

## **FINANCIAL REPORT TO HANNINGTON PARISH COUNCIL 9<sup>th</sup> Feb 2016**

### **PURPOSE OF REPORT**

- 1. To inform the Parish Council of the latest Projected Outturn 2015/16: based on information as at 2<sup>nd</sup> Feb 2016, and**
- 2. To provide a Draft Budget 2016/17, amended to reflect the decisions taken at the January meeting,**

### **Projected Outturn 2015/16: based on information as at 2<sup>nd</sup> February 2016**

**At the May meeting**, the Council was informed the predicted outturn as at 31 March 2016 would be **£4,926**.

**At the Sept meeting**, the Financial Statement circulated projected a reduction from £4,926 to £4040. Two further decisions were taken at the September meeting with financial implications:-

- to budget £750 (non VATable) for the potential legal costs of transferring the registration/ownership of the village green from KPC to HPC, partially met by
- to remove the £500 budget provision (plus £100 VATable element) for traffic calming allowance.

The Minutes of the Sept meeting therefore concluded that "following from these two decisions, the September predicted cash balance as at 31 March 2016 was approximately **£4,250**".

**At the December meeting**, the Financial Statement predicted a cash balance as at 31 March of **£3,475**. This is £775 lower than that predicted at the end of the September meeting. This reduction was due to the decision taken by Cllrs, through email correspondence, to meet the legal costs of Kingsclere Parish Council (estimated at a further £250) and to allow a further £500 provision for any 'disbursements' with regards to the transfer of the ownership of the Village Green; making a total budget of £1,500.

**At the January meeting**, based on information as at 31<sup>st</sup> December, the Financial Statement (copy attached as Appendix 1) projected there would be a cash balance of **£3,830** as at 31 March 2016. This increase of £355 over that predicted at the December meeting is the saving of £365 from the renegotiated Insurance Premium being £235 instead of the previously budgeted £600, reduced by the £11 cost for the hire of the Village Hall for this additional meeting in January.

**At the February meeting**, based on information as at 2<sup>nd</sup> February, the Financial Statement (copy attached as Appendix 1) projects there will be a cash balance of £5,254, and increase since the last meeting of £1,424. This increase reflects the discussions and decisions taken in January to:-

- remove the provision in the current year for salt bins, as the latest information is that HCC Highways have raised an Official Order, thereby reducing costs by £170,
- defer half of the legal costs to 2016/17; reducing costs by £750, and
- remove the provision in current year for LDP; reducing costs by £500.

The Council is reminded that cash balance as at 31 March 2016 would be further increased by up to £5,000 if the Margaret Nicholl legacy was not accessed by Michael's Field Management Committee during 2015/16.

**RECOMMENDATION 1: that the Parish Council note and agree the current financial position, the estimated expenditure for the remaining two months of the year, and that the projected cash balance as at 31 March 2016 would be £5,254.**

### **Draft Budget 2016/17**

The Draft Budget 2016/17 presented to Council at the January meeting was constructed based on the continuing levels of:-

- a. income from BDBC Precept and Grants totaling £4,727,
- b. operating costs totaling £3,641, generating
- c. an Operating Surplus of £1,086. This figure was increased to £1,512 in the Draft Budget 2016/17 by the addition of the VAT refund of £426 from 2015/16.
- d. One off /capital costs of £1,000, plus VAT expenditure of £329.
- e. **Generating a cash balance at 31 March 2017 of £4,012.**

The Budget 2016/17 (see Appendix 2) being presented to Council in February reflects the discussions and decisions taken at the January meeting, namely:

- a. A starting cash balance as at 1<sup>st</sup> April 2106 of £5,254 (see notes above regarding the Financial Statement 2015/16) Budget monitoring.
- b. An increase in the Precept to £5,500 to reflect the new remuneration package of the Clerk and for half the costs of the legal fees for the transfer of the village green £750,
- c. A provision of £1,000 for potential costs of developing the LDP... subject to further discussion.
- d. No provision for further traffic calming measures in 2016/17.

The result of the above is the projected cash balance as at 31<sup>st</sup> March 2017 of £5,350.

Chris Pottinger  
Clerk/RFO Hannington Parish Council  
2<sup>nd</sup> February 2016