



End of Year Accounts 2021-22

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1. Profit and Loss Report for 2021-22

Wool Parish Council

Profit and Loss Report

01 April, 2021 - 31 March, 2022

Analysis Type: All, Analysis Category: All

| Sales | |
|--|--------------------|
| 4020 - Wifi contribution | 240.00 |
| 4030 - Bin contribution | 60.00 |
| 4500 - Precept income | 94,860.00 |
| 4510 - VAT refund | 3,883.75 |
| 4520 - CIL income | 467.29 |
| 4530 - Banking interest received | 0.54 |
| 4540 - Skatepark funding received | 16,549.00 |
| 4550 - Neighbourhood Plan funding received | 3,500.00 |
| 4900 - Other income | 640.47 |
| Total Sales | £120,201.05 |

| Direct Expenses | |
|------------------------------|--------------------|
| Total Direct Expenses | £0.00 |
| GROSS PROFIT / LOSS | £120,201.05 |

| Overheads | |
|---------------------------------------|-----------|
| 7000 - Employee Wages and Salaries | 17,882.28 |
| 7005 - Caretaker salary | 882.00 |
| 7010 - Youth Club salaries | 11,130.22 |
| 7020 - Employers NI | 1,247.22 |
| 7030 - Employer's Pension | 3,934.10 |
| 7040 - Previous year payments to HMRC | 319.86 |
| 7101 - Youth Club bookings | 1,375.50 |

| | | |
|---------------------------------------|--------------------------|--------------------|
| 7102 - Parish Council bookings | 416.50 | |
| 7103 - Library rent | 2,080.08 | |
| 7104 - Cologne Road play area rent | 28.00 | |
| 7200 - Electricity | 1,075.35 | |
| 7300 - Parish maintenance | 1,616.04 | |
| 7310 - Play area maintenance | 9,617.96 | |
| 7320 - Grass cutting | 5,885.96 | |
| 7330 - Bin collection | 1,137.00 | |
| 7340 - Parish enhancement | 9,721.20 | |
| 7510 - Postage and Carriage | 8.04 | |
| 7520 - Office Stationery | 1,135.06 | |
| 7530 - Telephone & Internet charges | 1,107.24 | |
| 7550 - Computer & Software | 1,186.76 | |
| 7610 - Accountancy Fees | 2,171.00 | |
| 7630 - Business Insurance | 1,821.75 | |
| 7810 - CCTV | 1,257.24 | |
| 7820 - Village Hall maintenance | 559.56 | |
| 8210 - Subscriptions | 1,008.36 | |
| 8230 - Training Costs | 1,473.00 | |
| 8240 - PWLB repayments | 7,478.58 | |
| 8290 - Skatepark expenditure | 14,203.43 | |
| 8300 - Neighbourhood Plan expenditure | 4,406.22 | |
| 8310 - Grants awarded | 2,088.41 | |
| | Total Overheads | £108,253.92 |
| | NET PROFIT / LOSS | £11,947.13 |

Commentary

The above Profit and Loss Report was generated directly from the finance system and it shows the income (listed as Sales) and expenditure (listed as Overheads) for the financial year 2021-22. It also shows the categories used to track income/spend.

2. Profit and Loss Report comparing 2021-22 with previous year

PROFIT AND LOSS REPORT COMPARING 2021-22 WITH 2020-21

| | ACTUAL 2021-22 | ACTUAL PRIOR YR 2020-21 |
|--|----------------------|--|
| INCOME | | |
| 4020 - Wifi contribution | 240 | 0 |
| 4030 - Bin contribution | 60 | 0 |
| 4500 - Precept income | 94,860 | 86,000 |
| 4510 - VAT refund | 3,884 | 30,495 |
| 4520 - CIL income | 467 | 453 |
| 4530 - Banking interest received | 1 | 12 |
| 4540 - Skatepark funding received | 16,549 | 144,479 |
| 4550 - Neighbourhood Plan funding received | 3,500 | 1,130 |
| 4900 - Other income | 640 | 5,195 |
| Total Income | 120,201 | 267,764 |
| EXPENSES | | |
| 7000 - Employee Wages and Salaries | 17,882 | |
| 7005 - Caretaker salary | 882 | |
| 7010 - Youth Club salaries | 11,130 | |
| 7020 - Employers NI | 1,247 | |
| 7030 - Employer's Pension | 3,934 | |
| 7040 - Previous year payments to HMRC | 320 | 19,943 total salaries |
| 7101 - Youth Club bookings | 1,376 | |
| 7102 - Parish Council bookings | 417 | |
| 7103 - Library rent | 2,080 | 2,169 room hire and library rent |
| 7104 - Cologne Road play area rent | 28 | |
| 7200 - Electricity | 1,075 | |
| 7300 - Parish maintenance | 1,616 | |
| 7310 - Play area maintenance | 9,618 | |
| 7320 - Grass cutting | 5,886 | 5,032 grass cutting |
| 7330 - Bin collection | 1,137 | |
| 7340 - Parish enhancement | 9,721 | 10,164 enhancement play rent inspection bins |
| 7510 - Postage and Carriage | 8 | |
| 7520 - Office Stationery | 1,135 | 3,055 admin stationery website |
| 7530 - Telephone & Internet charges | 1,107 | 1,359 telephone electricity |
| 7550 - Computer & Software | 1,187 | |
| 7610 - Accountancy Fees | 2,171 | 2,710 insurance audit accounts |
| 7630 - Business Insurance | 1,822 | |
| 7810 - CCTV | 1,257 | |
| 7820 - Village Hall maintenance | 560 | 2,114 hall maintenance and CCTV |
| 8210 - Subscriptions | 1,008 | |
| 8230 - Training Costs | 1,473 | 2,315 training and subscriptions |
| 8240 - PWLB repayments | 7,479 | 7,479 |
| 8250 - 137 Pay Contingency | 0 | 0 |
| 8260 - CIL expenditure | 0 | 453 |
| 8290 - Skatepark expenditure | 14,203 | 168,662 |
| 8300 - Neighbourhood Plan expenditure | 4,406 | 1,856 |
| 8310 - Grants awarded | 2,088 | 1,200 |
| Total expenses | 108,254 | 228,509 |
| NET SURPLUS | 11,947 | 39,255 |
| CURRENT ASSETS | | |
| | Mar 31st 2022 | Mar 31st 2021 |
| Petty Cash | 0 | 0 |
| Wool Parish Council Current Account | 7,833 | 49,545 |
| Wool Parish Council Deposit Account | 50,000 | 3,381 |
| Wool Parish Council Jubilee Account | 27 | 0 |
| Wool Parish Council Buildings Account | 8,042 | 1,030 |
| TOTAL | 65,902 | 53,956 |

Commentary

The above Profit and Loss Report was generated using data from the finance system and data from an Excel spreadsheet for the previous year. It shows the income, expenditure and current assets (bank balances) for 2021-22 compared with the previous year.

At the start of 2021-22 new nominal codes were introduced (e.g. 7010 Youth Club salaries) in order to achieve a greater visibility of the breakdown of costs. This makes 'like for like' comparison between the two years more difficult. For example, the costs recorded against 'salaries' in 2020-21 were recorded in 2021-22 against 'Employee Wages and Salaries', 'Caretaker salary', 'Youth Club salaries', 'Employer's NI' and 'Employer's Pension'. Notes have been provided to indicate where there is a difference. The Responsible Finance Officer (RFO) can provide more information if required.

3. Balance Sheet

This report shows a summary of all of assets (what the council owns) and liabilities (what the council owes) at the end of the financial year 2021-22.

Wool Parish Council

Balance Sheet Report

To: 31 March, 2022

| ASSETS | | |
|--|----------------------------------|-------------------|
| Fixed Assets | | |
| | Total Fixed Assets | £0.00 |
| Current Assets | | |
| 1200 - Wool Parish Council Current Account | 7,833.49 | |
| 1220 - Wool Parish Council Buildings Account | 8,042.19 | |
| 1230 - Wool Parish Council Deposit Account | 50,000.00 | |
| 1240 - Wool Parish Council Jubilee and Torch Account | 27.00 | |
| | Total Current Assets | £65,902.68 |
| | TOTAL ASSETS | £65,902.68 |
| LIABILITIES | | |
| Current Liabilities | | |
| 2210 - PAYE to pay to HMRC | 188.83 | |
| 2220 - NIC to pay to HMRC | -188.83 | |
| | Total Current Liabilities | £0.00 |
| Future Liabilities | | |
| | Total Future Liabilities | £0.00 |
| | TOTAL LIABILITIES | £0.00 |

| | | | |
|--|--|-------------------------|-------------------|
| | | TOTAL NET ASSETS | £65,902.68 |
| EQUITY | | | |
| Net Profit / Loss | | 65,902.68 | |
| <i>Net Profit / Loss (prior year(s))</i> | | 53,955.55 | |
| <i>Net Profit / Loss (current year)</i> | | 11,947.13 | |
| | | TOTAL EQUITY | £65,902.68 |

Commentary

The Total Fixed Assets is shown as zero in the above report as the council's fixed assets are managed in an Asset Register external to the finance system (see Fixed Assets section)

4. Bank reconciliations

These reports show that the cash balances on the balance sheet match the amounts on the bank statements.



Wool Parish Council

Parish Office, D'Urberville Centre , Wool, Wareham, Dorset, none,
BH20 6DL, United Kingdom

Telephone: 01929460054 Email: woolparishcouncil@gmail.com

| Bank Account | Wool Parish Council Current Account (1200) | Statement Date | 01/04/2022 | | |
|------------------------------|--|--------------------------|---|-----------|----------|
| Reference | March 22 recon 2 | Reconciled By | Steve Smith | | |
| Date | Reference | Name | Category | Paid | Received |
| 31/03/2022 | | Wicksteed | Supplier Payment | 7,850.58 | 0.00 |
| 31/03/2022 | | Amazon | Supplier Payment | 57.49 | 0.00 |
| 31/03/2022 | AC Warne (Wool Wildlife) | | Other Payment | 58.41 | 0.00 |
| 30/03/2022 | Library rent | | Other Payment | 141.66 | 0.00 |
| 29/03/2022 | Extra for NP | | Transfer: Wool Parish Council Jubilee and Torch Account | 198.88 | 0.00 |
| 29/03/2022 | VAT transfer for NP | | Transfer: Wool Parish Council Jubilee and Torch Account | 147.10 | 0.00 |
| 30/03/2022 | Playdale | Playdale Playgrounds Ltd | Supplier Payment | 19.68 | 0.00 |
| Total Received | | | | | 0.00 |
| Total Paid | | | | 8,473.80 | |
| Starting Balance | | | | 16,307.29 | |
| Statement End Balance | | | | 7,833.49 | |
| Reconciled Balance | | | | 7,833.49 | |
| Difference | | | | | 0.00 |



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Bank Account Wool Parish Council Deposit Account (1230) **Statement Date** 01/04/2022

Reference **Reconciled By** Steve Smith

| Date | Reference | Name | Category | Paid | Received |
|------------|---------------------------|------|---|------------------------------|-----------|
| 31/03/2021 | | | Bank Opening Balance | 0.00 | 3,380.77 |
| 15/10/2021 | move reserve to saving ac | | Transfer: Wool Parish Council Buildings Account | 0.00 | 46,618.69 |
| 05/10/2021 | Bank Credit Interest | | Other Receipt | 0.00 | 0.54 |
| | | | | Total Received | 50,000.00 |
| | | | | Total Paid | 0.00 |
| | | | | Starting Balance | 0.00 |
| | | | | Statement End Balance | 50,000.00 |
| | | | | Reconciled Balance | 50,000.00 |
| | | | | Difference | 0.00 |



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Bank Account Wool Parish Council Jubilee and Torch Account (1240) **Statement Date** 01/04/2022

Reference **Reconciled By** Steve Smith

| Date | Reference | Name | Category | Paid | Received |
|------------------------------|---------------------|------------------|---|--------|----------|
| 29/03/2022 | Extra for NP | | Transfer: Wool Parish Council Current Account | 0.00 | 198.88 |
| 29/03/2022 | VAT transfer for NP | | Transfer: Wool Parish Council Current Account | 0.00 | 147.10 |
| 31/03/2022 | | Andrea Pellegram | Supplier Payment | 882.58 | 0.00 |
| Total Received | | | | | 345.98 |
| Total Paid | | | | 882.58 | |
| Starting Balance | | | | | 563.60 |
| Statement End Balance | | | | | 27.00 |
| Reconciled Balance | | | | | 27.00 |
| Difference | | | | | 0.00 |

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| | | | |
|---------------------|--|-----------------------|-------------|
| Bank Account | Wool Parish Council Buildings Account (1220) | Statement Date | 31/03/2022 |
| Reference | March 22 recon | Reconciled By | Steve Smith |

| Date | Reference | Name | Category | Paid | Received |
|------------|---------------------------|------------------------|---|----------|----------|
| 14/02/2022 | Skatepark funds transfer | | Transfer: Wool Parish Council Current Account | 0.00 | 3,265.00 |
| 18/03/2022 | Transfer VAT for skatepar | | Transfer: Wool Parish Council Current Account | 0.00 | 888.16 |
| 18/03/2022 | Move SE skatepark funding | | Transfer: Wool Parish Council Current Account | 0.00 | 4,424.00 |
| 18/03/2022 | | Wessex Ground Services | Supplier Payment | 5,328.96 | 0.00 |

| | |
|------------------------------|----------|
| Total Received | 8,577.16 |
| Total Paid | 5,328.96 |
| Starting Balance | 4,793.99 |
| Statement End Balance | 8,042.19 |
| Reconciled Balance | 8,042.19 |
| Difference | 0.00 |

5. Fixed Assets

The term 'Fixed Assets' means 'property, plant and equipment with a useful life of more than one year used by Wool Parish Council to deliver its services. The council's fixed assets are recorded in an Asset Register external to the finance system. Below is a summary of the Asset Register.

WOOL PARISH COUNCIL ASSET REGISTER LAST REVIEWED February 2022

Assets insured under the property section of the insurance policy

| | Value |
|----------------------|--------------------|
| Office Contents | £2,620.00 |
| General Contents | £0.00 |
| Outside equipment | £0.00 |
| Street Furniture | £31,799.00 |
| Gates and Fences | £0.00 |
| War Memorials | £5,000.00 |
| Playground Equipment | £188,000.00 |
| Mowers and Machinery | £320.00 |
| Sports Equipment | £0.00 |
| Natural Surfaces | £0.00 |
| Other Surfaces | £0.00 |
| Specified All Risks | £0.00 |
| TOTAL | £227,739.00 |

Assets not insured under the property section of the insurance policy

| | Value |
|--------------|--------------------|
| Land | 282,506.00 |
| CCTV | 8,237.46 |
| TOTAL | £290,743.46 |

TOTAL VALUE OF WOOL PARISH COUNCIL ASSETS TOTAL £518,482.46

6. Performance against budget

Wool Parish Council has historically budgeted, tracked and reported using sums including VAT.

Wool Parish Council must pay VAT and then it is claimed back. At Full Council meeting the Gross Amount (including VAT) is approved. The Gross Amount appears in the bank reconciliations, budgets and accounts.

Periodically the clerk will submit a VAT126 claim form to HMRC to recover the VAT and this is recorded in a 'VAT reclaimed' category. Each claim results in a single payment from HMRC which is not linked to the individual approved spends.

Once the VAT is reclaimed, WPC has actually spent the Net Amount (less VAT). The Net Amount is not used in WPC's current processes which means that technically the true spend is neither approved nor recorded in the accounts.

The lack of visibility of the true spend makes budgeting difficult as 'VAT reclaimed' must be estimated from previous years and is not directly linked to predicted spend.

The budget for 2021-22 was **£94,860**. This budget was based on the budget for 2019-20 (not 2020-21 as that year's spend was unusual due to COVID-19). It was the same as 2019-20 (£86,000) plus £7,000 for a dog enforcer and 2% for inflation. The budget excluded any spend on the skatepark and Neighbourhood Plan which were not funded by the precept.

Excluding spend on the skatepark and Neighbourhood Plan, WPC spent **£89,644** (net of VAT) in 2021-22. Excluding grant funding for the skatepark and Neighbourhood Plan, WPC received £1,408 income in addition to the £94,860 precept. A total income of **£96,268**.

Wool Parish Council was **£6,624 within budget**.

At the end of the year there were approved spends outstanding of £7,500 (including VAT) for an architect and £1,500 (including VAT) for a lease. A total of £7,500 (net of VAT). Had these amounts been spent WPC would have been much closer to the budget of £94,860. £7833.49 (balance of the main account) has been carried forward into the 2022-23 budget as 'Earmarked Reserves'

The clerk will retrospectively apply VAT to the accounts for 2021-22 and this will be used as a baseline to budget and track spend in 2022-23.

7. Conclusion

It can be stated with confidence that 2021-22 was the most challenging financial year for a Responsible Finance Manager to manage in the history of Wool Parish Council. It involved significant internal transformation alongside uncertain external factors, most notably the pandemic.

Looking ahead, 2022-23 will undoubtedly present further external challenges such as energy costs and inflation. Wool Parish Council has put in place internal changes to policy and process for next year, most notably a new VAT procedure and new financial regulations, which will significantly improve the budgeting, monitoring and reporting of financial matters.

Steve Smith, Responsible Finance Officer for Wool Parish Council, April 2022.