

GRANTLEY, SAWLEY, SKELDING AND EAVESTONE PARISH COUNCIL

ACCOUNTS 2015/16

EXPLANATION OF VARIANCES

	2014/15 £	2015/16 £	Variance (+/-) £	Variance %	Detailed Explanation of Variance (with amounts £)
General					
In 2008 the Parish Council sold a disused community building known as Sawley Parish Room for £162,500. After fees the Parish Council received £157,993.97. The Parish Council has agreed a 'memorandum of understanding' which sets out the broad principles for how it will manage the sale proceeds and this is provided as Appendix 1 overleaf.					
The investments associated with the sale proceeds are the reason for the majority of the significant variances experienced by this Council, however detailed explanations are given below.					
Box 3 Total Other Receipts	40423	4029			<p>On 30th January 2015 a 3 year Fixed Rate Retention Bond with Skipton Building Society matured. The value of the initial investment (£32,750) was held on the Council's asset register. This was then transferred back on to the Council's balance sheet and shows as a receipt in this financial year. This accounts for the majority of the variation between the figures given.</p> <p>The following points should also be noted:</p> <ul style="list-style-type: none"> • The Council received £2,596.40 less interest on its investments in 2015/16 than in 2014/15. This is purely because of the timing of investments and the fact that some of the current accounts will pay interest upon maturation. • The Council receives a grant each year from North Yorkshire County Council to help with cost of cutting grass verges. Due to a change in the County Council's policy this was reduced by £579.12 to £105.88 in 2015/16. • The Council reclaimed £318.29 less VAT in 2015/16 than 2014/15. This was partially due to the timing of claims and also because the Council's incurred more expenditure in 2014/15 than in 2015/16. • In 2014/15 the Council received a contribution towards maintenance works of £117.50 from a local Village Hall committee.
Box 4 Staff Costs	2081	1630			<p>In November 2015 the Clerk handed her notice in and effectively finished working for the Council in January 2016.</p> <p>This means that there were two months when little administration was carried out for the Council.</p>
Box 6 All Other Payments	46024	6022			<ul style="list-style-type: none"> • In 2014/15 the Council invested £38,462.93 in long term investments which necessitated this amount being transferred from the Council's balance sheet to its asset register.

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					<ul style="list-style-type: none"> • In 2014/15 the Council took legal advice costing £600 in respect of an access issue over Sawley Village Green. • In 2014/15 the Council spent £2,251.35 on renewals, repairs and maintenance. In 2015/16 this figure reduced by £563.69 to £1687.66 because a number of smaller, one-off maintenance issues did not recur / arise. • The Council spent £150 maintaining a church clock in 2014/15. This is a bi-annual cost. <p>Other costs remained within the 15% tolerance limit.</p>
<p>Explanation for high reserves. In 2008 the Parish Council sold a disused community building known as Sawley Parish Room for £162,500. After fees the Parish Council received £157,993.97. The Parish Council has agreed a ‘memorandum of understanding’ which sets out the broad principles for how it will manage the sale proceeds and this is provided as Appendix 1 overleaf. It should be noted that there are restrictions on how the Council can use the proceeds. £71,212.93 of the proceeds are currently held on the Council’s asset register as they are longer term investments (2 year fixed term products) and are included in Box 9 of the annual return. The remainder (£68,407.03) is included in box 7 as it is held in short term-investments or bank accounts.</p>					

APPENDIX 1
MEMORANDUM OF UNDERSTANDING
USE OF PROCEEDS FROM SALE OF SAWLEY PARISH ROOM

- The use of the proceeds to be restricted so as to only be used in / to benefit the Sawley Ward of the Parish as intended in original conveyance from John Smith's Tadcaster Brewery prior to amalgamation of wards (Parish Council Meeting – 23.10.08).
- Significant proportion of the proceeds to be saved and invested and the income generated used for appropriate projects / purposes (Parish Council Meeting – 23.10.08).
- There may be some projects / purposes which would warrant spending some of the capital (Parish Council Meeting – 23.10.08).
- Proceeds to be used in accordance with the terms of the conveyance from John Smith's Tadcaster Brewery:
 - * To purchase or improve other premises which are used for the original purposes of the Parish Room (classroom, meeting room, lecture room, meeting place for clubs or lending library).
 - * For any other objects, ends or purposes having in view the spiritual, intellectual, moral or social wants of Sawley residents.

Points arising from the 2009 Annual Parish Meeting, agreed at the Parish Council meeting on 21st May 2009.

- A maximum of £40,000 of the proceeds to be used for projects or purposes in the short term.
- Remainder to be invested for the long term good of Sawley.
- Interest earned to be distributed through a small grants scheme to be set up and administered by the Parish Council.