

Finance Report

This financial report has been completed following the Accounts and Audit Regulations 2003 (SI 2003/533 reg9) as outlined in the Local Council Administration guidelines, that is to say

“Councils in the small council’ band with budget income or expenditure up to £100,000 must base their accounts on receipts and payments.”

These accounts have been prepared with the help of our internal auditor for whose help I am most grateful. This year the internal audit has already been completed so the figures I’m presenting have been signed off by Bill Waterman. I am proposing the Council submit the Annual Governance and Accountability Return Part 2 that is to say Harringworth Parish Council will certify themselves as exempt from a limited assurance review thus saving the £200 plus vat fee that entails.

The spreadsheet on the first page will be familiar to Councillors as it is the same one that is reported on monthly, reconciled with the bank balance and approved at each regular meeting as well as monthly by the MRF. I have annotated some items with numbers shown in brackets, these relate to the relevant item numbers on the external audit submission form for AGAR form.

Top right-hand corner item No1 is our starting balance for the year of **£10,237**

Bottom left of the sheet shows our precept income of **£6,000**

Reading across this bottom line we then come to item 3 which is **£8,819** made up of the bank interest of **£5** plus **£380** income from the burial ground, **£7,500** loan for the purchase of LED street lights and **£934** of other income. Other income this year is made up of the vat reclaim plus an unpaid cheque for the grass cutting contractor being realised.

This gives us an income for the year of **£14,819** as recorded on the balance sheet.

Moving on to the expenditure;

Item 4 shows staff costs of **£1,396**; these include the clerk’s salary, PAYE paid by the employer and Thirsk payroll costs for payroll administration,

Item 6 are **£14,253** of other expenditure, which is broken down into the items shown above it on the spread-sheet.

Our total expenditure for the year was therefore **£15,649**

We therefore started with	£10,237
Received income of	£14,819
Spent	£15,649
Leaving a balance of	£ 9,407 (allowing for rounding errors)

this being the figure at item 7, bottom right corner of the spreadsheet.

This reconciles with the bank balance at the 31st March of £9,407.31

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The numbers from the spreadsheet have been transferred across to the receipts and payments report on the next page

The Council this year is showing an shortfall of receipts over payments of **£(830)** this shortfall arises from the one of payment of vat for the purchase of LED street lights which amounted to £1,814 which will be reclaimed in the coming year.

You will see at the bottom of the receipts and payments report that the final balance of **£9,407** is represented by a number of provisions that the Council need to approve.

The Burial Ground provision is to build the required capital required for the works to extend the burial ground to the full extent of the land gifted to the Parish Council. This provision has been increased by **£380** to **£4,543**, this being the burial ground receipts for the year. The Council decided in July 2016 that its policy would be that all burial ground receipts within a given year would be used to add to this provision at the end of that year. Future election expenses have been left the same as the previous year at **£1,500**. The provision of £1,500 towards the cost of street light replacement is no longer required. Finally the Parish Council General funds have increased by **£290**

As a general principle the Council is aiming to use burial ground income to grow the provision for the burial ground and precept income to fund regular bills such as street lighting and grass cutting.

On the third page there is a comparison of this year's expenditure with last years. Any variance greater than 10% has an explanation shown against it on the sheet.

Turning to the AGAR submission form

The Council are also asked to confirm the governance statement shown on page 5 of the submission.

The numbers from the Income and Expenditure report have been transferred to page 6 and these have been approved by the internal auditor **and I ask the council to confirm that the figures given on page 6 are approved?**

Finally I ask Councillors to confirm that they approve submission of the AGAR Part 2 form certifying themselves as exempt from a limited assurance review.

I am happy to take any questions from Councillors on these accounts.

Returning to page 2 of the income and expenditure report, Councillors also need to approve the provisions shown at the bottom of the page;

For burial ground the figure increases by £380 to become £4,543
For election expenses the figure to remain at £1,500
For street light replacement programme to be withdrawn
Leaving £3,364 in general funds