

ENMORE PARISH COUNCIL

Report of the Responsible Financial Officer on the year ended 31 March 2025

Draft unexamined accounts

These accounts (see page 3, with notes to the accounts on page 4) were updated on 31st March 2025 and include interest earned on deposits up to and including March 2025. The format of the accounts provided to Council during the year was intended to make the net cost of subsidised/grant-aided projects clearly visible to readers of the accounts, as well as providing the gross costs incurred and showing the additional sources of income. In particular, some of these projects could not have been undertaken by the Parish Council in the absence of grants and we wish to express our gratitude to the relevant organisations.

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.

General comments on the financial year

During this financial year the Parish Council completed three large projects:

- * the car park at the Jubilee Meadow, enabling part of this land to be used for burials when St Michael's churchyard is, in due course, closed, and also facilitating use of the land as a green community space. Quantock Hills National Landscapes provided £5,000 towards the cost from their Access Fund.
- * the planting and seating at the higher end of this land. The Greater Quantock Landscape Development Fund provided a grant covering close to 75% of the cost of this work, and a high proportion of the remaining 25% was covered by generous donations from individual residents. This project was started in the 23/24 financial year and completed in the 24/25 year, with both income and expenditure in both years, as follows:

	23/24	24/25	Total for project
Costs incurred	£1753.44	£2328.00	£4081.44
Income received			
Individual donations & fundraising	£975.00	-	£975.00
GQLDF grant	£1273.59	£1714.72	£2988.31
Net cost for year	(£495.15)	613.28	£118.13

- * the reduction of the speed limit to a consistent and simple 30 mph through the village, with all the necessary formalities, new signage and road markings this entails. This project, partially funded by the Parish Council with the balance covered by Somerset Council, also covered replacement of the rather tired original signage and we lobbied for the installation of flashing lights at the school to be expedited. A small amount of additional work, not included in the original schedule of works, on signage has been commissioned from Somerset Council but is still to be done. The cost of this will be included in next year's accounts but provision for the cost has been made when considering the capital reserves of the Council.

The total cost of this road safety work was estimated to be £12,400, plus an estimated additional £5,000 for the changes to the school speed limits. The former figure includes approximately £3,300 for the TRO administrative paperwork and public notice and also the survey work and speed monitoring carried out by golf club before the change could be approved.

We also completed the allocation of funds received in 2023/24 under a “Magic Little Grant”, largely towards making the churchyard more wildlife and school children friendly. This was a grant administered by the Parish Council but with restricted use.

During this financial year the Clerk worked on an unpaid volunteer basis so the Council’s finances benefited from not having payroll costs. The Parish Council applied this unexpected effective windfall towards reducing the outstanding Public Works Loan. This will have the benefit of reducing outgoings for the Council for the remainder of the term of the loan (a further 8 years).

The Council’s funds at the end of the year are now rather lower than in recent years but it should be remembered that funds had been accumulated deliberately in order to meet the then unknown cost of the future car park. From a financial point of view, the completed projects and correspondingly lower funds give far more certainty over the financial position, which still more than satisfies the advised prudential reserves level. Despite the lower numbers, it is my opinion that the Parish Council is in a stronger financial position overall and local residents have seen important benefits at relatively modest costs.

Changes since the previous report

Since my report for the March meeting a small amount of additional bank deposit account interest has been received and the Parish Council’s agreed share (£5,000) of the cost of the speed limit changes has been paid.

Actual expenditure v budget and capital reserves

Actual expenditure in 2024/25 relating to routine costs was under budget and income was more than expected thanks to grants and improved rates of interest on Parish Council funds held in a deposit account.

Our budget has to make provision for many unknown costs and also for the possibility of costs being incurred which are not under the control of the Parish Council. Election expense is an example of the latter category. The Parish Council holds a reserve against this possibility and its budget allows for the replenishment of this reserve when costs are incurred. In 2024/25 no such cost was incurred and a number of estimated costs proved to have erred on the side of caution. Furthermore, the Parish Council continues 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.

However, the net costs of the various major projects discussed above have caused the overall position on income vs expenditure for the year to be a substantial deficit (£10,528.62) and the level of the funds held by the Parish Council is now correspondingly lower.

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

Within the next few days 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 2024/25 will be signed off at the 6 May meeting. It is also a requirement that there is a period of public access to the financial records. In 2025 this will be from 26 June to 6 August (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 2025.

Anne Stoye, Responsible Financial Officer
6th April 2025

Year to date accounts as at 31 March 2025

	Cost (ex VAT)	Offsetting income	24/25		23/24
Income			Current Year	Notes	Previous Year
Precept			5253.00		5253.00
Deposit account interest			266.64		298.29
Other income (see note 2 and offsetting income below)			0.00	2	0.00
Unspent grant award funds for wilding (restricted use) carried forward (received 23/24)			0.00	9	395.04
Total			5519.64		5946.33
Expenditure					
Clerk's salary			0.00	3	685.97
Administrative expenses			30.78	4	9.50
Website costs			116.00		142.00
Jubilee Meadow/future cemetery car park					
Costs incurred	10511.00				
less QHNL Access grant		5000.00	5511.00	2	
Jubilee Meadow landscaping project					
Costs incurred this financial year	2328.00				
less GQLDF final grant		1714.72	613.28	2	-495.15
D Day +80 (2024)/Coronation (2023) community event expenses			85.00		145.00
Cost of meetings - hall rental & refreshments			115.40	5	0.00
SALC subscription			72.59		70.84
Property and Grounds maintenance			394.78		414.00
Insurance			241.00		241.00
Training			0.00		107.50
Neighbourhood Watch and litter pick support			7.99		48.51
Speed management equipment			5343.53	6	764.17
Public Works Loan interest and capital repayment			2846.46	7 & 8	799.74
Magic Little Grant disbursements			395.04	9	
Sundry unbudgeted expenditure			275.41		0.00
Total			16048.26		2933.08
Excess of income over expenditure			-10528.62		3013.25
Balance Sheet					
Balance brought forward from previous year			22590.12	8	19576.87
Excess of income over expenditure			-10528.62		3013.25
			12061.50		22590.12
Represented by assets as follows:				8	
Bank balances less outstanding invoice			11979.75	10	22436.30
Owed by HMRC in respect of VAT			81.75		153.82
			12061.50		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. (Nil in 2024/25.)
- 4 Bank charges (from January 2025), printing, postage, stationery etc
- 5 Enmore Memorial Hall did not make a charge for rental for routine Parish Council meetings during this period, in recognition of the Parish Council grant of £3,000 made in March 2022 towards the installation of solar panels. This agreement covers the calendar years 2022 to 2031 inclusive. However, rental is now being paid when additional meetings are held. The current year figure included £75 in respect of rental charges and £40.40 cost of a working lunch (for 10 people) when the Parish Council met our MP.
- 6 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. In 2024/25 SID repair costs of £343.53 net of VAT were incurred and Somerset Council charged Enmore Parish Council the agreed maximum of £5,000 towards the total cost of the speed limit changes and refurbishment. The £68.71 VAT element of this year's SID repairs could not be reclaimed within the financial year but this will be done as soon as the claim eligibility conditions are satisfied.
- 7 Public Works Loan - during this financial year the Parish Council repaid a total of £2,565 principal. The balance is interest and an early repayment penalty.
- 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 £2,025 (31 March 2024: £4,590). Neither the value of the cemetery land nor the amount of remaining Public Works Loan is included in these asset figures.
- 9 Enmore Parish Council was awarded a "Magic Little 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 spent in 2024/25. This element of the Parish Council's funds was only permitted to be spent on items consistent with the terms of the grant award.
- 10 Bank balances at the end of 31 March 2025 were: NatWest deposit £11,914.01, NatWest current account £38.83 and Lloyds current account £31.16 (of which £4.25 relates to an unpaid invoice for bank charges). A total of £81.75 is owed to the Parish Council by HMRC in respect of Section 126 VAT repayment.

Capital requirements and reserves	£
Assets at the end of March 2025	12061
50% of precept recommended reserve	2626
Reserve to meet election costs if needed	1500
Cost of additional road signs approved and ordered	350
Total of above items	4476
Free reserves remaining	7585

The nominal amount of unpaid loan capital remaining at the year end is £2,025. However, the cost of repaying the remainder of the loan has been estimated to be £2,120 as at 31st March 2025, including accrued interest and early payment penalty.

These figures show that the current level of reserves is more than adequate to cover the Council's expected liabilities in the short term future, including the whole of next year.

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. However, Parish Councils are discouraged from accumulating funds significantly in excess of their expected liabilities as this is considered to be an inappropriate use of public money.

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.