BRAMPTON BIERLOW PARISH COUNCIL

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Report To: The Chair and Members of the Council **11th March 2020, Item 9**

Management Accounts: February 2020

Introduction / Background:

This report provides information on the parish council's financial position against its budget. Attached to this report are:

- The budget monitoring summary to 29th February 2020
- The reserves and bank reconciliation at 29th February 2020
- The petty cash summary at 3rd March 2020.

In line with the parish council's approved financial procedures, up to mid-February, regular copies of bank statements were provided to the Chairman and Vice-Chair to enable them to confirm that (a) only proper transactions are made by the parish council and (b) the figures used in the bank reconciliation are the true bank figures.

Since the change of bank in February from the Yorkshire Bank to the Unity Trust Bank, one of the Chair, Vice-Chair and Councillors R Oliver and R Tudor is required to authorise any online payments. All these councillors also have direct access to view the bank accounts. The provision of statements to the Chairman and Vice-Chair following the switch in banks is no longer required, as the new arrangements will better meet internal control requirements.

Headlines:

At the beginning of the year the parish council had a general reserve of £34,824 (excluding £3,500 relating to commitments made in March 2019 and paid in 2019/20 for BMX Track improvements and the cropping of trees at the allotment site).

The gross expenditure budget for 2019/20 was set at £103,590 and the gross income budget was £26,640, leaving a net budget for 2019/20 of £76,950, with this being met by the parish precept.

In the year the parish council has approved two significant schemes which were not provided for within the original budget. These were improvements to Holly Bush Park (£9,225 net after contributions from Rotherham Council) and Traffic Management measures at the parish hall car park (£4,000) After taking into account these additional costs, offset by savings and contributions identified in other budget lines, **at 31st January there is an expected overspend of £4,000 for the year**.

This is broadly the same level as has been projected in the previous two months' reports. Any final overspend at the year-end is expected to be within the £5,926 underspend brought forward from 2018/19, which was earmarked for use in 2019/20 on additional improvement works such as in the car park and Holly Bush Park.

Current expected variances from budget:

Notable variations at this point in the year are as follows:

- £12,270 spent on the in-year approved Holly Bush Park improvements
- Parish Hall traffic management measures approved in year; £4,900
- Higher than budgeted loan repayment costs (£2,000 higher than budget) because of the decision taken at the end of 2018/19 to not repay one loan early because this proved not to be advantageous at the time
- Costs of Holly Bush Park maintenance following the retirement of volunteers from January 2020 (estimated at £300 for the remainder of the year)
- The loss of football pitch income (£1,360), although this is more than offset by a corresponding reduction in grounds maintenance costs (£1,700) and so has a positive effect on the overall budget position
- Wages, tax, pensions and National Insurance payments (£2,100 less than original budget)
- Savings against the environment scheme budget (£2,000), with, in effect, this being used towards the Holly Bush Park and car park schemes
- Administration and insurance costs, which are projected to be £1,000 less than original budget
- Savings against the parish hall energy budget (£2,100)
- Strong lettings of the parish hall (projected income for the year is £2,000 higher than budget)
- Higher VAT refunds due main to the change in approach (approximately £4,000 more refunds now expected).

Conclusions:

Overall, the position is satisfactory at this stage of the year. Two significant new schemes are being accommodated through in-year contributions and savings, and use of the 2018/19 underspend.

Proposals / Recommendations:

Members are asked to note the current budget monitoring position set out in the report.

Colin Earl
Clerk to the Council