

**CASSOP-CUM-QUARRINGTON PARISH COUNCIL**

**ANNUAL FINAL ACCOUNTS 2019/2020**

**(TERMS SIMPLIFIED AND EXPLAINED)**

**Page 1 (Annual Bank Reconciliation)**

Page 1 of the Annual Final Accounts shows details of the Total Bank Account and Savings Account Balances as at 31 March in any financial year. The Parish Council's Financial Year ends on 31 March every year.

It is important to reconcile the Total Bank and Savings Account Balances to the Total Income received by and Total Expenditure paid by the Council during the Financial Year to ensure that all items have been taken into account.

The Parish Council records all of its Annual Income and Expenditure in its Receipts and Payments spreadsheet.

**Page 2 (Annual Balance Sheet)**

The Balance Sheet is an Annual Statement of the Parish Council's Long-Term Assets (Possessions) and its Long-Term Liabilities (the means by which those Assets were acquired) (by repaid loan, use of grant receipt, contribution from the Parish Council revenue account etc.)

Other assets shown in the Balance Sheet are those items which change year by year (Bank and Savings Account Balances, Amounts Prepaid and Amounts due to the Parish Council from Debtors). The corresponding balance on the Liabilities side of the Balance Sheet is the General Fund Balance.

**Page 3 (Income and Expenditure Account)**

This page shows the summarised list of Receipts and Payments items drawn from the Parish Council Receipts and Payments spreadsheet. Minor adjustments are made to these items to convert them into Income and Expenditure items. These adjustments include making provision to recover VAT items paid and showing amounts of Prepaid Insurance Premiums.

**Significant Items of Expenditure**

Expenditure shown under 'Parks and Open Spaces' includes payments made for the provision of seasonal flower baskets, flower tubs and winter bedding plants. Salaries includes the salaries of the Parish Clerk and Allotment Superintendent; General Administration includes costs of postage, expenses, the publication of the Parish Newsletter and room hire for monthly parish council meetings.

In conclusion, the Income and Expenditure Account shows the total income for the Year Ended 31 March 2020 came to £81,347.67 and total expenditure came to £81,927.01. This left an expenditure deficit of £579.34 for 2019/2020. This sum was deducted from the General Fund Balance of £19,605.22 as at 31 March 2019 to give a General Fund Balance of £19,025.88 as at 31 March 2020.