

## FINANCE REPORT FOR 25.9.2017

### Parish Account

#### Payments

April - £13,734.72

May - £6,639.26

June - £17,110.65

July - £12,388.76

Total Payments = £49,873.39

#### Receipts

April - £41,395.96 Precept received @ £41,000.00

May - £36.12

June - £17,242.40 VAT Refund @ 17,206.28

July - £12,300.00 Precept received @ £12,300

Total Receipts = £70,974.48

### Pavilion Account

#### Payments

April - £2,642.21

May - £7,194.78

June - £5,458.56

July - £1,588.53

Total Payments = £16,884.08

#### Receipts

April - £5,522.86

May - £6,794.46

June - £4,455.25

July - £7,236.47

Total Receipts = £24,009.04

You will have received the payments in your Agenda pack, but all payments are listed above for your convenience. Also listed above is the receipts for the months April, May, June and July 2017. You will note that the 1<sup>st</sup> precept was received from FHDC on 28/4 at £41,000.00 and the 2<sup>nd</sup> precept was received on 28/7 @ £12,300.00. The third payment is due at the end of September, at time of writing has not been received.

### Millennium Centre

The Millennium Centre has been paid £6,000 which is half of the amount due to them. I am still awaiting sight of their 2016/17 accounts.

### Accounts

The Omega Accounting system is now up and running with all data input from 1<sup>st</sup> April through to the end of the July by RBS as previously agreed. I have input all the August data and am currently awaiting to reconcile the accounts for August.

The outcome from this is that we need to change our accounting system from receipts and payments to income and expenditure due to going over the threshold for accounting by way of receipts and payments. Also, I have been told that we should be registered for VAT as a Parish Council due to the income received via the Pavilion Bar during events. This will mean that we should add VAT to all VATable items sold such as drinks and snacks. Room hire is exempt for the most part, so this will not affect our regular bookings. These two points I am currently looking into.

At present, we have to decide where we are going to code everything, what will be coded to the Parish and what will be coded to the Pavilion. We also need to decide whether to have the Pavilion as a totally separate entity – which means a separate company within the Accounts, or whether to have everything together under one banner and just cost items to the Pavilion. The Budget for 2016/17 needs to be 'moved' about to fit into the new headings with virements being undertaken where the budgets are not enough to cover current needs. This will need to be formally resolved by the Council.

For this, I suggest that we set up an informal 'working party' of myself, the Clerk, Cllr. Bowser and one other Councillor. This working party can work through the coding issues together with the current year budget and bring these to full Council for discussion and approval at the next meeting.

#### External Audit

BDO have written asking for more information which has taken the Clerk and I quite a few hours to sort through their queries. These included:- a reconciliation statement for boxes 7 and 8 of the Annual Return, an explanation why receipts have decreased by 89%, an explanation why staff costs have increased by 12%, an explanation why other payments have increased by 25%, why Red Lodge Parish Council is holding such high reserves, and copies of various Minutes relating to items during the year. All these queries took time for the Clerk and myself to unravel, but they have now been answered and the Annual Return form has now been returned to them – see separate item Annual Return on the Agenda.

#### Budget

I intend to commence working on the budget in October and would recommend that a Finance Committee is formally set up to discuss this. I would like to present the 1<sup>st</sup> draft of the Budget to the November PC meeting with the Budget being formally approved at the January 2018 meeting, in order to get the precept request in on time with FHDC.

#### Financial Regulations

These will be looked at by the Finance Committee at the same time as the Budget, again for approval at full Council.

Hilary A Gurner  
RFO  
18.9.2017