



MELTON PARISH COUNCIL

MPC(23)37.01

Management Accounts – Financial Report for Year Ended 31st March 2023

This report should be read in conjunction with the reports MPC(23)37.01a-g:

- a. Payment Transactions - 01/04/2022 to 31/03/2023
- b. Receipt Transactions - 01/04/2022 to 31/03/2023
- c. Bank Reconciliation Report
- d. EMR Summary Report
- e. Precept/General Reserve Summary Report
- f. Reserves Balance
- g. Balance Sheet

These financial reports give a clear picture of the final position at the end of the year 2022/23.

Adjustments

For the final year end position the following accruals, prepayments and receipts in advance have been recorded in the finance system:

Accrual - £1,730 audit fees

Accrual - £16,000 for the Melton Road Crossings (against the CIL EMR)

Receipts in Advance - £371.68 for Pavilion bookings taking place from the 1st April 2023

Prepayment of £590 was made in 2022/23 for estate charges April-June 2023.

Overview

Income was £163,188.94, of which the Precept accounted for £104,536.00 and £18,097.63 was CIL receipts. The remaining income was a mix of grants, rent and Pavilion income. Expenditure was £ 511,208.83 and of this £132,584.95 has been paid from the General Reserve/Precept and £ 378,623.88 has been paid out of Earmarked Reserves. The two summary reports (MPC(23)22.01d and e) give a detailed breakdown of the receipts and payments against the agreed budget.

In terms of cash resources as at 31st March 2023, cash in the Council's bank accounts totalled £240,815.49 made up as follows:

- | | |
|---|--------------|
| • Lloyds Instant Savings Account | £ 128,626.67 |
| • Ipswich Building Society Deposit Account | £ 102,027.17 |
| • Ipswich Building Society Rent Deposit Account | £ 5,153.64 |
| • Lloyds Bank Treasurer's Account | £ 5,008.01 |

After adding as assets £579.23 (VAT due) and Prepayments of £590 the total liquid assets amounted to £241,984.72. Of that sum, £161,491.61 relates to the balance of deposits, CIL and grant monies held as Earmarked Reserves:

Fete EMR	£849.34
CIL reserves	£93,810.76

EMR Melton Rd crossings project	£19,755
EMR Landscaping & parking improvements	£3,717.03
EMR Pavilion project	£12,120.49
EMR Bins	£1,822.88
EMR Divested land sinking fund	£16,342.17
Hall Farm Road/SWT Events Partnership and Cllr Smith-Lyte)	£590 (grants received from Deben Community
Budget Risk EMR	£5,000
Signage	£1,130
Bequest	£1,095
Pavilion Kit Out	£5.30
Deposits EMR	£100
1 st Floor Rent Deposit	£5,153.64

There are sufficient funds remaining in the Pavilion build EMR to cover the retainer and the additional drainage being installed by the maintenance officer.

General Reserve

Taking into account £18,101.68 as liabilities the final General Reserve is therefore £62,391.43. The General Reserve position at year end 21/22 was £61,484.64, after £5k had been transferred into a Budget Risk EMR. At the FERM meeting in April 2022 it was agreed that if there was a similar position at the end of 2022/23 then a further £5k would be transferred in 2022/23.

The JPAG Practitioners' Guide recommends that a smaller authority's general reserve should be maintained at between three and twelve months of Net Revenue Expenditure (NRE). The smaller the authority, the closer the figure may be to 12 months, the larger the authority, the nearer to 3 months. Using 2023/24 budget figures the range is between £24.5k and £98k. Therefore transferring £5k to the Budget Risk EMR would result in a final reserve position of £57,391.43 which equates to 7 months and therefore still acceptable.

Recommendations

- That members **NOTE AND COMMENT** on this report.
- Decide if they wish to transfer £5k into the Budget Risk EMR.

Pip Alder

Clerk, Melton Parish Council

April 2023