

YAXLEY PARISH COUNCIL

Accounts for the Year ended 31 March 2016.

Notes with the accounts:

1. **Balances brought forward:** Increase by 11.6% (£1,358) due to the reduction in expenditure in 2014/2015: decrease of 53.2% (£3,295) due to the expenditure on a new floor for the Community Hall (£3,790), which was the major item of additional expenditure which had been made during the 2013/2014 financial year, and the normal variations in expenditure from year to year on other items.
2. **Annual Precept:** Unchanged.
3. **Total other receipts:** Decrease in other receipts of 12.04% (£508) see below:

	<u>2014/2015</u>	<u>2015/2016</u>	<u>Difference between 2014/2015 and 2015/2016</u>
MSDC Grant	£200.25	£133.50	-£66.75
Burials	£480.00	£75.00	-£405.00
Rental Allotments	£355.00	£380.00	£25.00
Rights of Way/Rentals	£1979.41	£730.00	-£1249.41
Interest	£2.77	£2.82	£0.05
Recycling Credits	£601.90	£641.71	£39.81
VAT Refund	£0.00	£0.00	£0.00
Other Income	£601.20	£1,749.62	£1,148.42
Total	£4,220.53	£3712.65	-£507.88

4. **Staff costs:** Increase of 21.03% (£476) because of an increase in hours worked and the new hourly rate paid to the Clerk was for a full year.
5. **Loan/Interest Payments:** Not applicable
6. **Total other payments:** Decrease of 16.9% (£987) mainly due to the reduction in donations but also to the normal variations from year to year in expenditure.
7. **Balances carried forward:** Increase by 10.3% (£1,361) due to the reduction in expenditure in 2015/2016, see under No. 6.
8. **Total cash and short term investments:** Increase by 10.3% (£1,361) due to the reduction in expenditure in 2015/2016, see under No. 6.
9. **Total fixed term assets and long term assets:** Unchanged.
10. **Total borrowings:** Not applicable.

During the 2015/2016 Financial Year:

- The Parish Council has deducted PAYE from the Clerk's pay and has sent the payments to HMRC.
- The Parish Council has registered under Pension Automatic Enrolment but because of the Clerk's age this does not apply.
- VAT was reclaimed at the end of the 2015/2016 financial year and was received at the beginning of the 2016/2017 financial year.
- The risk assessment, financial regulations and standing orders were reviewed during 2015/2016.
- The asset register is unchanged.

Response to Audit 2014/2015:

Internal Auditor's Comments:

Point 2:

- Invoices to be initialled by cheque signatories. Cheque signatories are reminded of this on the agenda for each meeting.
- Recovery of VAT on costs. VAT was reclaimed at the end of the 2015/2016 financial year and was received at the beginning of the 2016/2017 financial year.

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- Insert a S137 Column in the cash book. This has been done.

Point 8:

- Insurance of the village hall. This has been checked with the management committee and the building is insured.

Point 12:

- Reporting action points. These are reported under 'Matters Arising' and on each agenda all action points are listed.

Point 14:

- Election of the Chairman on the agenda of the Annual Parish Council Meeting. The position of this item has always been after Apologies for Absence and no comment has been made in previous audits. This has been noted and actioned.
- Submission of signed minutes for audit purposes. This will be done in future.

Response to Audit 2015/2016:

Internal Auditor' Comments:

Point 2:

- Ensure that all payments are within the powers of the parish council and reference to the power being used should be identified and shown in the minutes or the cash book:
 - This will be done.

Point 3:

- Review Standing Orders and adopt with reference to the NALC Legal Briefing L05-15 and minute during the next financial year with particular reference to the procurement of contracts.
 - This will be done, however the procurement of a contract during the 2015/2016 financial year was in line with the latest guidelines.
- Review the Financial Regulations and adopt with reference to NALC Financial Briefing F01E - 16.
 - This will be done as soon as possible.

Point 4:

- The budget position should be reported three times each year and minuted at each council meeting which highlights any actual or potential overspends:
 - The minutes of the meetings show that on 1 July 2015, 12 August 2015, 23 September 2015, 16 December 2015, 27 January 2016 and 9 March 2016, there were detailed reports of the budget position, on a spreadsheet, which showed income and expenditure totals. In addition, the account sheets showed the percentage of the budget spent.
 - On 23 September 2015 the budget was reviewed mid-year and amended in line with actual and projected spending.
 - The bank account balances are reported at all meetings.
 - I believe this more than fulfils the requirement in the Council's Standing Orders and I do not understand why this has been highlighted as a recommendation.

Pont 6:

- The Council should review its reserves and ensure they are appropriate to the budget set and any future commitments. It is recommended the reserves are split out between restricted (capital) reserves, earmarked reserves and general reserve:
 - The minutes of meetings show that the Parish Council is involved in a major project to which its reserves are committed.
 - In future the Council will divide its reserves as recommended.

Point 8:

- Asset register to include additional columns to show description, location, data acquired, date of acquisitions and/or disposals during the year and value:

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- This will be actioned in due course.

Point 12:

- Review of the effectiveness of its internal control system and minute the findings of the review:
 - This will be done. It should be noted that Councillors receive the spreadsheet of the accounts at most meetings and are able to see the detail of the Parish Council's income and expenditure.

P. Freeman
Clerk to Yaxley Parish Council.