

# Newton and Biggin Parish Council

## 2023-24 Quarter 2 / Half 1 Finance Report (Q2 / H1)

Report prepared by Rebecca Barry, Clerk and Responsible Financial Officer. 20<sup>th</sup> October 2023

### Overview

The end of Q2 brings us to the halfway point of the financial year 2023-24, so this is a good time to complete a full review of the council's finances and receipts / payments vs budget.

By the end of September, we had only received half of our anticipated income for the year, as we were awaiting part two of the precept, usually received in early September. (This has now been received in early October but falls into Q3.) We have only spent around half (49%) of our payments budget.

### Cashbook / Lloyds Balance

The cashbook starting balance on 1<sup>st</sup> April was £21,959.37

The cashbook closing balance on 30<sup>th</sup> September was £22,672.94

This closing balance has been reconciled against the Lloyds Treasurer's Account

### Reserves

The reserves are broken down as follows:

General Reserve			£13,000.00
Earmarked Reserves	Burial Committee	£750.00	£8,760.77
	Coton Noticeboard	£1,500.00	
	Warm Hub Grant balance	£424.37	
	Ellis Gardens Open Space	£2,586.40	
	Future Enhancements to Open Spaces	£3,500.00	
<b>TOTAL RESERVES</b>			<b>£21,760.77</b>

### Receipts Apr to Sept

Receipts total £10,890.00 YTD (net of VAT)

This is made up of £10,625.00 precept and £265.00 received from the Village Hall Committee (to reimburse the PC for the purchase of the new noticeboard).

### Payments Apr to Sept

Payments total £10,402.90 YTD (net of VAT)

The most significant expenditure items were on salary and associated HMRC costs; Coronation celebrations at Newton; contributions to the Coton Community fund and Honorarium payments for opening and closing of the gates at the Five Arches site and bridleway grass cutting.

The Parish Council has also had to cover some unexpected costs, such as the repair of a faulty streetlight; the purchase and installation of a dog waste bin; and a replacement planter. These costs have been covered by the 'General Contingency Fund' cost code.

### VAT Summary

We opened the 2023-24 financial year with a VAT balance of £383.89 to reclaim from the previous year (through the HMRC form 126 process).

The PC has paid £431.58 in VAT and has been refunded £658.05 so far. A claim has also been submitted for Q2 of £157.42 which was received in October (Q3).

### Summary by Cost Centre

- **ADMIN** cost centre is predicted to be overspent by £398.02 by the end of the financial year, mainly driven by the salary and HMRC tax cost codes. These are slightly higher than budget due to an annual incremental salary pay scale increase, along with an anticipated 6% annual LGA pay award (this is still TBC) vs a budgeted pay award of 2%. However, an underspend is predicted for the Training cost code. £400 was budgeted, but £0 has been spent YTD.
- **GROUNDS MAINTENANCE** cost centre is predicted to be underspent at year end by £354.76. The Parish Council increased the streetlighting budget considerably this year due to the uncertainty of the energy market. However, a support scheme was in place at the start of the year, so there will be an underspend vs budget.  
  
Five Arches General Maintenance cost code – £0 payments YTD (with one invoice awaiting payment in Q3), but assume we spend the full budget for 2023/24 of £2,420.
- **MISCELLANEOUS** cost centre is predicted to be underspent at year end by £393.48 due to the Coronation event in Newton costing considerably less than the £1,500 budgeted.

The General Contingency Fund cost code sits under this cost centre, and I have left this intact assuming spend to budget in the YTG forecast. £1,750.00 was budgeted for this cost code, and £587.98 has been spent against it YTD, leaving a balance of £1,162.02

- **OFFICE COSTS** cost centre is predicted to be underspent at year end by £99.48, driven by no anticipated copying costs (no newsletters produced and printed this year).
- **VILLAGE HALL** cost centre is predicted to be flat at year end.

### Outlook

The cost centres with predicted underspends more than cover the Administration cost centre with a predicted overspend. Overall, the prediction at year end will be an underspend of £440.60 vs. total budget. This, coupled with the small surplus of £198 that the Parish Council carried into this financial year from 2022-23 plus the VAT Q4 refund of £384 that rolled from 2022-23 into 2023-24, leaves an **end of year predicted balance of just over £1,000.**

### Points to note:

1. Pay award for 2023-24 is pending, awaiting formal sign-off by NALC and unions. Once agreed, any pay increase must be backdated to April. This has only been estimated in the H2 forecast.
2. Uncertainty around energy costs – H2 forecast is based on current unit rates and LY usage.
3. Assumed spend to budget for Christmas cost code (£300), although this could be considerably less if a Christmas tree is donated by a local company.
4. The General Contingency fund (£1,750) could end the year considerably underspent, which would change the year-end position dramatically.

**Please see the following page for full breakdown at cost code level for:**

- 2023/24 budget
- H1 actuals April to September
- Forecast by month for October to March
- Predicted 2023/24 total receipts and payments (H1 actuals and H2 forecasts)
- Variance to budget

*YTD – Year to Date      YTG – Year to Go      H1 – First half of year      H2 – Second half of year*

*Q1 – Quarter 1      Q2 – Quarter 2      Q3 – Quarter 3      Q4 – Quarter 4*

Rebecca Barry:  
Surplus from 2022-23  
financial year

198.6

Opening Bank Balance

£ 22,672.94 £ 31,391.63 £ 30,173.39 £ 28,393.10 £ 27,318.57 £ 26,307.60

2023-24 Total (H1 Actuals,

	Bal. B/Fwd.	Budget		H1 Actuals Apr - Sep		Oct		Nov		Dec		Jan		Feb		Mar		2023-24 Total (H1 Actuals, H2 Forecast)		Variance to Budget		
		RECEIPTS	PAYMENTS	RECEIPTS	PAYMENTS	REC	PAYM	REC	PAYM	REC	PAYM	REC	PAYM	REC	PAYM	REC	PAYM	RECEIPTS	PAYMENTS			
Administration	Salary		£ 5,765.77	£ -	£ 2,933.00		£ 477.72		£ 489.36		£ 777.36		£ 521.36		£ 521.36		£ 521.36	£ -	£ 6,241.52	£ -	475.75	
	Payroll Provider Costs		£ 100.00	£ -	£ -						£ 100.00							£ -	£ 100.00	£ -	-	
	Insurance		£ 491.76	£ -	£ 494.71													£ -	£ 494.71	£ -	2.95	
	Internal Audit		£ 375.00	£ -	£ 345.00													£ -	£ 345.00	£ -	30.00	
	External Audit		£ 210.00	£ -	£ 210.00													£ -	£ 210.00	£ -	-	
	IT Software - Website & Server		£ 413.44	£ -	£ 180.00				£ 60.00				£ 60.00		£ 60.00		£ 60.00	£ -	£ 420.00	£ -	6.56	
	Information Commissioner		£ 35.00	£ -	£ 35.00													£ -	£ 35.00	£ -	-	
	Training		£ 400.00	£ -	£ -				£ 120.00				£ 60.00				£ 60.00	£ -	£ 240.00	£ -	160.00	
	Honorarium		£ 1,638.00	£ -	£ 819.00		£ 136.50		£ 136.50		£ 136.50		£ 136.50		£ 136.50		£ 136.50	£ -	£ 1,638.00	£ -	-	
	HMRC Tax		£ 1,391.44	£ -	£ 706.00		£ 113.00		£ 115.84		£ 187.84		£ 123.84		£ 123.84		£ 123.84	£ -	£ 1,494.20	£ -	102.76	
	Defibrillator Consumables		£ 100.00	£ -	£ -													£ -	£ 100.00	£ -	-	
	IT Hardware & Software Subs		£ 200.00	£ -	£ -													£ -	£ 200.00	£ -	-	
	<b>TOTAL</b>	£ -	£ 11,120.41	£ -	£ 5,722.71	£ -	£ 727.22	£ -	£ 921.70	£ -	£ 1,201.70	£ -	£ 901.70	£ -	£ 841.70	£ -	£ 1,201.70	£ -	£ 11,518.43	£ -	398.02	
Earmarked Reserves	Burial Committee	£ 750.00		£ -	£ -													£ -	£ -	£ -	750.00	
	Ellis Gardens Open Space	£ 2,586.40		£ -	£ -													£ -	£ -	£ -	2,586.40	
	Future Enhancements to Open Space	£ 3,500.00		£ -	£ -													£ -	£ -	£ -	3,500.00	
	Warm Hub	£ 435.27		£ -	£ 10.90													£ -	£ 10.90	£ -	424.37	
	Coton Noticeboard	£ 1,500.00		£ -	£ -													£ -	£ -	£ -	1,500.00	
	<b>TOTAL</b>	£ 8,771.67	£ -	£ -	£ 10.90	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ 10.90	£ -	10.90	
Grounds Maintenance	Street Lighting		£ 1,200.00	£ -	£ 281.00		£ 68.51		£ 78.54		£ 88.83		£ 101.88		£ 98.32		£ 86.07	£ -	£ 803.16	£ -	396.84	
	Five Arches General Maintenance		£ 2,420.00	£ -	£ -		£ 1,250.00										£ 1,170.00	£ -	£ 2,420.00	£ -	-	
	Village Planter & Pots		£ 75.00	£ -	£ 42.08				£ 75.00									£ -	£ 117.08	£ -	42.08	
	<b>TOTAL</b>	£ -	£ 3,695.00	£ -	£ 323.08	£ -	£ 1,318.51	£ -	£ 153.54	£ -	£ 88.83	£ -	£ 101.88	£ -	£ 98.32	£ -	£ 1,256.07	£ -	£ 3,340.24	£ -	354.76	
Income	Precept	£ 21,250.00		£ 10,625.00	£ -	£ 10,625.00												£ 21,250.00	£ -	£ -	-	
	VAT Refund			£ -	£ -													£ -	£ -	£ -	-	
	<b>TOTAL</b>	£ -	£ 21,250.00	£ -	£ 10,625.00	£ -	£ 10,625.00	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ 21,250.00	£ -	£ -	-	
Miscellaneous	Other celebrations		£ 50.00	£ -	£ -				£ 50.00									£ -	£ 50.00	£ -	-	
	Christmas Celebrations		£ 300.00	£ -	£ -						£ 300.00							£ -	£ 300.00	£ -	-	
	Coton Community Fund		£ 1,500.00	£ -	£ 1,500.00													£ -	£ 1,500.00	£ -	-	
	General Contingency Fund		£ 1,750.00	£ -	£ 587.98				£ 75.00		£ 48.00		£ 48.00		£ 48.00		£ 943.02	£ -	£ 1,750.00	£ -	-	
	Coronation - Newton		£ 1,500.00	£ -	£ 1,106.52													£ -	£ 1,106.52	£ -	393.48	
	<b>TOTAL</b>	£ -	£ 5,100.00	£ -	£ 3,194.50	£ -	£ -	£ -	£ 125.00	£ -	£ 348.00	£ -	£ 48.00	£ -	£ 48.00	£ -	£ 943.02	£ -	£ 4,706.52	£ -	393.48	
Office Costs	WALC Subscription		£ 395.00	£ -	£ 395.00													£ -	£ 395.00	£ -	-	
	Copying		£ 86.39	£ -	£ -													£ -	£ -	£ -	86.39	
	Stationary		£ 30.00	£ -	£ 11.20						£ 18.80							£ -	£ 30.00	£ -	-	
	Printer Consumables		£ 240.00	£ -	£ 26.91						£ 100.00							£ -	£ 226.91	£ -	13.09	
	Scribe Annual Cost		£ 345.60	£ -	£ 345.60													£ -	£ 345.60	£ -	-	
	<b>TOTAL</b>	£ -	£ 1,096.99	£ -	£ 778.71	£ -	£ -	£ -	£ -	£ -	£ 118.80	£ -	£ -	£ -	£ -	£ -	£ 100.00	£ -	£ 997.51	£ -	99.48	
Village Hall	Village Hall Internet Charges		£ 237.60	£ -	£ 108.00		£ 18.00		£ 18.00		£ 22.95		£ 22.95		£ 22.95		£ 22.95	£ -	£ 235.80	£ -	1.80	
	Village Hall Sign		£ 265.00	£ -	£ 265.00													£ -	£ 265.00	£ -	-	
	<b>TOTAL</b>	£ -	£ 237.60	£ -	£ 373.00	£ -	£ 18.00	£ -	£ 18.00	£ -	£ 22.95	£ -	£ 22.95	£ -	£ 22.95	£ -	£ 22.95	£ -	£ 265.00	£ -	1.80	
	<b>TOTAL</b>	£ 8,771.67	£ 21,250.00	£ 21,250.00	£ 10,890.00	£ 10,402.90	£ 10,625.00	£ 2,063.73	£ -	£ 1,218.24	£ -	£ 1,780.28	£ -	£ 1,074.53	£ -	£ 1,010.97	£ -	£ 3,523.74	£ 21,515.00	£ 21,074.40	£ 9,212.27	
	Rebecca Barry: VAT start point (due from 2022-23 financial year)	£ 383.89	VAT	£ 658.05	£ 431.58	£ 157.42												£ 815.47	£ 815.47	£ -	-	
	<b>Closing Bank Balance</b>																				£ 440.60	
	Reconciled?						£ 31,391.63	£ 30,173.39	£ 28,393.10	£ 27,318.57	£ 26,307.60	£ 22,783.86										

Summary	
Sept closing bank balance	£ 22,672.94
minus General Reserves	£ 13,000.00
minus Earmarked Reserves	£ 8,760.77
Updated balance	£ 912.17

plus income due £ 10,782.42  
minus Budget spend YTG £ 10,671.50

Predicted EoY Balance £ 1,023.09