

GREAT HASELEY PARISH COUNCIL

Notes relating to Audit of Accounts for the Year Ended 31st March, 2016

1) Set out below are the following comments with regard to VAT:-

	£
i) There is VAT recoverable for January-March, 2016 which is as shown in the VAT Return submitted on 7th May, 2016.	1.39
ii) The VAT Return submitted on 7 th August, 2014 in relation to April – June, 2014 excluded VAT of £23.80 owing in relation to three advertising invoices issued at the beginning of April, 2014. Instead of being paid, it was incorrectly recovered in the April-June, 2015 VAT Return. An amount of £47.60 is now due to HMRC.	(47.60)
iii) VAT recoverable of £82.40 on the invoice from Glasdon UK Ltd. was not included in the VAT Return for October-December, 2015.	82.40
iv) The VAT Return submitted on 7 th May, 2016 for the period January - March, 2016 excluded VAT owing to HMRC on three advertising invoices.	(30.14)
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Owing to GHPC from HMRC at 31 st March, 2016	<u>6.05</u>

2) There is no bank reconciliation of the Capital Deposit Account as the balance on the bank statement of £15,381.62 is identical to the balance in the cashbook. However, the reconciliation of the Current Account is as follows:-

	£
Balance as per bank statement at 31/3/2016	9,459.60
Less: Cheque No.1003 to Community First Oxfordshire not cleared by 31/3/2016	35.00
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As per the Balance Sheet at 31 st March, 2016	<u>9,424.60</u>

3) In October, 2013, an amount of £507.00 (before VAT) was paid by the Parish Council to Smith of Derby Ltd. in relation to a 36 month contract for the service of the St. Peter's Church Tower Clock. The contract expires on 31st August, 2016. A charge of £169.00 has been taken in the Income and Expenditure Account for the 12 months to 31st March, 2016 and a prepayment of £70.00 has been set up in respect of the remaining 5 month period from 1st April, 2016 to the end of the service period.

- 4) Similarly, the Parish council made three payments totalling £162.89 during 2015/16 which relate to the year to 31st March, 2017. These were (i) the annual subscription of £110.89 to the Oxfordshire Association of Local Councils, (ii) the annual subscription of £17.00 to LCR, and (iii) the membership fee of £35.00 to Community First Oxfordshire.
- 5) There were two payments made during the year to 31st March, 2016 that do not appear to have been recorded in the Minutes as having been approved by the Parish Council. It would probably be appropriate if they were authorised and recorded retrospectively. The two payments were (i) £3,600.00 to Woodrows Joinery for the work carried out on the kitchen in the Village Hall, and (ii) £35.00 donation to the Royal British Legion Poppy Appeal.
- 6) The following notes need to be included with the Annual Return when submitted to the Auditors:-

- The reconciliation of the bank accounts to the Cashbook at 31st March, 2016 is as follows:-

Balances per Bank Statements:

	£
Capital Deposit Account	15,381.62
Current Account	<u>9,459.60</u>
	24,841.22
Less: Cheque not cleared by 31 st March, 2016	35.00
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Balance as per the Cashbook at 31 st March, 2016	<u>24,806.22</u>

- A reconciliation of Box 7 to Box 8 in the Annual Return is as follows:-

	£
Debtors and prepayments	233
VAT Recoverable	6
Less:	
Creditors (audit fee and staff costs)	<u>(491)</u>
Difference between Total Reserves of £24,555 (Box 8) and Cash Balances of £24,807 (Box 7)	<u>(252)</u>

- **Significant variances in the Statement of Accounts may be explained as follows:-**

All Other Payments have increased by £5,998 due to expenditure on the kitchen in the Village Hall (£3,000), a share of the previous years' costs of mowing the Churchyard (£2,480), a contribution to the restoration of the Great Haseley windmill (£500) and election fees (£1,082) offset by BBC switch-over costs incurred in 2014/15 (£902) and minor changes in other items.