performed by the external auditor.
5. To note the VAT reclaimed on purchases made during 2018/19.
6. To authorise payments due.

Appendix 1: Draft statement of accounts 2018/19

**Cotherstone Parish Council
Statement of Accounts 2018-19**

	2018-19	2017-18	%	Note,
		£	difference	if ±15%, >£200
BALANCES BROUGHT FORWARD				
Current account	£17,562.19			
Total balances brought forward	£17,562.19	£17,210.96	2%	
RECEIPTS				
Precept	£6,810.00	6,810.00	0%	
LCTRS		61.00		
VAT reclaimed for previous year's expenditure	£115.15	57.38	50%	1
Rents, Hearse House and allotments	£288.00	280.00	3%	
Cemetery graves and interment fees	£2,095.00	1,485.00	29%	2
Wayleaves	£1,172.02	38.45	97%	3
Grants	£0.00	586.64		4
Miscellaneous		194.14		5
Total receipts	£10,480.17	£9,512.61	9%	
TOTAL	£28,042.36	£26,723.57	5%	
PAYMENTS				
Clerk's salary	£2,067.71	£1,450.00	30%	6
Memberships and subscriptions	£177.12	£100.48	43%	7
HMRC - PAYE/NI	£313.40		100%	8
Insurance	£346.69	£448.25	-29%	9
Audit fees		£100.00		10
Neighbourhood Plan	£2,708.00	£2,919.84	-8%	11
Office expenses	£180.77	£194.00	-7%	
Allotment expenses	£196.00	£63.06	68%	12
Cemetery expenses	£235.00	£31.19	87%	13
Press notices and adverts and signage	£45.25	£70.00	-55%	
Contributions and support	£650.00	£650.00	0%	
Grass cutting	£2,085.00	£2,500.00	-20%	14
Room hire (for PC meetings and Neighbourhood Plan)	£143.00	£140.00	2%	
Section 137 donations	£25.00	£17.00	32%	
Website, domain and email account	£190.74		100%	15
Training and development	£227.60		100%	16
Travel and subsistence	£0.00	£20.90		
Postage	£38.10	£8.83	77%	
Office equipment		£332.69		17
VAT paid, to be reclaimed	£54.98	115.14	-109%	18
Total payments	£9,684.36	£9,161.38	5%	
Balance to carry forward	£18,358.00	£17,562.19	4%	19
TOTAL	£28,042.36	£26,723.57	5%	

Notes to Statement of Accounts 2018/19

Note, if $\pm 15\%$, $>£200$

- 1 Expenditure in 17/18 on laptop and printer account for increased VAT reclaim in 18/19
- 2 Increased sales of Exclusive Rights of Burial during 18/19
- 3 One-off wayleave payment of £1,133 in November 2018 from Openreach for burying cable alongside The Hagg footpath
- 4 During 17/18 grant of £586.64 received from Transparency Fund for laptop and printer
- 5 During 17/18, on moving accounts from HSBC to Barclays, a short-term loan of £194 was made to avoid overdraft
- 6 Clerk salary for 17/18 was £100 pcm (£1,200pa, plus an additional one-off for cemetery administrative work of £250). New Clerk appointed January 2018 and new salary of £182.15 pcm implemented from April 2018, with increase in October 2018 to £185.66 pcm.
- 7 Increase due in 18/19 to contribution to Clerk's Society of Local Clerk's membership and to paying Data Protection fee
- 8 No PAYE/NI payments incurred in 17/18 due to nature of Clerk's payment
- 9 Renegotiated insurance for 18/19 and on three-year long-term agreement
- 10 Parish Council self-certified as exempt from Limited Assurance Review for 2017/18 accounts, therefore no fee
- 11 Less chargeable work on Neighbourhood Plan as it nears its completion in 18/19
- 12 Drystone wall repairs at Klondike allotments needed in 18/19
- 13 Two charges during 18/19: £150 for repositioning memorial due to PC error, and £85 refund on surrendered Exclusive Rights of Burial
- 14 Fewer cuts of grass due to exceptionally hot, dry weather during summer 2018
- 15 No invoice received during 17/18. Payment of £120 in July 2018 covered 17/18 and 18/19; payment of £70.74 in March 2019 covers 19/20.
- 16 Support for Clerk's CiLCA study time
- 17 Purchase of laptop and printer using Transparency Fund grant during 17/18
- 18 Expenditure in 17/18 on laptop and printer accounts for increased VAT to be reclaimed
- 19 2019/20 budget (agreed January 2019) to include earmarked reserves: Election costs (£2k), Cemetery costs (£4.5k), Allotment costs (£4k), defibrillator costs (£457) and general reserves of £7,401 (equivalent to 108% of precept)

Breakdown of end of year balance:

Election costs reserves	£2,000
Cemetery reserves	£4,500
Allotments reserves	£4,000
Neighbourhood Plan reserves	£0
Defibrillator reserves	£457
General reserves (at budget setting, January 2018 - £8,597)	£7,401 (108% of precept)
Total	£18,358.00