



HOOK PARISH COUNCIL

**Financial Statements
for the year ended
31st March 2011**

HOOK PARISH COUNCIL

Explanatory foreword to the audited financial statements for the year ended 31st March 2011

The Council's financial statements have been prepared in compliance with 'proper accounting practices' required by the Accounts and Audit Regulations for local councils. Whereas local councils were formerly obliged to prepare financial statements which were a receipts and payments summary, they are now prepared on the accruals basis and include a balance sheet and supporting notes. The Council falls within the Audit Commission's limited assurance audit regime and so the external audit opinion will be provided on the Annual Return, which includes a summary of the Income and Expenditure Account and particulars of bank balances, long-term assets and liabilities. The audit opinion will be provided and advertised in due course.

The financial statements comprise the following:-

- Income and Expenditure Account - recording financial transactions during the year for both revenue and capital schemes.
- Balance Sheet - summarising the Council's financial position at the year end.
- Notes to the Accounts - providing explanatory detail and more information on the financial statements and operational assets such as community facilities.

HOOK PARISH COUNCIL

Income & Expenditure Account for the year ended 31st March 2011

	<u>2011</u>	<u>2010</u>
	£	£
<u>Income</u>		
Precept	312,000	299,000
Grant from Hart DC re cemetery loan interest	1,347	2,317
Cemetery and other fees and charges	4,952	4,745
Bank interest	9,002	5,712
Other income	0	280
	327,301	312,054
 <u>Expenditure</u>		
General administration		
Staff costs and expenses	50,739	51,076
Insurance	1,806	1,664
Office rent and hire of halls	7,630	8,171
General professional fees including audit	16,668	19,461
Office and secretarial expenses	7,658	7,068
Election costs	0	10,967
Community facilities		
Cemetery, excluding loan charges	5,835	5,531
Parks and open spaces	63,456	66,324
Street lighting and CCTV	7,719	10,550
Christmas lighting	4,610	4,928
Litter and graffiti clearance, cleansing	24,086	27,936
Hook Community Centre upgrade	1,586	18,568
Elizabeth Hall redevelopment		
Professional fees	2	275
Contractor's charges	2	0
Interest and principal repayments on loan for purchase of cemetery	5	12,034
Community support		
Hook Allotment Association	12,000	0
Other grants and similar payments	2	14,464
Support for Base Youth Club	12,722	12,722
Capital expenditure	6[a]	1,069
	244,357	351,180
 <u>Net expenditure(-)/ income for the year</u>	 82,944	 -39,126
Transfers from reserves	9	-23,718
Amount added to General Fund balance	59,226	11,314
General Fund balance brought forward	79,462	68,148
 <u>General Fund balance carried forward</u>	 138,688	 79,462

HOOK PARISH COUNCIL

Balance Sheet as at 31st March 2011

	<u>Note</u>	<u>2011</u> £	<u>2010</u> £
<u>Current assets</u>			
Sundry debtors and accrued income		4,968	5,655
VAT recoverable		5,959	8,016
Bank balances		<u>700,068</u>	<u>612,853</u>
		710,995	626,524
<u>Current liabilities</u>			
Creditors	7	<u>13,777</u>	<u>12,250</u>
<u>Net assets</u>		<u>697,218</u>	<u>614,274</u>
Represented by:-			
Earmarked reserves	9	558,530	534,812
General fund	9	<u>138,688</u>	<u>79,462</u>
		<u>697,218</u>	<u>614,274</u>

These financial statements present fairly the financial position of the Council as at 31st March 2011 and reflect its Income and Expenditure for the year then ended.

Approved at a meeting of the Parish Council held on 1 June 2011

Mrs D A Atkins
Responsible Financial Officer

Mr G Winter
Council Vice Chairman

HOOK PARISH COUNCIL

Notes to the financial statements for the year ended 31st March 2011

1. Accounting policies

These financial statements have been prepared following the guidance issued by CIPFA to enable local councils to meet the requirements of the Accounts and Audit Regulations. The following are the principal accounting policies which have been applied consistently to items which are material in relation to these statements.

[a] Basis of preparation

These statements are prepared on an accruals basis and therefore include income receivable and accounts payable at the year end.

[b] Fixed assets and funding

Assets such as Council buildings that are held for long-term use are not included in the balance sheet but are disclosed in the supporting notes. These are valued in accordance with CIPFA guidance as follows:

- Land, operational properties are stated at estimated current values following a revaluation. Other assets are stated at depreciated current values based on current prices for similar equipment. In accordance with CIPFA guidance, capital funding is not included on the balance sheet.
- Community assets to be held in perpetuity are valued at £1.

[c] Value Added Tax (VAT)

Income and expenditure is stated exclusive of VAT.

2. Community support

The Council is entitled under Section 137 of the Local Government Act 1972 (as amended) to spend up to £6.15 per head of the electorate in any one year for the benefit of the people in its area on activities or projects not specifically authorised by other powers. The total amount available for this purpose in 2010/11 was £36,328, and a total of £240 (2009/10: £590) was spent by way of grants to local voluntary organisations under these powers.

The Council has met the development and construction cost of the new Elizabeth Hall, which has now been completed. The remaining contractual liability was discharged by 31 March 2010. The property is on land owned freehold by the Elizabeth Hall Charity and is leased to the Council at a peppercorn rental. It is then subleased by the Council to the Hook Village Halls Charitable Association (HVVHCA) for a term approaching 50 years, also at a peppercorn rental.

3. Advertising & publicity

The Council incurred expenditure amounting to £1,320 on advertising and publicity (2009/10: £1,301) during the year. This was for printing and distribution of the annual report.

4. Pensions

The Council does not contribute to pension schemes for any of its staff.

5. Borrowings and interest payable

The Council has a loan from the Public Works Loan Board that is repayable by annual instalments until 30th May 2011. The loan was originally taken out to purchase the Cemetery in July 1986. The amount outstanding at 31st March 2011 was £5,737.

6. Fixed assets

[a] Capital expenditure

During the year the Council incurred expenditure of £1,069 on the following capital projects:-

	£
- Office equipment replacement	<u>1,069</u>

[b] Capital receipts

The Council did not receive any contributions towards capital expenditure in the year.

c] Fixed assets owned by the Council

Hook Village Community Hall (leased to the HVHCA, no rent charged)	1,885,000
Elizabeth Hall (see Note 2, being a community asset)	1
Other operational buildings	11,000
Parks and open spaces (all £1 nominal):-	8
- Hartletts Park	
- Wellworth Park	
- King George V playing fields	
- Cemetery	
- John Morgan Close	
- Varndell Road	
- Holt Park & Bassets Mead	
- Bell Meadow Estate	
Street furniture and facilities:	
- CCTV cameras, Hartletts Park	55,000
- Two bus shelters, and public seating	12,900
- 50 street light standards	50,000
- Play equipment, tennis court, seats & benches	414,000
- Holt Park sculpture	18,000
Office equipment	<u>10,900</u>
	<u>2,456,809</u>

King George V playing fields is a registered charity (No. 1085457). The land was gifted to Hook Parish Council in 1936, and the Council is corporate trustee. The site is an area of open recreation land which is fully maintained by Hook Parish Council. It is available to local people free of charge for recreation. The charity has no income and no expenditure as declared in the Charity Commission Annual Return, which was updated online in 2010.

7. Creditors

	<u>2011</u>	<u>2010</u>
	<u>£</u>	<u>£</u>
Revenue expenditure, sundry creditors	13,777	12,250
Elizabeth Hall construction costs	0	0
	13,777	12,250

8. Contingent liabilities

There were no contingent liabilities on 31st March 2011 (March 2010: none)

9. Reserves and balances

	<u>Total</u>	<u>General</u>	<u>Earmarked</u>
	<u>£</u>	<u>fund</u>	<u>reserves</u>
	<u>£</u>	<u>£</u>	<u>£</u>
Balances brought forward	614,274	79,462	534,812
Net income from Income & Expenditure Account	82,944	82,944	0
Transfers to (-) or from reserves	0	-23,718	23,718
Balances carried forward	697,218	138,688	558,530

The amount retained in earmarked reserves at 31st March 2011 represents the following:-

	<u>£</u>
Hook Community Centre refurbishment	138,966
Developer's payment for maintenance at Holt Park, received 2007/08	375,957
Planning action reserve	5,000
Projects deferred to future years	3,447
Developer's contributions for works at Hartletts Park	35,160
	558,530