

Briefing Note

Financial Report Year End 2023-24

2 April 2024

1.0 Cash and Bank Reconciliation

The year-end bank reconciliation is complete and shows the year beginning with £13,779.20 in cash and ending with £16,120.90, a difference of £2,341.70. This increase is mainly due to receipt of a CIL (Community Infrastructure Levy) payment and the 7th of 20 annual Aura Wind Turbine payments. The parish council has also benefitted from the increase in bank interest. This year the council received £409, whilst for many years annual bank interest amounted to only one pound.

The council has been pleased with the move from HSBC Bank to Unity Trust Bank, because of the higher bank interest and the convenient online payment system.

2.0 Reserves and earmarked funds

Reserves

At year end the total for reserves and earmarked funds is £16,120.90, which is the total cash held by the council. Parish councils do not carry unallocated cash over to the next fiscal year.

St Ewe has a *contingency reserve* for unspecified over-expenditure and it was reduced by £98.01 because of backdated payments for Hall Hire from 2021-22. At year end the contingency reserve is £2,462.83. The *election reserve* has remained the same at £3,345.00. A *noticeboard reserve* of £1,209.33 was carried over from last year and remains unchanged.

Earmarked grant funds are as follows:

Community Infrastructure Levy (CIL)

Parish councils receive a 15% 'Neighbourhood Portion' of the CIL income raised in the parish. The county council receives 85%. CIL should be spent on "infrastructure needed to support development" and the council has five years to spend the money.

St Ewe parish received £989.58 from PA21/05174 and the parish council granted £500 towards a new cooker for the village hall. The CIL total now stands at £3,749.93. An annual year-end CIL report is posted on the council's website.

St Ewe Climate Action Group (SECAG) funds

SECAG was formed in November 2020 to address the climate emergency at the parish level. SECAG received £100 from the Ward Member's Community Chest to purchase bat boxes for children to decorate and place at their homes. The fund currently stands at £34.96.

Any interested people are welcome to join SECAG.

Emergency Fund

There was no expenditure in 23-24. The fund remains at £169.50.

The Aura Wind Turbine Fund

This fund paid for the slate plaque to commemorate the Queen's Jubilee Silver Birch planted across from the village hall. At year end the fund stands at £4,639.91. St Ewe's Grant Application form is available on the website if anyone wishes to request funds for parish benefit.

Transparency Fund

The transparency fund remains at £109.40 to purchase a printer/scanner, for the clerk's office, but it is still not needed.

St Ewe Defibrillator

The parish council has £400.04 for equipment maintenance and training. Further fundraising will be needed for equipment maintenance in the future.

3.0 Budget & Precept

The *budget* for 2023-24 was £7,652, 1.6% less than the previous year. The *precept* for 2023-24 was £6,500, 1.3% less than the previous year.

PRECEPT.

The Precept is a tax that parish councils charge parish taxpayers in order to meet the parish council's budget requirements. Parish Councils do not receive direct funding from central government and rely on their Precept to fund their activities. The precept is calculated each year by subtracting projected receipts from projected payments.

Parish councils monitor the precept increase at the Band D property level. The precept tax paid by a Band D property is the total precept divided by the taxbase; that is, £6,500 divided by the taxbase of 243.35 equals £26.71 per Band D household per year. Compared with the previous year, the 2023-24 taxbase fell slightly and, though the precept was paid by fewer households, the Band D annual payment was still £0.07 less than the previous year.

4.0 Budget Comparison

The budget for 2023-24 was £7,652.

Total payments for 2023-24 are £9,085.75 (without VAT). £935.66 was spent from 'reserves and earmarked funds', so subtracting £935.66 from total payments leaves £8,150.09 as payments from the 2023-24 budget.

Therefore, subtracting the payments against budget (£8,150.09) from the budget (£7,652) shows the parish council to be £498.09 over budget. This overspend can be attributed to a retrospective national salary award, payment of room hire fees for a previous year, and extra grass cutting on the verges.

VAT

Parish councils do not take VAT into consideration for budgeting purposes because parish councils may reclaim VAT. A VAT claim for this 2023-24 year has been submitted for £306.58.

5.0 The AGAR, the Transparency Code and audits

All councils must publish their signed Annual Return (called the AGAR or Annual Governance and Accountability Return) along with the Notice of Period for the Exercise of Public Rights.

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. Since 2017-18, St Ewe is not required to have an external audit and, this year, the council is again able to opt out of the limited review external audit for 2023-24 (saving £210). This means that the council does not submit the AGAR to the external auditor, but the AGAR is still published on the website, along with the other documents required by the *Transparency Code*.

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 AGAR. Internal audit is the public's assurance that its council operates lawfully and effectively.



Christine Wilson, CiLCA

Proper Officer and Responsible Financial Officer