



MELTON PARISH COUNCIL

IMC(20)05.01

MANAGEMENT ACCOUNTS – FINANCIAL REPORT FOR THE PERIOD 1 APRIL 2019 TO 31 MARCH 2020

Contained within papers IMC(20)05.01(a-i), Councillors will receive the following reports:

- Cashbook 1 (Barclays Mixed Payments (Current) Account), Cashbook 2 (Barclays Deposit Account), Cashbook 3 (Ipswich Building Society) and Cashbook 4 (Lloyds Bank Treasurer's Account). These show income and expenditure at a detailed level and Members are asked to note the income and the payments made.
- Income and expenditure by budget heading, which shows cumulative income and expenditure against budget heads for the period 1 April 2019 to 31 March 2020 and the position remaining. Members are asked to review and note any potential over / underspends.
- Bank reconciliation reports for all four accounts to note and review.

These financial reports, in particular the detailed income and expenditure report, give a clear picture of the financial position at the end of period 12 of 2019/20. For simplicity all figures are rounded.

Income received was £371,276 which includes CIL transferred to an earmarked reserve of £245,651. Without CIL the overall income was £125,625 which includes a recent grant (received in February 2020) of £4,475 towards the cost of the Melton Neighbourhood Plan refresh, which had to be fully spent by 31 March this year and was fully expended on 26 March despite the current emergency situation.

Overall expenditure for the period to 31 March is £157,387, which set against the income net of CIL produces an in year deficit of £31,762, compared with the revised budgeted in year deficit of £20,451. However in the last few weeks of the financial year the Council received demands for payment totalling £16,605 for business rates for 2018/19 and 2019/20 in respect of the Council's offices and commercial letting. These sums were due and payable immediately, although the premises have subsequently been revalued with effect from 18 September 2019 as two separate business premises, and revised assessments for that date onwards are anticipated in late April / early May. This will involve a refund of about £6.6k on what has already been paid and the new assessment for the Council's ground floor premises will attract small business rate relief of about 50% on the new bill which should reduce it to around £3-

4kpa. Without this unforeseen and largely unbudgeted cost, outturn in expenditure would have been more in line with budget.

In terms of cash resources as at 31 March, cash at the Council's bank accounts totalled £374,817 made up as follows:

- | | | |
|--|---|---------|
| • Barclays Bank Mixed Payments Account | £ | 205,832 |
| • Barclays Bank Deposit Account | £ | 53,921 |
| • Ipswich Building Society Deposit Account | £ | 100,687 |
| • Lloyds Bank Treasurer's Account | £ | 14,377 |

Together with the net VAT outstanding of £1,380 the total liquid assets amounted to £376,197. Of that sum however, £319,967 relates to the balance of CIL monies held as a restricted reserve, and £649 as earmarked reserves (WWI Heritage Event, and Behind the Names), thus giving a balance of £55,581. Included in that balance is the sum of £5,120 which represents the amount of a rental deposit made under the terms of the lease for 1st floor at the Council's offices, together with a sum equivalent to the VAT thereon, which is being held as a deferred liability against default and is shown on the balance sheet. Deducting the £5,120 gives a general reserve figure of £50,462, a reduction from £74,825 at the end of February 2020.

In my report dated 11 March which was to have been submitted to Full Council on 18 March, I predicted that the year-end general reserves were likely to be around £50k. Whilst this report reflects the initial period 12 position, and adjustments for accruals, creditors and prepayments are yet to be done, I anticipate that the final general reserves figure is likely to be around that figure.

Recommendations

That members of Full Council **NOTE AND COMMENT** on this report.

William Grosvenor

Clerk and Executive Officer to the Council

3 April 2020