

**A Full Description of the variances between the years accounts 2017/18 and 2018/19.
To be read in conjunction with the Accounting Statements for 2018-19 under the New guidelines
for the Annual Governance and Accountability Return. (Please Refer to Accounting Statements
2018/19 for corresponding figures and appropriate Box No's)**

Any Questions raised please contact the Treasurer Chris Hoy on 01768 870604

Lazonby Parish Council Audit Return 2018/19

Box 1 – N/A Year End Balances Only

Box 2 – Precept The difference is **£53 more** between last year and this year.

In 2017/18 the precept allocated was £10350 which included CTRS of £199 Precept being £10151
In 2018/19 the precept allocated was £10350 which included CTRS of £146 Precept being £10204

In 2017/18 Precept (less CTRS = £10151)

In 2018/19 Precept (less CTRS = £10204)

DIFF £ 53

Box 3 – Total Other Receipts The difference is **£8284 more** between last year and this year.

The main factors were:-

Grants Received	UP	7315 *
Rents	UP	238 *
VAT Recovery	UP	1442 *
Misc Income	UP	234 *
Bank Interest	UP	<u>15 *</u>
		9244

Fishing Permits	DOWN	858*
Recycling Credits	DOWN	<u>102*</u>
		960

(Difference = 9244 - 960 = + 8284)

* **Grants Received up £7315** as shown below.

Grants Received 2017/18

Friends of The Lake District (Scaur Green Project)	650
Groundwork UK (N Plan)	1274
Council Tax Reduction Scheme	<u>199</u>
	2123

Grants Received 2018/19

Eden DC	6026
Eden DC (Footway Lights)	3266
Council Tax Reduction Scheme	<u>146</u>
	9438

(Difference = 2123 – 9438 = + 7315)

In 2017/18 the Friends of The Lake District contributed £650 towards the Scaur Green Project, a renovation scheme towards the upkeep and restoration of our small village green space. Groundwork UK provided £1274 as costs for the next phase of the N Plan. Eden DC also reduced our CTRS to £199.

In 2018/19 Eden D C provided grants of £6026 and £3266, the latter for the 1st years costs of the Parish adopting the footway lights as a phased grant that will decrease over 3 years till the Parish assumes full funding control. Eden DC also reduced our CTRS to £146.

* **Rents up £238** as shown below.

2017/18		2018/19		DIFF
Parish Sports Field Rent	£ 135	Parish Sports Field Rent	£ 145	10
Croglin Designs Lease	£ 941	Croglin Designs Lease	£ 1255	314
Croglin Designs Building Insurance	£ 451	Croglin Designs Building Insurance	<u>£ 465</u>	14
Metcalfe Eng – Car Park Rental	<u>£ 100</u>			(100)
	£ 1627		£ 1865	238

In 2017/18 the Sports Field generated £85 from the Scouts and accepted a lower rent of £50 from Mr Blaylock. The lease rental from Croglin Ltd was £941, a reduction of £187 as an agreement was reached regarding the frequency of payments, semi annually to quarterly. The building insurance paid by Croglin Ltd increased to £451 due to an increase in premiums linked to inflation and Insurance Premium Tax.

Metcalfe engineering, a local firm was charged £100 rent to use the Parish Car Park to store equipment whilst working on the nearby bridge to assess any flood damage.

In 2018/19 again the Scouts and Mr Blaylock rented the sports field resulting in a small increase of £10. The lease rental from Croglin Ltd increased by £314 as the payments reverted to quarterly from the previous semi annually. The building insurance paid by Croglin Ltd increased by £14 due to an increase in premiums linked to inflation and Insurance Premium Tax.

* **VAT Recovery up £1442**

HMRC set up a new computer system dealing with VAT and allocated a new reference number for the Parish. Therefore until the computer system was completed a reclaim was not made in the 2017/18 year. However this was implemented in 2018/19 with two claims resulting in an increase of £1442.

* **Miscellaneous Income up £234**

A building survey undertaken by Lewis Surveys on the Old School, a property owned by the Parish and rented to a tenant Croglin Ltd. The tenant agreed to pay for the survey and reimbursed the Parish for costs of £234.

* **Bank Interest up £15.**

An increase in interest rates by the Bank of England and passed on to the Parish by our bankers.

* **Fishing Permits were Down £858**

The Council are fortunate to own fishing rights along a small section of the River Eden and in the past has been a good source of income. The income is collected by a number of agents in the locality, however the most popular agent was the Post Office located in the local Co-op as a standalone enterprise. Unfortunately the Post Office was transferred to the shop floor of the Co-op. The management withdrew the agency facilities due to security issues as they had no system to safeguard the cash transactions that were compatible with their own systems. This impacted in a reduction of permits and in tandem with a period of extensive summer drought led to a dramatic fall in revenue. Two more replacement agents have now been engaged to bolster income.

* **Recycling Credits were down £102**

Despite the council advertising the need in local newsletters to recycle at our Recycling Centre for the financial gain to the council use is falling as more succumb to kerbside collections.

Box 4 - Staff Costs The difference is **£607 more** between last year and this year.

The main factors were :-

Staff Salaries	2017/18	£ 5984
Staff Salaries	2018/19	<u>£ 6637</u>
		653 *

(653 up in part to an increase in pay under local government guidelines, the majority increase attributed to the implementation by law for General Data Protection Requirements. In order to comply with the lengthy process the Council granted overtime to the Clerk to perform the necessary duties that have now made the Council fully compliant).

Clerks Expenses	2017/18	£ 877
Treasurers Exp	2017/18	<u>£ 32</u>
		909

Clerks Expenses	2018/19	£822	(Decrease of 55)		
Treasurers Exp	2018/19	<u>41</u>	(Increase of 9)		
		863	Decrease Total 46 *	* Total Expenses Difference	(46)
				* Salary Increase Total	<u>+653</u>
					607

The Clerks expenses decreased by £55 as mileage decreased with less travelling to the Parish to perform her duties.

Box 5 – N/A No Loan Interest/Capital Repayments applicable

Box 6 - All Other Payments The difference is **£2991 more** between last year and this year.

The main factors included:-

Maintenance	UP	£ 886 *	Operating Costs	DOWN	£ 674 *
Capital Proj/Exp	UP	£4799 *	Misc Expenses	DOWN	£ 871 *
Staff Training	UP	£ 58 *	Grants allocated	DOWN	<u>£1249 *</u>
Subscriptions	UP	<u>£ 42 *</u>			2794
		5785			

(Difference = 5785 – 2794 = + 2991)

*** Maintenance was up £886**

The main factors included:-

2017/18		2018/19	
Parish Mowers (Service & Fuel)	£ 362	Footway lights (Insurance, maint, supply)	£ 2592
JMC Construction (Wall renovation)	£ 865	John Judson (Noticeboard new supports)	£ 125
Eden DC (Children's Playground)	£ 786	Parish Mowers (Fuel)	£ 33
Penrith Glass (replaced in store)	£ 18	Lewis Survey (Survey of Old School)	£ 234
John Judson (Sub Base for car Park)	<u>£ 77</u>	Gill Sharples (Posters Recycling Centre)	<u>£ 10</u>
	£ 2108		£ 2994

(Difference = 2108 – 2994 = + 886)

In 2017/18 the costs of the Mower service had increased due to their age with new parts being replaced. Repairs to the stone wall behind the war memorial were undertaken by JMC Construction at a cost of £865 and the final costs for £786 paid to Eden DC for the upkeep of the Children's Playground before being passed onto the Lazonby Pool Committee. These were deferred from the previous year as the Parish Council successfully negotiated a reduction in costs. A replacement glass window was required in the Parish Store Shed at £18 and materials were purchased to renovate the Car park surface at a cost of £77.

In 2018/19 the Parish agreed to adopt the Footway lights from Eden DC, as mentioned earlier in Grants received Eden DC arranged grants that will decrease over 3 years to help towards the financial impact on the Parish acquiring these assets. Against these grants the Parish paid £2261 to Eden DC for maintenance and electricity

supply and £331 to Zurich Insurance for cover against damage and theft. One of the Parish noticeboards collapsed with rotten posts, new metal supports were purchased as a permanent repair. The summer drought meant that the mowers had limited use and a decision was made not to service the mowers through lack of use. As mentioned earlier with miscellaneous income the Parish commissioned a surveyor to check the Old School which is owned by the Parish and has a tenant Croglin Ltd. The survey fees were paid by the Parish and reimbursed later by the tenant. The Recycling Centre has been a target of fly tippers and some posters for £10 were purchased to attempt to deter the illegal tipping.

*** Capital Projects were up £4799**

2017/18 Projects		2018/19	
G Malcom (Expenses N Plan)	£ 5	Site Scan Surveys	£ 480
P Minihan (Toner for print N Plan)	£ 20	Kingsmoor Ltd	£ 2484
Bench for Scour Green Project	£ 510	West Coast Surveys	£ 540
Reeds Printers (N Plan Leaflets)	<u>£ 170</u>	Addis Planning Ltd	<u>£ 2000</u>
	705		5504

(Difference = 705 – 5504 = + 4799)

In 2017/18 expenses of £5 and £20 were paid to Councillors working on the Neighbourhood Plan. Leaflets were circulated to parishioners updating them on the progress of the Neighbourhood Plan for £170. In 2016/17 the Scour Green Project was completed for a green space, the bench was acquired the following year to complete the project for £510.

*** Staff Training was up £58**

Courses included £140 for General Data Protection Regulations and £80 for Effective Councillor. The previous year the total cost of training was £162.

*** Subscriptions were up £42**

This is the annual subscription paid to Cumbria Association of Local Councils to use their knowledge and expertise in local council matters. Annual membership costs are linked to inflation. Also under the General Data Protection Regulations an annual fee is now payable to the Information Commissioners Office for £35.

*** Operating costs were down £674**

The main factors included:-

- Insurance Premium + 14** (The annual increase due to inflation)
- Website + 1** (The annual increase due to inflation)
- Clerks Filing Cabinet + 130** (New regulations for GDPR meant a locking filing cabinet)
- Land Registration Fees +34** (Paid to Cartmel Shepherd Solicitors for investigation to determine some Parish Land boundaries)

Therefore increased costs were £14 + £1 + £130 + £34 = £ 179

- Hall Hire - 86** (With the Neighbourhood Plan nearing completion less meetings were held in the Village Hall)
- Printer costs - 112** (Less costs were incurred for printing work for the Neighbourhood Plan as it nears completion)
- Fishing Permits Commission - 86** (Fishing permits commission paid to agents on behalf of Parish council, lower due to reduced activity and losing a major agent)

Audit Fees - 120 (New regulations have meant that our Parish signed a Certificate of Exemption and therefore no review was necessary with our external auditor, saving £120)

Dog Fouling Campaign - 33 (A campaign for awareness with the issues of dog fouling near the camp site with bags provided and signs in 2017/18 was not renewed in 2018/19 due to improved awareness)

Defibrillator Signs - 113 (Purchased from Cumbria County Council and located on signposts at the entry points of the village to advertise the existence of Defibrillators in 2017/18)

Lazonby Pool Annual Service Agreement - 303 (The first payment under the Lazonby Pool Annual Service Agreement was made in 2017/18 . The Pool has resumed control of the Children's Playground and the Service Agreement between the Pool and the Parish provides the Pool with 80% of funding up to a limit of £2500. The costs incurred were down £303 from the previous year..)

Therefore decreased costs were £86 + £112 + £86 + £120 + £33 + £113 + £303 = £853

(Difference = Cost Increases 179 - Cost Decreases 853 = - 674)

* **Misc Expenses was down £871**

In 2017/18 another underspend of the grant from Groundwork UK for the Neighbourhood Plan of £871 was repaid to the originator. No misc expenses were incurred in 2018/19.

* **Grants Allocated were down £1249**

Grants were down due to fewer applications from the Parish requiring funding for projects.

Box 7/8 - Year End Reserve Balances These balances are correct to the bank reconciliation.

Box 9 - Total Fixed Assets up £722

Total assets in 2017/18 were £199,294.00.

In 2018/19 an extra Parish Seat was discovered whilst surveying the village for any other assets not originally noted and subsequently valued at £100 due to age, a new Seat purchased for the Scaur Green Project at £510 and 4 Defibrillator Signs were purchased for £112, totalling £722.

Total assets in 2018/19 £199,294.00 + £722.00 = **£200,016.00.**

Although this box should never be changed to revalue the assets without the auditors permission I spoke to the auditors on 15th May 2019 to an employee called Leah who informed me that we could change the value due to new purchases as our Certificate of Exemption meant that the auditors would not review the return and had no listed information about our current assets from the previous auditors. Therefore I have re stated the assets value due to the new and recently discovered acquisitions

Boxes 10 and 11 - Unchanged.

Chris Hoy
Treasurer
LPC