

## ***Briefing Note***

Financial Report Year End 2017-18

23 April 2018

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### **1.0 Cash and Bank Reconciliation**

The year-end bank reconciliation is complete and shows the year beginning with £8,718.44 in cash and ending with £8,022.74. The decrease in cash is due to the planned expenditure of earmarked funds.

### **2.0 Reserves and earmarked funds**

The standing reserves were not used: contingency reserve (£1.5K), election reserve (£3.5K) or website and village feature reserve (£1K). Payments from earmarked funds amounted to £2,036.26.

#### **Transparency Fund spend, £869.26.**

A transparency fund has been available to parishes with a turnover of less than £25K in order to help them financially with the equipment and skills needed to comply with the Transparency Code for Smaller Councils. The 2016-17 fund still has £74.11 to pay toward the new broadband connection in the Village Hall.

The transparency fund for this fiscal year 2017-18 has been used to pay for the clerk's time on the website and also to purchase a laptop. This was the last year of the fund and St Ewe was happy to take advantage of it in order to equip the clerk with an up-to-date laptop. £109.40 remains from the 2017-18 fund to purchase a printer/scanner.

#### **Pittsdown Wind Turbine Fund spend, £1,167.**

Last year the parish council received an advance payment of its first Pittsdown Wind Turbine Fund, £1,667. This amount will be paid by Aura Wind (Tregony) Limited to the parish council each year for the next 19 years and will be used for the benefit the parish.

#### **Other earmarked funds.**

The council has just received a matching fund Community Chest Grant of

£350, authorised by its Cornwall Councillor Cherilyn Williams, for the refurbishment of an iron fingerpost which has lost one side of a double finger. The council plans to refurbish a dilapidated wooden fingerpost in the coming year as well and may apply again to the Community Chest for matching funds.

### **3.0 Budget Comparison**

Total payments for 2017-18 are £8,493.18 (without VAT). Subtracting the payments from earmarked funds of £2,036.26, total payments from the 2017-18 budget amount to £6,456.92 compared to the budget of £7,282.

#### **VAT.**

Parish councils do not take VAT into consideration for budgeting purposes because parish councils may reclaim VAT.

#### **Unbudgeted items.**

With savings in other budget categories, the council was able to make two substantial unbudgeted purchases: a new Declarations of Acceptance of Office ledger at £120 and further footpath maintenance at £100.

The election of 1931.

As a matter of interest, the first entry of the recently filled Declarations ledger is dated 20<sup>th</sup> April 1931 and signed by Richard Chenoweth of Glebe Farm, St Ewe. Nine other newly elected councillors signed the book that day: Sydney Church, Frederick James, Joseph Michell, James Levers Phillips, Charles Henry Retallick, William Thomas, Herbert Stanley Trevenna, John Warne, and Thomas Henry Vellenoweth. During that election period two councillors were co-opted: Francis Lobb and William Phillips.

### **4.0 Transparency Code and audit**

All councils must publish their Annual Return along with the Notice of Period for the Exercise of Public Rights. The Annual Return has been rebranded this year as the Annual Governance and Accountability Return or AGAR, which most people still call the Annual Return.

The Transparency Code for Smaller Authorities applies to St Ewe, as its annual turnover is well under the £25,000 cut off. In accordance with the Code, the council's financial details have been published on its website since the 2014-15 financial year, and these include a list of all payments. The Code requires a list of payments over £100 and St Ewe publishes all payments.

#### External Audit.

At St Ewe's level of expenditure, the external audit is a 'limited review' audit. Beginning financial year 2017-18, St Ewe is not required to have an external audit and accordingly the council has opted out of the limited review external audit for 2017-18 which would cost £200. The council will still publish its unaudited Annual Return (AGAR) on the website, along with the list of all payments but it will not submit the Annual Return to the external auditor.

#### Internal Audit.

In accordance with Audit Regulations, all parish councils have an internal audit for assurance that the council is conducting its affairs lawfully and handling its public money properly. An independent and competent internal auditor is appointed each year by the council. The internal auditor's report forms part of the Annual Return and any issues raised by the internal auditor must be addressed by the council before it completes its Annual Governance Statement for the Annual Return. Internal audit is the public's assurance that its council is proceeding lawfully and effectively.

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Proper Officer and Responsible Financial Officer

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