



Responsible Financial Officers Report
To Marks Tey Parish Council
for the 12 months ended 31 March 2017

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This is the third set of accounts I have presented as RFO since joining the Parish Council in February 2015. For the current reporting period (and the future) the Council has moved away from the preparation of its accounts from an excel spreadsheet to a proprietary accounts package designed specifically for the Parish Council sector. The benefits of this change are the resilience of the system, security of the accounting information, automatic preparation of VAT returns and the annual accounting statement and the consistency of the presentation of the accounting records for the future.

As a result of the new accounting package the format of this report has changed from previous years. In particular, the information is presented to allow a differentiation to be made between the operations of the Parish Council and the Parish Hall Hire. In an effort to make this comparison as accurate as possible an internal rent has been paid by the Council to the Parish Hall to mimic the payment of a market rent for the use of the Council offices to defray the cost of the resources shared by the Council and the hall administration i.e. the utility costs and rates.

I am pleased to be able to report that the restructuring of the Council staff roles in January 2016 and additional working hours committed to the Premises Manager & Assistant Clerk role led to an uplift in hall hire income during the year although the role has since been reviewed again at the beginning of 2017 to separate the Hall Hire Bookings from premises management. This led to the appointment of a Bookings & Administration Clerk on a fixed one year contract in March 2017

The increased hall hire income and savings in payments most notably in relation to Neighbourhood Plan and Playground repairs spending has meant that the projected shortfall in income over receipts against payments (-£21,129) has been turned in to a surplus (£25,300). Whilst this is a very satisfactory outcome it should be noted that the total income (and therefore the surplus) includes unforeseen income which was not budgeted in the following areas: -

- 2 Insurance claims totalling £10,863 against which payments of only £6,608 have been made in the accounting period
- £7,380 receipts relating to refundable Hall Damage Deposits
- £6506 Grants

Nevertheless, the summary of the year end is that receipts significantly exceeded budget and payments were contained with budget.

Against this backcloth, the 12 months to 31 March 2018 (and beyond) will be challenging financially with a significant 5-year maintenance programme to be started in an effort to retain the Parish Hall to satisfactory standard of repair. In view amount of the spend in relation to the Parish Hall it has been necessary for the Council to opt to tax on the Hall and register for VAT which will impact on Hall Hire income as the Council has resolved not to pass the increased cost on to regular hirers in the first 12 months of registration bearing in mind that the majority of it's hirers are individuals, clubs and societies who are not VAT registered and unable to reclaim the tax. The upside and reason to register is that the Council will be able to reclaim / offset all VAT on it's expenditure. The regulations relating to VAT are specific to local authorities and differ from those relating to businesses. The Council has taken advice from accountants specialising in the Local authority sector and connected with EALC / NALC prior to committing to these changes.

The financial requirements of maintaining and improving the Parish Hall to a satisfactory standard for the use of Marks Tey residents has placed the Parish Council in a position where there was little option other than to increase the Precept for the current financial year 2017/2018 by 10%. Grant and other funding sources will also be explored to facilitate the continuation of the hall maintenance programme and improvements

If you have any questions in relation to the content of this report please do not hesitate to contact me

Steve Marriott
Parish Clerk & Responsible Financial Officer

Marks Tey Parish Council

Summary Receipts & Payments by Budget Heading 31/03/2017

		Budget	Actuals
Council Administration	Receipts	£44,107	£51,359
	Payments	£32,088	£47,074
	less Transfer to EMR		£3,620
	Net Receipts over Payments	£12,019	£665
Parish Hall	Receipts	£68,500	£100,750
	Payments	£78,148	£72,757
			£27,993
Playing Field & Annexe	Receipts	£1,000	£2,385
	Payments	£4,500	£3,470
	Net Receipts over Payments		-£1,085
Garden Sacks	Receipts	£0	£190
	Payments	£0	-£133
	Net Receipts over Payments		£57
Projects	Payments	£5,000	£3,260
Street lighting	Payments	£5,000	£2,428
Neighbourhood Plan	Receipts	£0	£1,557
	Payments	£10,000	£2,269
	Net Receipts over Payments		-£712
	Grand Totals: - Receipts	£113,607	£156,241
	Grand Totals: - Payments	£134,736	£131,390
	Plus VAT refunds		£16,097
	Less Vat on payments		£12,028
	Less Transfer to Earmarked Reserves		£3,620
	Net Receipts over Payments	(-£21,129)	£25,300

Cash reconciliation

Opening balances 1 April 2017		£100,415.49
Plus Receipts during year		£172,338.54
Less Payments during year		£143,418.06
Closing balances 31 March 2017		£129,335.97

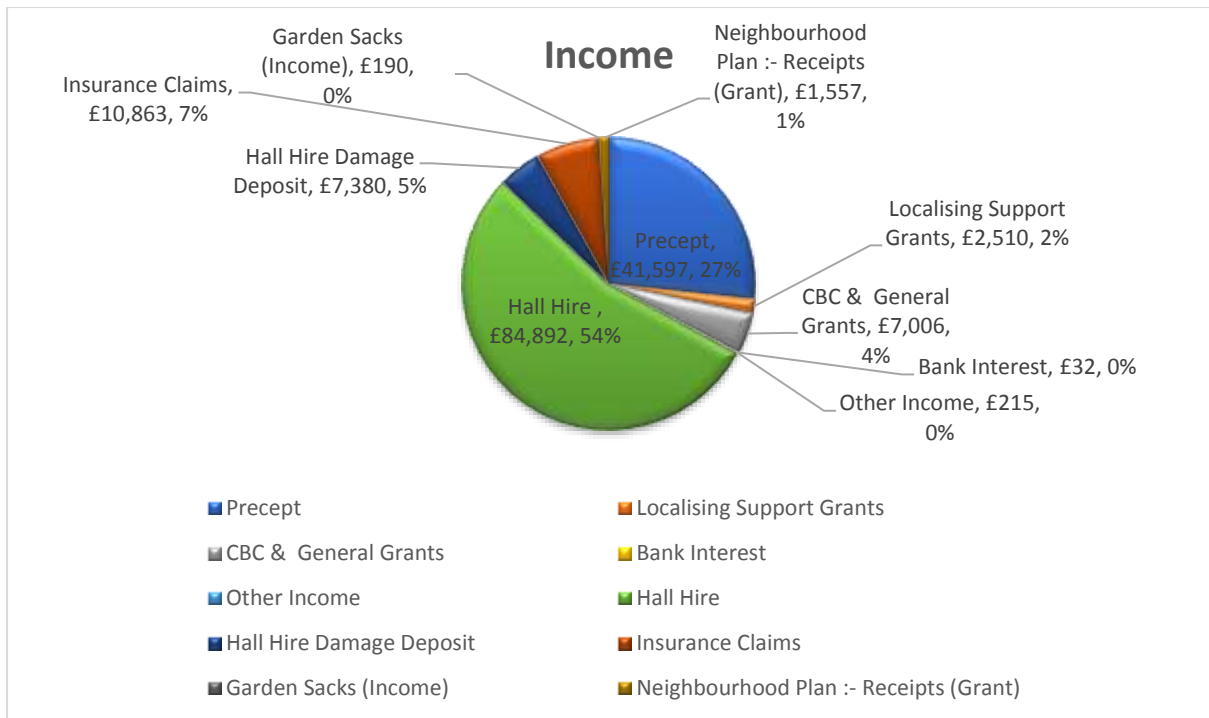
Cash Balances held as at 31 March 2017

Current account	£20,937.89	
less un presented cheques	-£2,795.46	
plus VAT refund not credited	£4,253.29	£22,395.72
Deposit account		£106,860.17
Petty cash		£80.08
Total		£129,335.97

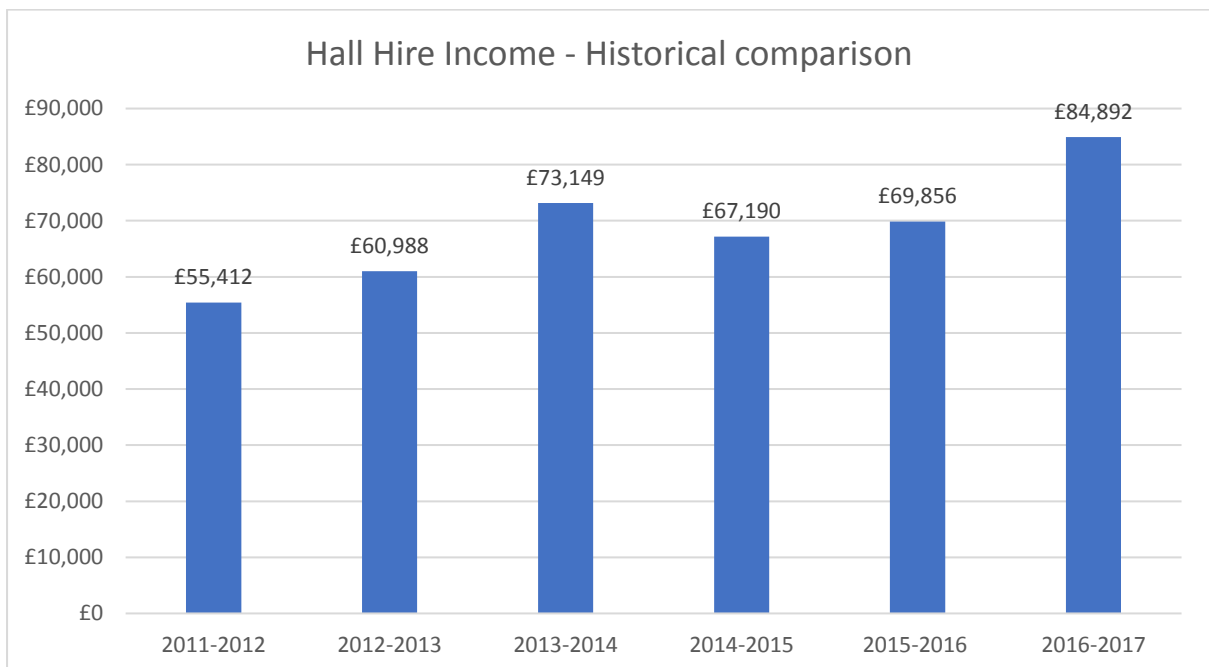
Represented as follows: -

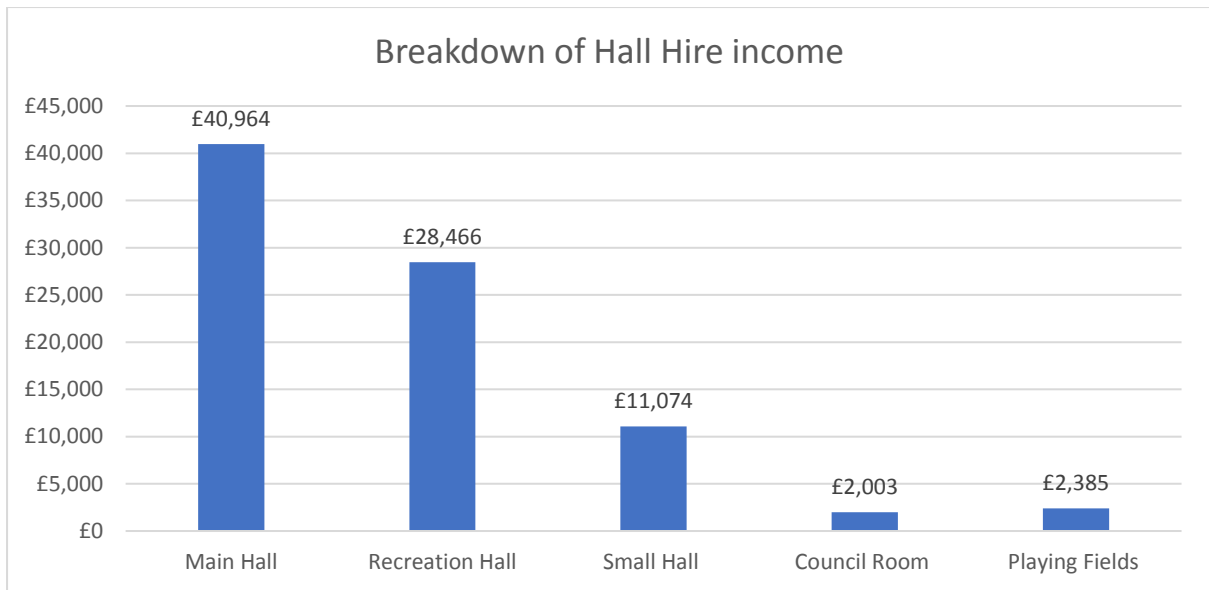
Earmarked Reserves

General		£30,000.00
Playground Equipment		£5,000.00
Hall & Car Park		£20,000.00
CCTV upgrade		£1,000.00
Leyfield project		£1,600.00
Section 106 Property Maintenance		£3,620.00
Election Fees		£750.00
Sub total		£61,970.00
2017/2018 Budget deficit		£42,977.00
Balance of Insurance claims paid but still to be spent		£4,255.00
Hall Hire Damage deposits held and due to be refunded		£3,050.00
Cash flow / working balance		£17,083.97
Total		£129,335.97



Hall hire income continues to make up a significant proportion of the Councils income (in excess of 60% if the one-off Insurance claims and grants are excluded). Whilst the income for the year is significantly up on 2015/16 the decision to register for VAT will mean that a further significant increase will be required for the current year just to stand still as the decision has been taken not to pass the increased cost on to regular hirers.





The Premises Manager & Assistant Clerk and newly appointed Bookings Manager will be working hard for the current year with the Premises Committee to maximise income in the Halls where there are regular time slots available.

Subject the availability of funding a review of the Recreation Hall will also be undertaken to provide for additional uses

Year on Year comparison of Payments / Expenditure

	Year end 31 March 2016	Year end 31 March 2017	Comments
Staff Costs			
Council Salaries / Staff Costs	£36,402	£11,826	
Parish Hall Salaries / Staff Costs		£33,624	
Council - Employers NI	£5,918	£521	The 2016 figure includes both income tax & NI
Parish Hall - Employers NI		£1,513	
Parish Hall Staff Pension		£299	
Sub Total	£42,320	£47,783	
Other costs			
Petty cash	£100	£0	
Loan repayments	£4,136	£1,991	PWLB loan fully repaid
VAT on Payments	£7,773	£12,028	
Misc. Staff Costs	£0	£186	
Payroll Fees	£305	£955	
Other Professional Fees	£0	£2,775	Hall maintenance survey & Vat advice
Staff Travel	£0	£122	
Training	£1,351	£1,233	
Insurance	£2,582	£3,170	
Insurance claim	£0	£6,608	Burglary - replacement and repairs
Audit Fees	£2,675	£675	
Office Stationery	£2,041	£1,490	
Postage	£0	£519	
Office Equipment	£585	£2,080	
Phone (Inc Mob) & ADSL Line	£1,260	£1,928	
Membership / Subscriptions	£899	£790	
Computer Software Purchase & Support	£0	£1,180	Accounting software and Rialtas support
Computer Maintenance	£0	£568	
Election Fees	£0	£60	
Contingency Fund	£6,773	£0	see below *
Newsletter	£845	£103	
Chairman's Allowance	£71	£68	
Civic Expenses	£0	£45	
Bank Charges	£25	£54	
Litter Pick Costs	£0	£439	

Hall Maintenance	£10,007	£11,425	
Hall Licences	£0	£1,508	PRS Licence
Grounds Maintenance	£3,843	£3,470	
Janitorial Maintenance	£2,621	£2,853	
Hall Alarm	£0	£1,480	
Electricity	£3,780	£11,059	Includes residue of sums due to Scottish Power over 2-year contract ending 30 April 2016
CBC Rates	£11,093	£11,183	
Water	£701	£976	
Hall Direct Purchases	£381	£121	
Hall Hire Refunds	£904	£1,553	
Hall Hire Refunds Damage Deposits	£0	£4,330	
Garden Sacks (Purchase)	£0	£133	
Project - Repaint	£87	£0	
Project - Playground Repairs	£691	£0	
Project Floors	£4,646	£1,780	
Project Acoustics	£2,319	£0	
Street Light Repairs & Maintenance	£4,089	£2,428	
Neighbourhood Plan	£0	£712	
Neighbourhood Plan Grant spend	£0	£1,557	
Total other costs	£72,347	£93,644	
Total all payments / expenditure	£118,903	£143,418	

*Contingency fund spending	
Computer Hardware & Maintenance	£550
Public Meeting Expenses	£33
Clock tower Repairs	£1,220
Premises Manager Job Advert	£405
Scrubber drier Machine - Floors	£975
Insurance reinstatement valuation	£450
Computer Hardware	£1,148
Hall Booking Software	£1,692
Neighbourhood Plan Banners	£255
Neighbourhood Plan Community Profile	£45
	£6,773

**Budget for year ending 31 March
2018**

	Year end 31 March 2016	Year end 31 March 2017	Year end 31 March 2018	
	Budget	Budget		
Administration				
Main Hall	£33,500	£34,000	£29,000) Total Gross
Recreation Hall Hire	£24,500	£25,000	£25,000) income including
Small Hall Hire	£8,000	£8,000	£8,000) VAT £76,500
Council Room Hire	£2,000	£1,500	£1,750)
Sub Total	£68,000	£69,500	£63,750	
Playing Field Hire (VAT exempt)	£1,500	£1,000	£1,000	
Precept	£41,597	£41,597	£45,757	
Localising Support Grants	£2,310	£2,010	£1,668	
CBC & General Grants	£500	£500	£500	
Insurance refund / Claim	£0	£0	£0	
Bank Interest	£0	£0	£0	
Other Income	£0	£0	£0	
VAT Refunds				
Total Income	£113,907	£113,607	£112,675	
Salaries / Staff Costs	£42,500	£44,200	£51,420	
Employers NI	£3,000	£2,000	£4,000	
Staff Pension	£0	£1,000	£500	
Payroll Fees	£420	£900	£750	
Petty Cash				
Staff Travel	£0	£0	£250	
Training	£1,000	£2,000	£2,000	
Insurance	£2,500	£2,750	£4,000	
Audit Fees	£800	£900	£800	
PWLB	£4,137	£1,991	£0	
Office Stationery	£2,100	£2,000	£2,000	
Postage	£0	£0	£750	
Office Equipment	£500	£1,000	£1,000	
Phone (Inc Mob) & ADSL Line	£1,500	£1,650	£2,000	
Membership / Subscriptions	£750	£1,000	£1,000	
Computer Software Support	£0	£295	£300	
Computer Maintenance	£0	£0	£500	
Election Fees	£0	£2,000	£0	
Contingency Fund	£4,400	£4,500	£4,500	

Newsletter	£1,000	£1,500	£1,500
Chairman's Allowance	£200	£200	£200
Councillors Expenses - Travel	£0	£250	£250
Bank Charges	£0	£0	£0
Litter Pick Costs	£0	£0	£0
Hall Maintenance	£9,900	£10,000	
General Maintenance			£5,500
Licences			£1,510
Keyholder costs			£6,450
Planned 1) Improvements Priority			£10,000
Planned 2) Decorating			£15,000
Planned 3) Fluorescent light covers			£1,472
Grounds Maintenance	£5,450	£4,500	£5,000
Janitorial Maintenance	£4,000	£3,000	£3,000
Community Recognition			£250
Electricity	£9,000	£10,000	£6,000
CBC Rates	£11,500	£12,500	£13,000
Water	£1,000	£1,100	£1,100
Hall Direct Purchases	£500	£500	£500
Hall Hire Refunds			
Projects			
Hall Alarm	£0	£1,500	£0
Project - Repaint	£2,500	£2,000	
Project - Playground Repairs	£2,500	£2,000	£1,250
Project - Defibrillator	£0	£2,500	£0
Project Floors	£6,400	£0	£0
Project Acoustics	£2,400	£0	£0
Project Leyfield			£1,400
Project - Kitchen Equipment			£500
Street lighting	£4,900	£5,000	£5,000
Neighbourhood Plan	£0	£10,000	£1,000
Vat paid		£0	£0
Drawn against Reserves			
Total Budget Income	£113,907	£113,607	£112,675
Expenditure	£124,857	£134,736	£155,652
Excess of Income over Expenditure	-£10,950	-£21,129	-£42,977

Precept for year ending 31 March 2018	
Income	£66,918
Less Expenditure	-£155,652
Net	-£88,734
Proposed use of Reserves	£42,977
Precept	£45,757
Previous year Precept	£41,597
Percentage increase	10%
Band D property equivalent charge	£49.88

**Budget approved by Marks Tey Parish Council
30 January 2017 Minute ref 2017/EX4**