

Bucknell Parish Council 2023.

Comments on the 2023 accounts.

On the accounts spreadsheet for the start of the year the split between savings account and current account is incorrect. The total is correct but you have pre-empted the transfer of £17000 from the current account to the deposit account.

With regards the rent/licence to occupy it is important that, because it involves a councillor, the payment is received strictly in accordance with the agreement.

I notice that the bank statement address is that of a previous clerk. It would be helpful if the bank had up to date contact details (though in view of the problems you have had with Barclays you may want to leave well alone).

The major problem with these accounts is the clerk's salary position. Prior to around 2010 most parish councils treated their clerks as self-employed. From 2010 onwards parish councils were required to treat their clerks as employees. From 2015/2016 the real time reporting to HMRC meant that due to the onerous reporting requirements, even when there was no tax or NI to pay, I believe the majority of parish councils have used a payroll bureau. Bucknell appears to have continued to treat their clerk as self employed and not reported anything to HMRC. I obviously don't know how long this situation has been going on for. Potentially, if the clerk has not paid any tax due, the parish council would be liable to pay the tax. In reality I assume the clerk has declared their income if required and paid this tax. It is difficult for me to answer the question on the internal audit report re employee salaries as yes. I have answered it as "not covered" with the following note attached.

During the year 22/23 there was no clerk in place so there were no staff costs. The payment made related to the prior year but was not paid due to problems with the bank account. From the beginning 23/24 a new clerk is in place and the parish council is engaging a payroll bureau to deal the clerk's salary and comply with the HMRC reporting requirements.

I have not qualified the audit report because of this issue because effectively no payment of staff costs was made this year, a new system has now been put in place and the risk to the council is not great.

VAT.

I am assuming that you are not currently registered for VAT. On your normal expenditure you would probably be able to reclaim somewhere between £100 and £200. However, if you do spend some of your reserves, I would expect all the items on your list would incur VAT so I think you should consider registering. If you do register it is important that bills are addressed to the parish council not to an individual and are proper VAT invoices. (That is the strict legal requirement; I have not heard of any parish councils being subject

to a VAT inspection even when the amount of the claim is significantly different from the prior years)

Comparison to 2021/22 figures to 2022/2023 figures.

Other income 2022 £0 2023 £2105.

The increase has occurred due to a receipt of £1500 for the Jubilee celebrations and the receipt of rent of £500.

Other receipts 2022 £1945 2023 £5537

The increase of £3592 has arisen due to some expenses this year that have not occurred in prior years such as the Jubilee costs of £1067, Hawkwell protest costs of £763 and village hall hire £200 (presumably during the Covid crisis meetings were all held on line). By comparing the 3 years, as shown on the analysis, other expenses such as broadband costs, dog bin emptying, OALC subs and web hosting show that the 2022 figures were less than they should have been presumably the impact of the problems with the bank account.