

ENMORE PARISH COUNCIL

Report of the Responsible Financial Officer on the year ended 31 March 2024

Draft unexamined accounts

These accounts (see page 3, with notes to the accounts on page 4) were updated on 31st March 2024 and include interest earned on deposits up to and including March 2024.

During this financial year the Council received two grants and a number of donations for trees and seating at the Jubilee Field. These additional sources of income enabled the Council to undertake two projects (both ongoing at the year end) without any significant impact on the precept. The format of the accounts provided to Council during the year was intended to make the net cost of these projects clearly visible to readers of the accounts, as well as providing the gross costs incurred and showing the additional sources of income.

However, the year end accounts also have to be provided in a prescribed and much simplified format stating gross income and gross expenditure. Both formats provide an accurate account of the year's financial transactions but, in my opinion, the former allows greater detail to be shown and provides more insight for tax payers.

Changes since the previous report

Since my report for the March meeting there has been a further routine monthly payment of Clerk's remuneration (with net pay to the Clerk and tax deductions to HMRC), and part of the Wilding Grant received in January has been used (reimbursement authorised at the March meeting). Somerset Council has been paid for the heavy-duty pole installed recently (although the expenditure was included in the previous year's accounts) and labels have been purchased for the trees and benches donated to the Jubilee Field. The installation of the pole enabled the Council to upgrade the remaining battery-powered Speed Indicator Device to solar-powered. A claim for repayment of all outstanding VAT for 2023/24 has been made: the expected VAT repayment is allowed for in the accounts for this year.

Partially completed projects, spanning more than one financial year

I Jubilee Field

The groundworks for the all-weather seating area, installation of benches and some other small jobs could not be done in 2023/24 because of the prolonged period of wet weather and resulting waterlogged ground. This year's accounts show the financial position mid-project. Benches have been purchased, trees and wild flower seeds have been planted and the 75% grant on eligible spending on the work done to date has been received as an interim payment. The net result at 31st March 2024 is that more money has been received than has been spent. The project accounts are currently £495.15 in credit. The largest item of expenditure on this project remains to be done, and its 75% grant remains to be claimed. When the project has been completed the expected net cost to the Parish Council will be under £100. We are most grateful to everyone who made donations and to the Greater Quantock Landscape Development Fund. Without this support the project could not have been afforded at the moment and its accomplishment would still be some years away.

II Improving habitat in St Michael's Churchyard and the Jubilee Field

The Parish Council was awarded a grant of £500 from a Local Giving initiative, a "Magic Little Grant", to be spent on improving the habitat in these areas, with the churchyard currently taking priority so that it can be used as a nature resource by Enmore School. Nesting boxes, a hedgehog house and some wildflower bulbs have been bought so far at a cost of £104.96 ex VAT. The remaining £395.04 of the grant will be carried forward to the next financial year. This sum may only be used in accordance with the terms of the grant and is not available to be used by the Parish Council for other purposes.

Actual expenditure v budget and capital reserves

Actual expenditure in 2023/24 was under budget and income was more than expected thanks to grants, donations and improved rates of interest on Parish Council funds held in a deposit account.

Our budget has to make provision for the possibility of costs being incurred which are not under the control of the Parish Council. Election expense is a notable example. The Parish Council holds a reserve against this possibility and its budget allows for the replenishment of this reserve when costs are incurred. In 2023/24 no such cost was incurred, thanks to all candidates for the Councillor vacancies choosing other (free!) approaches and avoiding the expense of an election. Furthermore, the Parish Council aims to exercise economy and consider value for money for its tax payers when making financial decisions and in relation to all aspects of its operation.

The excess of income over expenditure in 2023/24 will be carried forward to 2024/25. Next year should see the completion of the current projects and the construction of a car park at the lower end of the Jubilee Field. The completion of these projects will leave the Council with reduced levels of reserves but enhanced village amenities and a clearer financial position going forward. The Parish Council's reserves continue to be adequate to meet its current liabilities and in accordance with the recommended levels for local government. Page 5 of this report sets out figures for capital reserves and the extent to which the current funds are "spoken for".

End of year paperwork

I shall be handing over the financial records to Petra Ingram who has very kindly agreed to carry out the Internal Audit/independent examination again this year. We are most grateful to her for undertaking this work. It is hoped that all the paperwork relating to finance and governance for 2023/24 will be signed off at the 7 May meeting. It is also a requirement that there is a period of public access to the financial records. In 2024 this will be from 3 June to 12 July (it has to cover 30 consecutive working days, including the first 10 working days of July). I have updated the note on Scrutiny & Public Access on our website for 2024.

On a personal basis I would like to thank everyone involved in Enmore life, not just in relation to the Parish Council, for their constructive cooperation for the greater good of the community. Not only does this avoid unnecessary expense, and so gives better value for all tax payers, but your good natured and positive approach significantly improves the quality of our lives.

Anne Stoye, Responsible Financial Officer
31st March 2024

Year to date accounts as at 31 March 2024

	Cost (ex VAT)	Offsetting income	Current Year	Notes	Previous Year
Income					
Precept			5253.00		5003.00
Deposit account interest			298.29		72.46
Other income			0.00	2	110.00
Magic Little Grant for wilding		500.00 }			
Less grant disbursements	104.96	}			
Current grant award funds for wilding (restricted use) carried forward			395.04	10	
Total			5946.33		5185.46
Expenditure					
Clerk's salary			685.97	3	541.58
Administrative expenses			9.50	4	15.30
Website costs			142.00		328.40
Jubilee Field landscaping project					
Costs incurred to date	1753.44	}			
less GQLDF interim grant		1273.59 }			
less personal donations and fundraising		975.00 }	-495.15	9	0.00
Coronation (2023)/Jubilee (2022) expenses			145.00	2	166.00
Cost of meetings - hall rental			0.00	5	0.00
SALC subscription			70.84		68.09
Property and Grounds maintenance			414.00		392.00
Insurance			241.00		241.00
Training			107.50		185.00
Sedgemoor Election Fee			0.00		100.00
Neighbourhood Watch and litter pick support			48.51		0.00
Speed management equipment	1909.01	1144.84	764.17	6	3200.00
Public Works Loan repayment instalments			799.74	7 & 8	827.82
Total			2933.08		6065.19
Excess of income over expenditure			3013.25		-879.73
Balance Sheet					
Balance brought forward from previous year			19576.87	8	
Excess of income over expenditure			3013.25		
			22590.12		
Represented by assets as follows:				8	
Bank balances			22436.30	11	
Owed by HMRC in respect of VAT			153.82		
			22590.12		

Notes to the accounts

- 1 These accounts have been prepared on an Income and Expenditure basis and are net of reclaimable VAT.
- 2 Grants made for specific purposes are shown with income and relevant expenditure together so that the net cost to the Council is clearly shown.
- 3 Clerk's gross remuneration, including deductions remitted to HMRC.
- 4 Printing, postage, stationery etc
- 5 Enmore Memorial Hall did not make a charge for rental for Parish Council meetings during this period. Rental fees are being waived for calendar years 2022 to 2031 inclusive in recognition of the Parish Council grant of £3,000 made in March 2022 towards the installation of solar panels (estimated cumulative rental saving to date: £480).
- 6 In 2022/23 the cost figure included £400 owed to Somerset County Council for poles and £7,800 paid in respect of speed indicator devices (£9,360 gross less £1,560 repaid VAT) less a grant of £5,000 from the Avon & Somerset Police Community Trust given for this specific purpose. In 2023/24 repairs were carried out to damaged equipment at an ex VAT cost of £1,244.84, of which all but £100 was covered by the Council's insurance policy, and one device was upgraded from battery-powered to solar-powered at an ex VAT cost of £664.17. VAT of £248.97 has been repaid to the Council for the repairs and a claim for repayment of £132.83 VAT on the upgrade has been submitted with payment currently awaited.
- 7 Public Works Loan - during this financial year £540 principal was repaid plus £259.74 interest. Instalments were paid in September 2023 and March 2024.
- 8 Enmore Parish Council bought land for a future cemetery for £8,000 in 2007, assisted by a Public Works Loan. The amount of this loan currently outstanding is £4,590 (31 March 2023: £5,130). Neither the value of the cemetery land nor the amount of remaining Public Works Loan is included in these asset figures.
- 9 This project has been awarded a grant by the Greater Quantock Landscape Development Fund. Based on spending to date, an interim payment of grant (£1,273.59) was applied for and has been received.
- 10 Enmore Parish Council was awarded a grant of £500 towards the cost of wilding St Michael's Churchyard and the future Cemetery. Disbursements against this grant amounted to £104.96 (plus £20.99 reclaimable VAT) in 2023/24 and the balance of the grant, £395.04, was carried forward to 2024/25. This element of the Parish Council's funds may only be spent on items approved under the terms of the grant award.
- 11 Bank balances at the end of 31 March 2024 were: NatWest deposit £21,797.37, NatWest current account £498.55 and Lloyds current account £140.38. A total of £153.82 is owed to the Parish Council by HMRC in respect of a Section 126 VAT repayment claim.

Capital requirements and reserves	£
Assets at the end of March 2024	22590
Residual funds from wilding grant (restricted use)	395
50% of precept recommended reserve	2626
Reserve to meet election costs if needed	1500
Cost of completing landscaping and seating project	2286
VAT on above	466
Car parking at Jubilee Field	12091
VAT on above	2418
 Total of above items	 21782
Free reserves remaining (so just enough capital to finance these projects)	808
However, the position will be improved once the VAT has been reclaimed and the remainder of the GQLDF grant has been claimed and paid	
Refunds of VAT	2884
GQLDF grant for landscaping and seating	1715
New free reserve figure	5407
We also hope to get a grant of £5,000 towards the car park but have not yet had formal written confirmation	+5000?
Some of this money will be needed to pay for new road signage if the speed limit simplification proposals are agreed	-4000?

These figures show that the level of reserves is by no means excessive given the projects in hand and expected, especially when there is uncertainty over cutbacks in service from Somerset Council and the extent to which some of this work may fall on the Parish Council.

Having some capital in excess of the minimum recommended level enables the Parish Council to undertake projects even if much of the cost can later be recouped by S126 VAT claims and by grants - the full cost usually has to be paid first by the Council, which has very restricted borrowing powers.

The Parish Council would be most grateful for suggestions about sources of grant funding for improved facilities. Grants, donations and volunteers make it possible to achieve far more than the Council could do on its own and without significantly increasing the level of Council Tax.