

# KINGSTON PARISH COUNCIL

Chairman: Councillor Marin Lee

## EXTRAORDINARY MEETING 15 JUNE 2011

### Report No 1

#### ITEM 3: FINANCIAL STATEMENT & END OF YEAR ACCOUNTS FOR 2010/11.

(Report by the Clerk)

#### Recommendation:

That the Council **RESOLVES:**

- to note this Financial Statement;
- to approve for payment the invoices and expenses listed in Appendix A to this report;
- to approve the transfer of £850 from the Business Reserve Account to Account No 3 (Tennis Courts) and the subsequent transfer of £1620 from Account No 3 to the Community Account;
- to approve for payment the 60 additional hours worked by the Clerk during the months of May & June 2011;
- to approve the accounting statements presented in the Annual Return for the financial year 2010-11 and the payment of fees to Mr. Haynes, estimated at £240.00; and,
- to retain the services of Mr. Tipple during the months of July and August subject to the successful recruitment and appointment of a new Clerk.

#### Background

1. **Receipts, payments and balances.** The bank balances reported at Appendix A provide an accurate and complete picture of the Council's finances as at 13 June 2011; the balances reconcile completely with bank statements, receipts and invoices and the record of cheques issued. The claim for the re-imbursment of expenses incurred during May and June is exceptional and requires explanation. For May the claim includes £312.81 incurred in purchasing ink cartridges and paper for the printing and distribution of the consultation paper and letter from the Council to every household in the village; the balance of £89.60 being the standard reimbursement of travel costs. For June the claim includes £250.08 incurred by the Clerk in placing the job advert for the position of Clerk in the local Sussex Express for the two editions of 10 and 17 June; the balances of £43.20 and £35.95 being attributable to travelling and ink cartridge replacement respectively.

2. **Intra-account transfer.** Included in the list of payments for approval is one to Trevor May Contractors Ld for £1,620 (£1,350 net of VAT) for maintenance to the lower tennis court. The Clerk has confirmed with the Treasurer to the Kingston Tennis Club that this payment is a legitimate charge to the accumulated fund Account No 3 (Tennis Courts). For the financial year 2010-11 the Council did not transfer funds to Account No 3 to match the sum of £850 made by the Tennis Club. Accordingly, it is recommended that the Council approve the transfer now of £850 from the Business Reserve account to Account No 3, and that in the interests of good order the sum of £1,620 be transferred from Account No 3 to the Community Account.

3. **Bank Mandate.** The Council will wish to note that Barclays Bank has now completed all the formalities concerning the new Bank mandate; cheques and payment instructions can now be issued subject to the established procedures and checks and balances in the system.

4. **Clerk's Additional Hours.** The Council will wish to note that during May the Clerk worked a total of 88.75 hours and up until 15 June will have worked a minimum of 56 hours; a total of 144.75 hours compared to conditioned hours for the two months of 80 hours, representing an additional 64.75 hours. At its Extraordinary Meeting on 23 May the Council approved the transitional arrangements and agreed that the Clerk would be recompensed for the additional hours worked in recognition of the fact that the workload had been exceptional following the May elections coupled with the additional hours worked to prepare the public consultation on the children's play area, address problems with the Tennis Courts and put in place the plethora of new administrative

instruments for the newly elected Council. Exceptionally, the Council is invited to approve payment of an additional 60 hours at a gross cost of £670.80.

5. **Audit and Annual Return.** Mr. Keith Haynes is currently completing his internal audit of the Council's accounts for the year ending 31 March 2011. Subject to his comments, the Council is required to prepare its Annual Return to the Audit Commission for approval by the Council no later than 30 June and submission to Mazars by no later than 4 July 2011. The information in the Annual return is drawn entirely from the statement of accounts presented to the Council; this was presented in draft unaudited form to the previous Council at a meeting held on 18 April 2011. For ease of reference the End-of-year Outturn of Expenditure report presented to that meeting is re-produced as Appendix B to this report. Mr. Haynes fees are expected to amount to £240, being 12 hours at the contracted rate of £20 per hour.

6. **Retention of Services.** Whilst recruitment action is well in hand to select and appoint a new Clerk in succession to Mr. Tipple it is already clear that the earliest date for conducting interviews will be the week commencing 11 July and possibly the following week subject to confirmation of the availability of candidates. Depending on success in finding a suitable candidate and their availability, the Council might be in the position of having a new Clerk in post from the middle of August or perhaps the beginning of September. Whilst arrangements can be made to engage a temporary clerk to clerk the next council meeting in July, there will still be much work connected with routine correspondence, building maintenance, and the finalisation of reports for Council that sensibly could not be undertaken by a temporary Clerk unfamiliar with the background; that would be a false economy. The Council is therefore invited to agree that Mr. Tipple's services be retained to cover a specific set of tasks agreed between the Chair and Mr. Tipple all of which can be done through emails and video-conferencing. That work would need to be treated as a casual engagement of consultancy services and would be invoiced separately as Mr. Tipple would at that stage no longer be an employee of the Council. If the Council agrees his proposed arrangement, Mr. Tipple has agreed to charge the Council at the existing hourly rate of £11.18.

## APPENDIX A

### FINANCIAL STATEMENT FOR PERIOD 9 MAY TO 13 JUNE 2011

#### 1. Receipts for period 9 May to 13 June 2011

Date	Ref No	Drawer	Amount
			<b>(Sub-total)</b>
			<b>£ 0.00</b>

#### 2. (a) Payments made during the period 9 May to 13 June 2011

Date	Cheque No	Payee	Amount
17.05	101046	Sussex Associations of Local Councils (SALC)	£ 230.60
17.05	101047	Mr. Gavin Wraith KCP Web-master March & April 2011	£ 90.00
17.05	101048	Kent & Sussex Security Ltd.	£ 348.00
17.05	101049	Mr. P Tipple	£ 56.26
			<b>(Sub-total)</b>
			<b>£ 724.86</b>

#### (b) Direct Debit Payments

Date	Payee	Amount
11.04	British Telecom	£ 67.82
15.04	Lewes District Council (Dog Waste Bin Collection)	£ 88.92
28.05	British Gas (Electricity)	£ 45.85
09.06	British Telecom	£ 63.64
		<b>(Sub-total)</b>
		<b>£ 207.26</b>

#### 3. Bank Balances (as of 9 May 2011)

##### Revenue:

Community Account:	Balance as of 31 March 2011	£ 1,431.39
	Balance as of 9 May 2011	£ 16,075.30

##### Business Reserve Account:

Balance as of 31 March 2011	£25,325.01
Balance as of 9 May 2011	£25,325.01

##### Accumulated Funds:

Account No 2	(Accumulated for Play Area)	£16,446.20
Account No 3	(Tennis Courts)	£11,557.86
Account No 4	(Pavilion)	£74,682.85
Account No 6	(Staff Gratuity) (including interest)	£ 93.53

**£144,180.75**

#### 4. Payments to be approved

##### (a) The following requires approval for payment:

CPRE	Annual Membership of CPRE	£ 29.00
Mr. Gavin Wraith	KCP Web-master May 2011	£ 95.00
Kent & Sussex Security Ltd	Quarterly Routine Maintenance	£ 114.00
Action in rural Sussex	Village Hall Publication – ACRE Model B	£ 10.00
Trevor May Contractors Ltd	Re-colour and line lower tennis court.	£ 1,620.00
Mackellar Schwerdt Architects	Costs of DEC Certificate required by BLF	£ 474.00
Mr. Thomas Fry	Repair to Gate next to Church	£ 78.00

##### (b) The following out-of-pocket expenses claims require approval for payment:

Mr. Paul Tipple	Expenses for May 2011 (£402.41) & Expenses for June 2011 (£336.32)	£ 738.73
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**Sub-total      £ 3,158.73**

**APPENDIX B**

**FY2010-11 End-of-year Outturn of Expenditure**

	<b>2010/2011</b>	<b>2010/11</b>	<b>2010/11</b>	<b>2010/11</b>
<b>Budget Item</b>	<b>Approved Budget (ex VAT)</b>	<b>Net Outturn of Expenditure (ex VAT)</b>	<b>Gross Outturn of Expenditure (cash)</b>	<b>Variation against budget (ex VAT)</b>
<b>Clerk's Salary</b>	7687	7264.51	7264.51	-422.49
<b>HMRC NI Payments</b>	385	651.06	651.06	+266.06
<b>Office equipment, stationery, etc</b>	500	375.07	443.60	-124.93
<b>Publications</b>	150	10.00	10.00	-140
<b>Postage</b>	120	39.56	39.56	-80.44
<b>Travelling</b>	360	539.64	539.64	+179.64
<b>Communications (Tel, b'band)</b>	230	4.15	4.15	-225.85
<b>Meeting expenses</b>	300	122.40	122.40	-177.60
<b>Other (recruit, storage, comp deprec)</b>	500	248.96	248.96	-251.04
<b>Chairman's allowance</b>	250	250.00	250.00	0
<b>Clerk's retirement - gratuity/LGPS</b>	1348	2833.46	2833.46	+1485.46
<b>Audit fees (Internal &amp; external)</b>	715	2285.00	2650.88	1570.00
<b>Insurance</b>	2200	2065.89	2065.89	-134.11
<b>Loan interest (PWL B x 2)</b>	11,898	12659.32	12659.32	+761.32
<b>Set aside to tennis court fund</b>	850	0	0	0
<b>Clerk's Office Allowance</b>	440	154.10	154.10	-285.90
<b>Website</b>	1400	435.00	452.50	-965.00

<b>Publicity</b>	750	280.00	280.00	-470.00
<b>Subscriptions</b>	459	350.99	357.16	-108.01
<b>Training</b>	1200	80.00	80.00	-1120.00
<b>Donations</b>	150	70.00	70.00	-80.00
<b>Election</b>	100	0.00	0.00	-100.00
<b>Grass cutting</b>	2100	2339.25	2814.26	+239.25
<b>Dog Waste Collection</b>	438	222.30	261.21	-215.70
<b>Play Area Inspections</b>	126	215.00	228.41	+89.00
<b>Tree works</b>	1600	652.88	743.01	-947.12
<b>Other works (Play Area)</b>	400	135.00	158.63	-265.00
<b>Pavilion Running Costs</b>	0	2422.83	2624.66	+2422.83
<b>TOTAL</b>	<b>36,656</b>	<b>36,706.37</b>	<b>38,007.37</b>	<b>+50.37</b>