

Finance Report

As Responsible Financial Officer, I present for the Council's approval:

- A report showing income and expenditure against the current budget up to the current date
- A recommendation for the Council to remove provision for the path across the churchyard and burial ground from the budget
- A recommendation for the Council to revise two figures in the current budget – training and defibrillator.

The current budget, the unrestricted reserves and the amount available to the Council to spend

1. When the Council set its original 2017-18 budget at its January meeting (where it agreed the 2017-18 precept) it approved a budget that forecast:
 - A deficit of £3,669
 - Expenditure of £3,000 on the path across the churchyard and burial ground – under two headings, Burial Ground (£2,000) and Miscellaneous Grants (an extra £1,000 on top of the usual provision).
2. The 2016-17 accounts showed higher than anticipated unrestricted reserves of £17,337. On the basis of the original budget, the Council might have expected to end 2017-18 with unrestricted reserves reduced to £13,638.
3. The Council has revised that budget twice in relation to Staff Costs because:
 - It increased the Clerk's hours temporarily from 30 to 35 per month
 - The majority of the Clerk's pay for 2016-17 was in the end paid in April 2017, putting additional expenditure into 2017-18.
4. This leaves the Council's current budget showing an expected deficit of £6,770. On the basis of the current budget, the Council might have expected to end 2017-18 with unrestricted reserves reduced to £10,567.
5. Whereas unrestricted reserves at the end of 2016-17 were equal to more than twice the annual precept, this would have left the Council with unrestricted reserves equal to 1¼ times the annual precept.
6. But the current budget no longer reflects reality in relation to the path, which is not going to be started before the end of the financial year. I recommend that the £3,000 included in the budget should be taken out, returning the projected deficit and the end of year

unrestricted reserves almost back to the position in the original budget.

7. Alternatively, if the Council were to identify additional spending for 2017-18, it has at least £9,000 available – assuming it allows its unrestricted reserves to fall no lower than half the annual precept (in other words, £4,250), the minimum level considered prudent by our auditors.

Minor amendments to the 2017-18 budget

8. I apologise for having failed to notice that two headings in the current budget are already insufficient for this year's committed spending and require immediate amendment.
 - a) Training
 9. The budget for training was set at just £200 but the Council has already spent £210 (on two courses, one for the Clerk and one for the Chairman) and committed itself at its July meeting to spend a further £69 (on another course for the Clerk).
 10. I recommend that the budget be amended to increase the figure to £400 so there is sufficient to cover the cost of another course, if required.
 - b) Defibrillator
 11. The budget for the defibrillator was set at just £100 and the Council decided at its July meeting to purchase a replacement paediatric defibrillator pad when the current one reaches its end date in November 2017.
 12. The replacement adult defibrillator pad purchased earlier this financial year cost £52 and a replacement paediatric pad is likely to cost around £100 – the original one cost £81.
 13. I recommend that the budget be amended to increase the figure to £160.
 - c) Summary
 14. These two changes together would increase the budgeted deficit by £260 from £6,770 to £6,930 – subject to the Council's decision as to whether to remove the £3,000 budgeted for the path from the current budget.

Geoffrey Ferres
Responsible Financial Officer
Wednesday 20th September 2017