



# MELTON PARISH COUNCIL

**FRM(21)15.01**

## **MANAGEMENT ACCOUNTS – FINANCIAL REPORT FOR THE PERIOD 1 APRIL 2020 to 31 MARCH 2021**

Contained within papers FRM(21)15.01(a-k), Councillors will receive the following reports:

- Cashbooks for Barclays Current Account, Barclays Deposit Account, Lloyds Bank Treasurer's Account, Ipswich Building Society Deposit Account and Ipswich Building Society Rent Deposit 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 2020 to 31 March 2021 and the position remaining. Members are asked to review and note any potential over/underspends.
- Bank reconciliation reports for all five accounts to note and review.

These financial reports, particularly the detailed income and expenditure report, give a clear picture of the initial financial position at the end of the year 2020/21. Adjustments for accruals and prepayments will need to be made to arrive at the year end position. For simplicity all figures are rounded.

Total income received in 2020/21 is £324,347 which included CIL receipts transferred to an ear marked reserve of £183,667. Without CIL overall income was £140,680. In March 2021 we received £19,640 from the East Suffolk Council PlayPot which will cover the total cost of the replacement tennis fencing.

Overall expenditure for 2020/21 is £122,076 which was 92% of the annual revised budget of £132,300.

In terms of cash resources as at 31 March, cash in the Council's bank accounts totalled £580,842 made up as follows:

• Barclays Bank Current Account	£346,621
• Barclays Bank Deposit Account	£114,905
• Ipswich Building Society Deposit Account	£101,116
• Lloyds Bank Treasurer's Account	£ 13,080
• Ipswich Building Society Rent Deposit Account	£ 5,120

After adding £3 in respect of the VAT due to us and deducting £5,120 for contingent liabilities (rent deposit), the total liquid assets amounted to £575,725. Of that sum, £510,381 relates to the balance of CIL monies and grants held as a restricted reserve. An additional £500 is held in a reserve for renovations to the WW2 memorial. Therefore, there is a general reserve sum of £64,845, a reduction from £71,083 at 28 February 2021. This figure represents approximately 74.5% of the precept income for 2020/21 which was £87k. After deduction of the Public Works Loan Board repayment the resulting net revenue expenditure (NRE) capacity of the Council is approximately £67.5k. The guidance issued by the Joint Panel on Accountability & Governance (Practitioner's Guide) states that an authority's General Reserve should be maintained at between three and twelve months NRE. Therefore from an audit perspective the reserve position at year end is more than acceptable.

### **Recommendations**

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

Pip Alder

Assistant Clerk to the Council

8<sup>th</sup> April 2021