

Buxted Parish Council Half Year Financial Review

1st April 2019 to 30th September 2019

Aim

The aim of this report is to assess the financial position of Buxted Parish Council, comparing the expenditure during the first half of this financial year, to the budget that was set.

Method

Buxted Parish Council use Rialtas Business Solutions software (RBS) for their accounts. Data has been extracted from RBS for this financial report.

Method: RBS > Management Accounts > Management Reports > Receipts and Payments reports > Nominal Ledger > Ear Marked Reserves > Cash and Investment reconciliation > Trial balance reports.

Time period

1st April 2019 to 30th September 2019.

Summary

The parish council have received an income of £105,286 during the first half of this financial year. This consists of £103,031 (full years) precept from Wealden District Council (WDC), interest from Natwest Bank, Reading Room hire fees, a litter picking equipment grant from WDC and donations to the defibrillator collection tin.

£60,102 has been paid out during the first half of this financial year. Whilst this is over half of the annual income, consideration needs to be given to the fact that we have several expenditures that are one off's and have already been paid – for example annual insurance and all the annual grants that the parish council awards. In addition to this we made an unplanned grant of £2000 to the cricket club. The Clerk anticipates that we will come within or close to budget by the year end. If any maintenance works or equipment purchases are planned for the Reading Room, or new play equipment for High Hurstwood, then there are funds set aside in ear marked reserves (EMR) which can be used.

Income

Precept

The parish council requested a precept of £103,031 from Wealden District Council for the period of 1.4.19 to 31.3.20. This is paid in two installments to our current account, both of which have now been received.

Reading room hire

During the first 6 months we have received £1231 from hirers of the Reading Room. This is 49% of the amount we budgeted for the whole year (£2500).

High Hurstwood allotment field rent

This field is not used by the parish council but is hired out on a long-term basis by a parishioner for his horse for £520 per year. The payment is made twice per year. And at the time of writing this report a cheque had just been received, but is not yet showing on our RBS figures, but it is anticipated that 100% of the £520 will be received during this financial year.

High Hurstwood recreation ground rent

When the field is used by hall hirers – for example when a wedding takes place – a small amount of ground rent is received by the parish council. We budgeted £300 for this financial year and have received exactly 50% of this at the half year point.

Interest received

A small amount of interest is received from Natwest Bank; £235 has been received in the first 6 months of this financial year.

Expenditure

Staff costs

The combined budget for the Clerks salaries, National Insurance, PAYE, employee pension contributions and employer pension contributions is £53,302 for the year. During the first 6 months of this financial year £30,096 has been spent. During the summer of 2019 HMRC advised the Payroll Officer that the parish council were behind with their payments, the Clerk also spoke with HMRC, and a payment of £4260 was made to HMRC, However, it has recently come to light that we have now over paid them by £2130, so this is being deducted from Decembers invoice.

Removing this overpayment would mean that the parish council expenditure would be £27,966 for the first 6 months, which is close to the budgeted target at 52%.

Clerks mileage

Currently this is under budget £259 spent of £1000 budget, however, Claudine has not yet submitted a claim. The Clerk anticipates that we will come within the budgeted figure by the year end.

Computer expenditure (Infinity)

The costs with Infinity do appear to be creeping up. The monthly payments are approximately £125, which would result in an annual fee of £1500 – and we have £1300 budgeted. Infinity have recently advised us that IT Support is not included within these fees, and IT support would be an additional £100 per month. So this is an area of expenditure that needs to have further consideration in the near future, and possibly consider alternative options.

Highways

Only £352 has been spent from the £5000 budget during the first 6 months, but there are projects in the pipeline, for example we may need to pay £14,000 towards the new path to the school (in addition to the £50,000 Section 106 funds). The £14,000 could be paid from Traffic Management EMR (£6,000) and the remainder from General Reserves.

Buxted recreation ground and additional areas

We have undertaken more grass cutting during this financial year. We set a budget of £700, but expenditure has been £2736 so far (this is in addition to the grass cutting paid by the Ionides Trust), so this area will be way over budget by the year end.

Unplanned expenditure

- Cricket Club grant £2000
- Buxted Football Club urgent electrical works £1500
- Defibrillator and cabinet for the football club £1364

Future expenditure

- £2,500 chairs for the Reading Room
- £14,000 pathway to school

- Consideration for improvements to the Reading Room (this could be paid from EMR)

Bank balances

Buxted Parish council holds five accounts with Natwest Bank. The balances as of 30th September 2019 are as follows:

Date	Account	Balance
30.09.19	Current Account	£124,243.25
30.09.19	Youth Council Account	£545.63
30.09.19	Business Reserve Account (New Hall)	£34,751.00
30.09.19	Capital Reserve Account	£137,513.77
30.09.19	Reserve Account (Off site play equipment)	£59,944.60
	Total	£356,998.25
	Minus unrepresented payments £1,405.72 = Total	£355,592.53

Accounted for within the above bank balances, the parish council have the following Ear Marked Reserves:

EMR	£ Amount
Elections	£3,313
Staff	£1,500
Play areas (renewal fund)	£14,850
Play areas (maintenance)	£5,420
Traffic Management	£6,000
Computer & Office Equipment	£2,500
Legal & valuation fees	£5,000
Parish Hall Development	£9,496
Allotment deposits (Buxted)	£1,160
Repairs & renewals	£26,500
CIL funds	£2344.24
Off-site play equipment (section 106 funds)	£59,944.60
New hall (section 106 funds)	£34,751
Total	£172,779.09

New Community Hall Finances

There are two sources of funds for the new community hall, one is the parish council reserves that were set aside many years ago, the other source of funding is the Section 106 funds.

The parish council hall funds have an EMR and the amount is currently £9496.

Another EMR has been created for the Sec 106 Hall Funds £34,751, as advised by the Internal Auditor. There is a separate bank account for these funds too, so when funds are spent (or received) the EMR will need to be updated too.

(The Buxted Community Hall Trust is due to be transferring their funds of approx. £24,000 to the Ionides Trust soon).

Community Infrastructure Levy (CIL)

Wealden District Council adopted its CIL Charging schedule in November 2015 and began the implementation in 2016. An amount of the CIL is awarded to the parish council where the development takes place. In October 2018 Buxted Parish Council received £2,344.24 from Wealden District Council in CIL. There are guidelines on what this can be spent on, it is not for general parish costs. The parish council have not yet spent any of these funds, and an EMR has been set up.

Off-site play equipment

The parish council have also set up an EMR for the balance of the off-site play equipment funds, this is £59,944.60, and is to be used for repairs, replacement, maintenance of the equipment.

Reading Room

As there has been a halt on the development of a new community hall, consideration should be given to the current facilities of the Reading Room, and if improvements should be made. There is an EMR for repairs and renewals of £26,500, as well as our general reserves.

High Hurstwood Play area

For some time, there has been talk about whether the play equipment at High Hurstwood should be replaced. There is an EMR for play areas renewal £14,850.

Claudine Feltham

Clerk and Responsible Financial Officer

Buxted Parish Council

22nd October 2019