

Dear Cllrs,

Please find attached a copy of the Final Accounts Statement 2016-17 together with the copy of the Cash Book and the bank statement as at 31 March 2017. Both of these last two attachments show each and every financial transaction in the year. These are of course 'unaudited' statements and will be formally submitted to the Parish Council meeting on 9th May for your approval. The report to the Council meeting in May will be more structured, detailed and formal than this email, but I thought you would like an early sight of the Parish Council's financial position.

CONCLUSION

The draft Final Accounts Statement shows a cash balance at the year end of £6,205.54. The following paragraphs show how the predicted year end cash balances changed at each of the Budget Monitoring statements that were presented to the Parish Council meetings. As you will see the financial position throughout the year was very stable, with the largest variations centring around the financial implications of the funding and planned expenditure in relation to the implementation of the Transparency Code.

May 2016; predicted year end cash balance £5,410

I NOT present an amended Financial Statement to the May meeting as the only material change had been the successful application for £500 grant towards the set-up costs for the Parish Council electronic web page and library, which would be offset by equivalent estimated costs. The only material change was therefore the higher than anticipated cash balance as at 31 March 2016, that resulted in a cash balance predicted as at 31 March 2017 of £5,410.

September 2016; £6,128, an increase of £718 from May

I reported to the September meeting that there were FOUR known changes, of which two were under £30. The two larger variations were:-

- i. The grants for implementing the website had been confirmed at a total of £1,123.40 to cover the one-off cost of purchasing the website itself (£500), hosting the website (£300) in year one and estimated staff related costs of website support (£323.40). The nett effect of these changes was to increase the year end cash position by £300, as this amount had been included in the 'staff costs' of the original budget; but with no compensating grant income ; and
- ii. HCC legal services had indicated their costs would be, as previously estimated, £1,000 plus costs £40. Provision had been made at £1,500. As a result there was a planned reduction in expenditure of £460.

December 2016; £6,618, an increase of £490 from September

My report identified the five largest variations between September and December as:-

- i. Expenses lower by £59;
- ii. Audit fees higher by £130;
- iii. Neighbourhood Plan (Local Development Plan) lower by £1,000;
- iv. Legal Fees for registration of village green higher by £200; and
- v. VAT on expenditure being higher by £246.

February 2017; £5850, a reduction of £768 from December

There were only THREE variations between December and February of which two were minimal (expenses -£40 and training +£15). The only significant change was with regards the net cost of implementing the Transparency Code. There were two elements:-

- i. Increase in specific grant £650, more than offset by,
- ii. Estimated cost of purchasing the IT equipment (£1,200) and the related adjustment to VAT (£243).

31st March 2017; £6,206, an increase of £356 from February

Again, there were only THREE variations between February and March of which two were minimal (expenses +£32 and hire of village hall +£6). The only significant change was that the Parish Council spent £521 less on implementing the Transparency Code than previously anticipated. This reflects that

there was no claim made in the year for staff costs in constructing and entering data on the website (previous provision -£323) nor has the IT back-up been purchased, and the IT purchased was less than previously anticipated (-£198). Perversely, the change in nature of spend between non-Vatable to vatable resulted in **an increase of £127 in VAT.**

Provision for Repair and Maintenance of Unadopted Roads

In September 2016 (minute ref 17.b), the parish Council agreed

DECISION: Without prejudicing any subsequent decision, the Council agreed in principle to create a 'Sinking Fund' for the 'Provision for Repair and Maintenance of Unadopted Roads'. This Fund could be 'kick started' by the allocation of the £1,000 that was no longer planned to be incurred on the development of a Neighbourhood Plan (see agenda item 10).

and

ACTION: Clerk to record £1,000 in the Final Accounts 2016/17 as a 'Provision for Repair and Maintenance of Unadopted Roads'.

When the above decision was taken the predicted year end cash balance was £6,128. The actual cash balance as at 31 March 2017 is £6,206 (subject to audit), and so **unless I hear to the contrary from the Parish Council,** I propose to proceed with the above decision by reflecting:-

Provision for Repair and maintenance of Unadopted Roads: £1,000

General Fund Reserve: £5,206.

Bank Reconciliation as at 31st March 2017

The bank reconciliation statement (also attached) shows there are three cheques drawn that were not presented as at 31 March 2016. They are:-

- * cheque nos 364 drawn 28 February for £43.50 payable to Hannington Village Hall for hire
- * cheque nos 367 drawn 28 March for £38.99 payable to C. C. Pottinger for Clerk's expenses.. printer ink, and
- * cheque nos 368 drawn 28 March for £149.98 payable to C. C. Pottinger being reimbursement of cost of purchase of PC printer.

If you have any questions, please do not hesitate to contact me.

Chris Pottinger,

Clerk, Hannington Parish Council

12th April 2017