

	BUDGET	Full Year	BUDGET
	2018-19	Estimate	2019-20
<b>RECEIPTS</b>	£		
Precept	16545	16545	16875
Rent received	2000	1920	0
Agency received	0	193	0
Interest received	10	25	35
Grants received	0	0	0
Misc receipts	20	50	50
VAT Refund	800	800	800
<b>TOTAL</b>	<b>19375</b>	<b>19533</b>	<b>17760</b>
<b>PAYMENTS</b>			
Clerks Salary inc PAVE	5250	5214	5350
PAYE			
Clerk Expenses/General Admin	550	550	500
Advertising	100	100	100
Election	500	0	1250
Hall Hire	550	550	550
Insurance	350	358	450
Interest	0	72	95
NCA/C	425	420	440
Newsletter, Publicity, VDS & Website	900	250	250
S137	200	0	200
Training	500	75	250
Professional Fees/Audit/Solicitor	2000	1000	3025
Lighting Electricity	450	450	450
Lighting Maintenance	3000	3000	500
Grants	0	0	0
Repairs to PC Property	100	0	0
Miscellaneous	400	0	250
Loans & Capital Repayments	0	0	0
Highways	100	0	100
Grass mowing & maintenance	2700	1250	2700
Development Plans	0	0	0
Jacks Patch, Maintenance & inspection	500	500	500
VAT on payments	800	800	800
<b>TOTAL</b>	<b>19375</b>	<b>14589</b>	<b>17760</b>

Reserves 2018-19	YTD	Y/E	Bal
Neighbourhood Plan	5000	600	700
Jacks Patch	2000	0	500
Website	2000	0	0
Streetlights replacement	4826	0	3600
General reserves	7500	0	0
<b>Estimates</b>	<b>21326</b>		<b>16526</b>

<b>Balances (estimate)</b>	
Balance 31 March 2018	21741
Est Income	19533
Est Expenditure	14589
<b>Est Balance 31 March 2019</b>	<b>26685</b>
	<i>estimate</i>

Reserves 2019-20	B/F	19-20	Total	estimates
Recreational land purchase	0	7885	7885	
Jacks Patch	1500	0	1500	
Neighbourhood Plan	4300	0	4300	
Lighting	1226	4774	6000	
Website	2000	0	2000	
General reserve	7500	-2500	5000	(3.5 months of precept)
	<b>16526</b>		<b>26685</b>	

**PRECEPT**  
The proposed budget for 2019-20 shows a suggested precept uplift of 2%.

NORTON PARISH COUNCIL - ACCOUNTS 2018-19 - SUMMARY RECEIPTS AND PAYMENTS  
Q2 JULY - SEPT 2018

£	RECEIPTS	2018-19 £	BUDGET 2018 19 £	Under/over spend
	Precept	16545.00	16545.00	0.00
	Rent received	960.00	2000.00	1040.00
	Agency received	0.00	0.00	0.00
	Interest received	22.13	10.00	-12.13
	Grants received	0.00	0.00	0.00
	Misc receipts	22.00	20.00	42.00
	VAT Refund	733.68	300.00	66.32
	<b>TOTAL</b>	<b>18282.81</b>	19375.00	1092.19
	<b>PAYMENTS</b>			
	Clerks Salary	2086.56	4165.00	2078.44
	PAYE	521.40	1035.00	513.60
	Clerk Expenses/General Admin	387.95	550.00	162.05
	Advertising	0.00	100.00	100.00
	Election	0.00	500.00	500.00
	Hall Hire	0.00	550.00	550.00
	Insurance	357.51	350.00	-7.51
	Interest	18.00	0.00	-18.00
	NCALC	419.50	425.00	5.50
	Newsletter & Publicity & VDS & Website	89.00	500.00	411.00
	S137	0.00	200.00	200.00
	Training	49.00	500.00	451.00
	Professional Fees/Audit/Solicitor	0.00	2000.00	2000.00
	Lighting Electricity	209.43	450.00	240.57
	Lighting Maintenance	1864.00	3000.00	1336.00
	Grants	0.00	0.00	0.00
	Repairs to PC Property	0.00	100.00	100.00
	WW1 Centenary Commemorations	0.00	0.00	0.00
	Miscellaneous	0.00	400.00	400.00
	Loans & Capital Repayments	0.00	0.00	0.00
	Highways	0.00	100.00	100.00
	Greens & Verges, Grass mowing & Maintenance	960.00	2700.00	1740.00
	Development Plans	0.00	0.00	0.00
	Jacks Patch, Maintenance & Safety Inspection	444.17	500.00	55.83
	VAT on payments	685.10	800.00	114.90
	Neighbourhood Plan			
	Hall Hire	0.00	0.00	0.00
	Printing	0.00	0.00	0.00
	Postage	0.00	0.00	0.00
	Training	0.00	0.00	0.00
	Consultancy Fees	500.00	0.00	-500.00
	<b>TOTAL</b>	<b>8391.62</b>		
	Surplus (Deficit) for the year	9891.19	19375.00	9483.81

Gen Admin\* Printing, stationary, travel, office, postage, training & telephone

BANK RECONCILIATION AS AT 30 SEPTEMBER 2018		£
Cash in hand brought forward 1 April 2018		21741.27
Unpresented cheques as at 1 April 2018		169.85
Add receipts during the year		18282.81
Less payments during the year		8391.62
		<b>31462.61</b>
Cash in hand carried forward		
Represented by		
Current account - 20360953		12379.25
Deposit account - 20360966		19083.36
	Total	31462.61
less unpresented cheques		
		0.00
Control		0.00

## ADVICE NOTE - Local Council Reserves and Balances

Following the introduction of the Accounts and Audit Regulations in 1996, which can be considered as the birth of the modern rules governing local council accounting and audit procedures, a question was asked in the House of Commons to the then Minister of Local Government regarding the level of reserves which a local council should maintain.

The answer given is still current – although Sections 32 and 43 of the Local Government Finance Act 1992 require billing and precepting authorities in England and Wales to have regard to the level of reserves needed to meet estimated future expenditure when calculating the budget requirement, statute or regulations do not dictate that a local council should maintain reserves of any particular size or, indeed, that they should maintain any at all. It is widely accepted that a case for a statutory minimum level of reserves, even in exceptional circumstances, has not been made. However, due prudence does require that reserves are built up and maintained.

When reviewing the medium term financial plans and preparing the annual budget the prudent local council will consider the establishment and maintenance of reserves. These will be held for three main purposes:

- a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing (overdraft) e.g. prior to receipt of precept – this forms part of general reserves,
- a contingency to cushion the impact of unexpected events or emergencies – this also forms part of general reserves,
- a means of building up funds, often referred to as earmarked reserves, to meet known or predicted liabilities.

With regard to the General Reserve, the question of size has often been asked. The advice to external auditors is that general (i.e. un-earmarked) revenue reserves usually lie within the range of three to twelve months gross expenditure but that the amount should be risk assessed and approved by the Council. The external auditor might still, and taxpayers would also be within their rights to, seek answers regarding the size of any General Reserve relative to the precept. Where a council's year-end General Reserve is significantly higher than the annual precept an explanation should be provided to the external auditor.

Earmarked Reserves are entirely different to the General Reserve and should be established whenever there is a need to "save up" for expected and significant future expenditure as it would be unwise to expect the taxpayer to fund a significant purchase in any one year. The funding for the purchase, for example, of a new vehicle or a new village hall should be "spread" over a number of years so that the total financial burden does not fall to the taxpayer in one single precept. Each year's precept should include an "instalment" which can be transferred to the earmarked reserve and used at the time the expenditure is needed. Earmarked Reserves not eventually spent on the purpose intended should not simply be transferred to the General Reserve but used to reduce the precept or for other capital expenditure in the current or next financial year.