

SADBERGE PARISH COUNCIL

COMMENTARY ON THE ACCOUNTS AND ANNUAL RETURN FOR THE YEAR ENDED 31-MAR-2007

Bank reconciliation

Please see note 7 to the accounts.

Variation in the Precept

The table below gives the Precepts and grants for the eight years from 2000-01 to 2007-08.

	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
Precept	£1,200	£1,500	£1,500	£2,000	£1,600	£2,000	£1,500	£1,500
Grant	£1,145	£1,156	£1,180	£1,215	£1,251	£1,276	£1,314	£1,353

The grant from Darlington Borough Council has shown a small but steady year-on-year increase, basically to cover inflation.

The precept has been more variable. Sadberge Parish Council's total budget not very large, and a single significant item in the budget for a given year --- such as, for example, the replacement of the railings around part of the village green --- can make a comparatively large percentage difference to the Parish Council's funding requirement for that year. Since the grant is effectively constant, any variation in the funding requirement tends to make an even larger percentage change to the Precept.

Decrease in Total Other Receipts

The Other Receipts for 2006-07 was lower than in 2005-06. The Other Receipts tend to include a number of one-off receipts.

In 2005-06 the Council received (a) a grant of £108.75 from the National Association of Local Councils (NALC) towards the cost of a training course for the Clerk, (b) a grant of £2853.26 from the Tees Valley Rural Community Council (TRVCC) towards the cost of preparing a Parish Plan for Sadberge, and (c) donations of £70.00 from local residents towards the cost of putting up a Christmas tree on Sadberge village green.

In 2006-07 the Council received (a) a £200 prize from the Calor Village of the Year competition, (b) reclaimed VAT amounting to £694.57, and (c) a donation of £200 towards the cost of a Village Festival in the summer of 2007.

Decrease in Other Payments

Other Payments decreased from £4,765 (2005-06) to £3,743 (2006-07). The change was again due to one-off payments.

In 2005-06 the Council's expenses included (a) £406.55 for external auditor's fees for the three financial years 2002-03, 2003-04 and 2004-05, (b) £2,762.17 for new fencing around the village green, and (c) £756.88 for making arrangements (including foundations and a power supply) to put up a Christmas tree on the village green.

In 2006-07 the Council's expenses included (a) £2,343.86 of costs associated with preparation of the Parish Plan, (b) £352.50 for pruning trees on the village green, and (c) £142.44 for a reception to honour a local resident who had been awarded an MBE.

Risk Assessment

The Council reviewed and adopted a risk assessment on 6th June 2006. The updated version of this risk assessment is enclosed.

On 4th July 2007, Councillors carried out an inspection tour of the Council's land and property (using an inspection checklist prepared by the Clerk) and action was subsequently taken to address a number of issues that were identified during the tour. See the enclosed copy of the completed checklist.

Item 6 in the Annual Governance Statement

The Council believes that its system of internal audit is appropriate and effective. However, the Council did not carry out a formal review of the effectiveness of its internal audit system during the year ended 31st March 2007.

During its meeting on 24th July 2007 the Council reviewed its system of internal audit. Here is an extract from the minutes of the meeting:-

"The Responsible Financial Officer described the Council's internal audit arrangements:-

- The Council's annual accounts are subjected to an internal audit. There are no other internal audits carried out during the year.
- The internal audit is carried out by Richard Swan. Richard is not an accountant, but he runs a Post Office in Richmond. He does a thorough job of checking the Council's accounts.
- Taking into account the size of the Council and the Council's annual expenditure, the Responsible Financial Officer considers that these internal audit arrangements are appropriate for Sadberge Parish Council.

The Council agreed that the current internal audit arrangements are satisfactory."

Please advise whether this satisfies the requirement for the Council to carry out a review of its internal audit system during the year ended 31st March 2008.

Alastair Mackenzie
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23rd August 2007