

ODELL PARISH COUNCIL

ANNUAL FINANCIAL STATEMENT 2017/2018

EXPLANATION OF VARIANCES FROM 2016/2017 VALUES

BOX 3 - DECREASE IN OTHER RECEIPTS FROM £2,724 TO £1,706 (-£1,018)

The year on year variation is identified in the analysis below:

Description of Income	2016/2017 £	2017/2018 £	Variance £
Grants Received	£1,888.00	£867.58	-£1,020.42
Investment Income	£135.22	£137.93	+£2.71
Grasscutting Contribution	£700.76	£700.76	-
TOTAL	£2,723.98	£1,706.27	-£1,017.71

The year on year reduction of **£1,017.71** in "Other Receipts" is attributable to:

- (a) Grants received in 2017/2018 in the sum of £867.58 compared to £1,888 in 2016/2017 – a decrease of **£1,020.42**. Grants in 2016/2017 related to essential stone wall repairs (£1,700) and grant support from Bedford Borough Council following revisions to the Council Tax Reduction Scheme (£188). The grants awarded in 2017/2018 related to (i) further financial support from Bedford Borough Council in respect of the Council Tax Reduction Scheme (£94), (ii) the purchase of a new cast iron seat in High Street, Odell to replace a broken seat (£483.50) and (iii) a contribution to the costs associated with the implementation of the Transparency Code for Smaller Authorities relating to the publication of certain information (£290.08); and
- (b) A marginal increase in investment of interest of **£2.71** in 2017/2018 compared to 2016/2017.

BOX 4 - INCREASE IN STAFF COSTS FROM £2,312 TO £2,985 (+£673)

The increase of **£673** in "Staff Costs" derives from:

- (a) The impact of the incremental progression of the Clerk/Responsible Finance Officer, from scale point 21 to 22, and the nationally negotiated pay award from 1 April 2017 – at an estimated cost (based upon the 240 hours per annum contract of employment, or 20 hours per month) of **£431.45** in 2017/2018. The hourly rate appertaining to the post increased from £10.3633 to £12.161 as a consequence of these pay increases;
- (b) The full year impact of the decision of the Parish Council (at its meeting on 21 September 2016) to increase the hours of employment of the post of Clerk/Responsible Finance Officer from 16 to 20 hours per month effective from 1 October 2016. The additional cost of the increased hours of employment is estimated at **£241.52** in 2017/2018;
- (c) The mileage costs claimed in 2017/2018 were the same value as the claims submitted in 2016/2017 (£75.60).

BOX 6 - DECREASE IN ALL OTHER PAYMENTS FROM £7,012 TO £4,593 (-£2,419)

The year on year variation is identified in the analysis below:

Description of Expenditure	2016/2017 £	2017/2018 £	Variance £
Grasscutting Costs	£2,472.50	£2,047.50	-£425.00
Streetlighting Costs	£104.18	£119.49	+£15.31
Play Area	£70.00	£70.00	0
Parish Stone Wall Refurbishment	£2,370.00	£0	-£2,370.00
Parish Assets	£0	£545.70	+£545.70
Professional Fees	£545.00	£240.00	-£305.00
Office Expenses	£138.20	£188.66	+£50.46
Insurance	£362.98	£378.69	+£15.71
Other Costs	£948.78	£1,003.43	+£54.65
TOTAL	£7,011.64	£4,593.47	-£2,418.17

The key year on year variances were as follows:

- (a) A decrease in grasscutting costs of **£425.00** in 2017/2018 compared to 2016/2017 following the retendering of the service and a new three year contract effective from 1 April 2017;
- (b) The cost of stone wall repairs incurred in 2016/2017 in the sum of **£2,370** not repeated in 2017/2018. This related to essential restoration works required to the serious deterioration of the Village Hall car park retaining stone wall, part of which had collapsed (this was partly funded by the grant award of £1,700 - see explanation of variance in Box 3 above);
- (c) Expenditure totalling **£545.70** was incurred on Parish Assets in 2017/2018. This relates to the cost of purchasing office equipment (£62.20) and replacing the broken seat in the High Street, Odell (£483.50), the latter being funded by grant - see explanation of variance in Box 3 above;
- (d) There was a decrease in the cost of professional fees in 2017/2018 of **£305**. The Parish Council sought professional advice from Scott Fowler Solicitors in 2016/2017 at a cost of £260, incurred an external audit fee payable to BDO in the sum of £200 due to the significant grant awarded in 2015/2016 (which pushed the audit fee within the income/expenditure band £25,001 to £50,000) and paid the internal audit fee of £85. The 2017/2018 expenditure relates to (i) the provision of the payroll service (£150) and (ii) internal auditor fee (£90);

BOX 9 - INCREASE IN VALUE OF FIXED ASSETS (+£227)

The increase in the value of fixed assets reflects the net additional value from the acquisition of new assets during 2017/2018 (in the sum of **£227.70**). This relates to the purchase of (i) a new storage cabinet (£62.20) and new cast iron seat to replace a broken seat (£483.50). The broken seat, with an estimated original value of £318, was beyond repair and scrapped. These new assets are identified in the attached Asset Register.