



HOOK PARISH COUNCIL

**Financial Statements
for the year ended
31st March 2018**

HOOK PARISH COUNCIL

Explanatory Foreword to the unaudited financial statements for the year ended 31st March 2018

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 2018

	<u>Notes</u>	<u>2018</u> £	<u>2017</u> £
<u>Income</u>			
Precept		330,400	321,400
Cemetery and other fees and charges		4,085	3,805
Bank interest		0	160
Section 106 contributions	6[b]	300,000	300,000
Loan from the Public Works Loan Board	6[c]	0	190,000
Other income	7	2,907	9890
		637,392	825,255
 <u>Expenditure</u>			
General administration			
Staff costs and expenses	4	75,897	66,135
Insurance		1,422	1,363
Office rent and hire of halls		13,586	11,599
General professional fees including audit		11,022	128,912
Office and secretarial expenses	3	8,997	7,833
Election costs		0	0
Community facilities			
Cemeteries		8,581	6,279
Parks and open spaces		85,597	87,898
Street lighting and CCTV		3,800	4,104
Christmas lighting		6,382	6,538
Litter and graffiti clearance, cleansing		23,130	20,387
Community Buildings		2,424	0
Community Centre Refurbishment		0	242,816
Interest and principal repayments on loan for Community Centre Refurbishment	6[c]	71,072	58,435
Community support			
Grants and similar payments	2	22,627	10,095
Support for Base Youth Club		15,097	15,097
Taxi Bus subsidy		0	8,220
Community Events		3,799	0
Neighbourhood Plan		603	359
Wellbeing		2,243	8,638
Capital expenditure	6[a]	90,375	12,987
		446,654	697,695
 <u>Net income for the year</u>		190,738	127,560
Transfers to/from reserves	8	-220,357	91,547
General Reserve balance brought forward		117,997	81,984
 <u>General Reserve balance carried forward</u>		88,377	117,997

HOOK PARISH COUNCIL

Balance Sheet as at 31st March 2018

	<u>Notes</u>	2018 £	2017 £
<u>Current assets</u>			
Sundry debtors and accrued income		3,890	1,394
VAT recoverable		6,669	5,896
Bank balances		<u>568,924</u>	<u>399,155</u>
		579,483	406,445
 <u>Current liabilities</u>			
Creditors	5	<u>10,041</u>	<u>27,740</u>
<u>Net assets</u>		569,442	378,705
 Represented by: -			
Earmarked reserves	8	481,065	260,708
General fund	8	88,377	117,997
Total reserves		569,442	378,705

These financial statements present fairly the financial position of the Council as at 31st March 2018 and reflect its Income and Expenditure for the year then ended.

Approved at a meeting of the Parish Council held on 6th June 2018

Mrs D A Atkins
Responsible Financial Officer

Dr J Worlock
Council Chairman

HOOK PARISH COUNCIL

Notes to the financial statements for the year ended 31st March 2018

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

Assets such as Council buildings that are held for long-term use, and any indebtedness connected with those assets, are not included in the balance sheet, but are disclosed in the supporting notes. Fixed assets are valued in accordance with CIPFA guidance as follows:

- Land, operational properties and other assets are stated at cost with the exception of the Bowling Club which is stated at its value at transfer from the District Council.
- 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 £7.57 per head of the electorate in any on projects not specifically authorised by other powers. The total amount available for this purpose in 2017/18 was £44,307. A total of £8,850 was spent by way of grants to local voluntary organisations under these powers.

The Community Centre building was being managed under a temporary SLA, but a new lease to the Hook Village Halls Charitable Association (HVHCA) on a peppercorn rental was signed during the year.

3. Advertising & publicity

The Council incurred expenditure amounting to £1,575 on advertising, publicity and PR materials (2016/17: £1,178) during the year for printing and distributing the annual report. This sum is included within the office and secretarial costs.

4. Pensions

Council contributes to a staff pension scheme with National Employment Savings Trust (NEST). The Council is making contributions of 3% of gross earnings for staff who have joined the scheme. The cost is included within the figure shown under staff costs and expenses.

5. Creditors

	<u>2018</u>	<u>2017</u>
	<u>£</u>	<u>£</u>
Revenue expenditure, PAYE/NI and sundry creditors	10,041	27,740

6. Fixed assets and borrowings

[a] Capital expenditure

During the year the Council incurred expenditure on the following capital projects:

-	
	£
Office furniture & equipment	£6,687
Parks & community buildings	£7,558
Projects – Wellworth Park play area	£76,130
	£90,375

[b] Capital and grant receipts

The Council received £300,000 of S106 contributions towards maintenance of Bassetts Mead SANG in the year.

[c] Borrowings from Public Works Loan Board

The Community Centre project has been financed through borrowing from the Public Works Loan Board; the Council's own earmarked reserves and from Section 106 funding. Hart District Council has approved the collection of up to £0.7 million of Section 106 contributions towards this scheme; pending receipt of the latter, the Council will be using its own reserves as temporary bridging finance and will restore such reserves afterwards.

The Council borrowed £990,000 from the PWLB towards the refurbishment in four loans, repayable over periods from 15-25 years, in equal annual instalments of principal. The balance owed at 31 March 2018 was £853,666.

[e] Fixed assets owned by the Council

	£
Hook Community Centre (Leased to a community association, no rent charged)	3,625,465
Elizabeth Hall (see Note 2, being a community asset)	1
Hook Bowling Club (leased to Bowling Club, peppercorn rent)	63,350
Other operational buildings	11,000
Parks and open spaces (all £1 nominal):-	9

- Bell Meadow Estate
- Mitchell's Field
- Cemetery
- Hartletts Park
- Holt Park & Bassetts Mead
- John Morgan Close
- King George V playing field
- Varndell Road
- Wellworth Park

Street furniture and facilities

• Two bus shelters, public seats, notice boards	16,200
• 38 street light standards	38,000
• Play equipment, tennis court, seats & benches	414,000
• Holt Park and Mosaic sculptures	18,000
Office equipment	25,567

£4,237,592

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 2017.

During 2017-18 a structure review resulted in expansion of the office and recruitment of additional staff. The Council also purchased additional office furniture and replaced some equipment resulting in an increase in the valuation for the office.

7. Non-capital S106 and grant receipts

During the year the council received the following grant monies:

	£
S106 contribution toward maintenance of SANG	300,000
Grants toward Wellworth Park Play Area replacement, Hook Community Christmas and Hartletts Park car park repairs	2,850

8. Reserves and balances

	<u>Total</u>	<u>General</u> <u>fund</u>	<u>Earmarked</u> <u>reserves</u>
	£	£	£
Balances brought forward	378,705	117,997	260,707
Net income from Income & Expenditure Account	190,738	190,738	
Transfers to (-) or from reserves		-220,357	220,357
Balances carried forward	569,442	88,377	481,064

The amount retained in earmarked reserves at 31st March 2018 represents the following:

-

£

Hook Community Centre upgrade – reserves loaned to project	-499,322
Holt Park Open spaces and art maintenance	96,811
Bassetts Mead SANG Maintenance	820,272
Transport	11,445
KGV Drainage	
Planning action reserve	9,000
Elections	10,000
Neighbourhood Plan	15,314
Wellbeing activities	3,227
Play Area Replacement	14,316
	481,064

9. Contingent liabilities

There were no contingent liabilities on 31st March 2018.