

## **FITTLEWORTH PARISH COUNCIL - CLERK'S FINANCIAL REPORT 2019-20**

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The financial position at the 31 March 2020 showed a balance of £22,232.75 (2018/19 - £25,991.54) in the combined accounts. The Internal Audit was carried out remotely on 14<sup>th</sup> May. Following the Annual Return being approved at the Parish Council meeting on 18<sup>th</sup> May, the Annual return was submitted to the External Auditor on 3<sup>rd</sup> June. The unaudited accounts are available for inspection between 3<sup>rd</sup> June and 14<sup>th</sup> July and the full audited accounts will be available for inspection in due course and will be advertised in the normal way.

### **Income**

We received £30,264.33 (2018/19 - £111,335.97) in income last year, most of which was the precept of £20,900.00 (2018/19 - £19,000.00), Grants £4,800 (Hesworth Common) (2017/18 - £65,874 (grants for the new playground and Operation Watershed)).

We also have investments with the Charities Investment Fund, one is an Allotment for Burying Ground and the other is an Allotment for the Labouring.

The remaining income is from the Sports Association's Licence fee agreement and share of insurance cover; minimal land rent from the Bowls and Rifle clubs and the Scouts; income from a Wayleave Agreement with SSE for Hesworth Common; reclaimed VAT and interest on the Reserve and Birchwalks Wood accounts.

It should be noted that the licence from the Sports and Social Club is being paid at an agreed, reduced rate.

The Parish Council, via the Recreation Ground Charity, receives rent from the Community Shop. Due to the level of donations received via the Charity account, the Recreation Ground Charity Accounts for the years ended 31 March 2018 and 2019 were required to have an Independent Examiners Report. The associated cost each year is covered by the rent from the shop. The Independent examiners fee for the accounts for the year ended 31 March 2019 were paid in February 2020. The surplus in the account in March 2020, and all future rents received, are transferred to Fittleworth Parish Council to be used towards the upkeep of the Recreation Ground. The funds are separated in the accounts in the Ear Marked Reserve – Playground & Recreation Ground Reserve.

### **Expenditure**

Our Expenditure last year was £34,023.12 (2018/19 - £137,110) this was under budget (budget - £32,991.00).

Our main expenditure items were

- Village maintenance £5,539 (2018/19 £16,878) – The main elements are the maintenance contractor -£3,552- and felling dangerous trees -£1,080, Litterbin waste collection was £632.
- Hesworth Common – Tree management (£3,351)
- Clerk's wages (£12,878 (18/19 - £11,756)).
- Maintenance of our buildings (£2,392 (2018/19 - £644))– The Sports Pavilion required extensive electrical work following the 5 year hardwire inspection;
- the upkeep of the Recreation Ground and other public spaces;
- and insurance.

The parish council looks after **assets** worth over half a million pounds which have to be maintained. These include the sports pavilion, the bowls pavilion, the Millennium Arch, the playground equipment, the Recreation Ground and Hesworth Common.

**Maintenance** covers the upkeep of the two pavilions, general repair work, tree surgery, bin collection, lighting, playground inspections and repair of equipment.

The **Recreation Ground** and other public areas such as the Centenary Gardens are again being maintained by Grasstex. Once lockdown restrictions have been lifted the contract will be put out to tender for a 3 year period.

**Insurance**-This is a big expense each year £1,961 (2018/19 - £1,720). In September 2018 we renegotiated our next 3 year agreement, securing a significant reduction in the annual cost.

### Donations

A total of £961 ((2018/9 - £1,360) was donated to the various clubs and societies around the village.

For the year ended 31 March 2020 under statute, the Parish Council can make a total payment for donations of £8.10 per elector (2018/19 - £7.86 per elector). Therefore, a total sum of £6,139.80 (2018/19 - £5,957.88) for s.137 payments is allowed based on the total number of electors for Fittleworth of 758 for 2019/20. WE are way within the allowed donation payments.

### Annual donations to be made in January 2020:

Air Ambulance	£100.00
Burton & Coates PCC	£100.00
Fittleworth Over 60s club	£150.00
Fittleworth PCC (includes £50 for Village Magazine)	£300.00
Fittleworth Playgroup	£100.00
Minibus	£100.00
Petworth Nursing Home	£50.00
<b>Sub-total</b>	<b>£900.00</b>
<b>COIF Annual interest paid to the Parochial Church Council</b>	<b>£61.60</b>
<b>Total</b>	<b><u>£961.60</u></b> (2018/19 £1,360.00)

### Hesworth Common

Hesworth Common is 100.5 acres of registered Common Land purchased from The Duke of Norfolk in 1979. The Hesworth Common account has a balance of £9,486.70 (2018/19 - £7,605). £106 was received from SSE for the Wayleave Agreement for the year, and a rural grant of £4,800 being 2 years of grant from Natural England (2018/10 - £2,400). Expenditure for spraying, tree work and replanting trees totalled £2,563 (2018/19 -£2,165).

### Birchwalks Wood

Birchwalks Wood account has a balance of £5,206.38 (2018/19 £5,196) which was left in trust to the Parish Council and we cannot touch these funds for anything other than maintaining the woods. In 2019/20 and 2018/19 there were no costs incurred. The difference year on year being interest received.

### Reserves

I have set out below the reserves at the year end.

YEAR ENDED:	31 March 2020		Brought forward @1/4/19	Income	Expenditure	Transfer EMR	Inter bank account Transfer	Carried forward @ 31/03/2020
<b>Reserves Balances (Including Ear Marked Reserves - EMR)</b>								
<b>General reserve</b>								
FPC Current Account (Bank account balance less EMRs below)			£6,582.41	£30,243.20	-£31,447.52	-£2,250.00	-£3,645.00	-£516.91
FPC Bonus Saver Account			£5,274.92	£10.66	£0.00		£0.00	£5,285.58
								£4,768.67
EMR - Reserve for asset replacement/ maintenance			£321.00			£400.00		£721.00
EMR - Winter Management Plan - Road Clearing costs			£500.00		£0.00	£0.00		£500.00
EMR - Legal & Professional fees			£500.00		£0.00	£0.00		£500.00
EMR - Playground / Recreation Ground reserve						1,050.00		£1,050.00
EMR- Neighbourhood Plan grant			£0.00					£0.00
EMR - Transparency Code grant			£12.36		-£12.36			£0.00
EMR - Hesworth Common			£7,604.94	£0.00	-£2,563.24	£800.00	£3,645.00	£9,486.70
EMR - Birchwalk Woods			£5,195.91	£10.47	£0.00		£0.00	£5,206.38
			<b>£25,991.54</b>	<b>£30,264.33</b>	<b>-£34,023.12</b>	<b>£0.00</b>	<b>£0.00</b>	<b>£22,232.75</b>
			Per Annual Return					£0.00

Please note that out of the total Cash Balance at the year end of £22,232.75, only £4,768.67 (2018/19 - £11,857) is available in the general reserve. This is 22.8% of the precept (2018/19 - 62%). Good practice is that a Parish Council has general reserves of around 50% of the precept, however it should never exceed double the precept. The Ear Marked Reserves are excluded in this calculation.

### **2019/20 Precept**

At the Parish Council meeting in December 2018 it was agreed that for 2019/20 the precept would increase from £20,900 (2019/20) to £25,080 (2020/21). This is an increase of 20%. The 2019/20 precept of £20,900 is the equivalent Council Tax Band D charge of £39.02 per annum. The £25,080 precept for 2020/21 results in the equivalent Council Tax Band D charge of £46.56 per annum.

Please contact the Clerk if you have any further questions about the Financial report.

Louise Collis, Clerk & Responsible Financial Officer, Fittleworth Parish Council