

# Finance Report

## 20.09.2023 to 21.11.2023

### Invoice for payment

| Reference | Payee  | Amount £ | VAT  | Goods/Service           |
|-----------|--------|----------|------|-------------------------|
| 91590392  | HC     | 145.16   | -    | Election re-charge fees |
| 12194     | Autela | 48.32    | 9.66 | Payroll Q2              |
|           | Clerk  | -        | -    | Salary Oct / Nov 2023   |

### Receipts

Current Account = £6,450

Business Reserves Account = £25.80

### Confirmation of balances

Current Account (statement date 19.10.2023) = £7,787.83

Business Reserves Account (statement date 29.09.2023) =  
4,200.33

| <b>Bank reconciliation 20.09.2023 – 21.11.2023</b> |  |  |                        | <b>Reserves Account</b> | <b>TOTAL</b>      |
|--|--|--|------------------------|-------------------------|-------------------|
|  |  |  | <b>Current Account</b> |                         |                   |
| Opening balance                                    |  |  | £3,907.05              | £4,174.53               | £8,081.58         |
| (+) Receipts                                       |  |  | £6,450.00              | £25.80                  | £6,475.80         |
| <b>TOTAL</b>                                       |  |  | <b>£10,357.05</b>      | <b>£4,200.33</b>        | <b>£14,557.38</b> |
| (-) Payments                                       |  |  | £2,569.22              | £0.00                   | £2,569.22         |
| <b>Balance</b>                                     |  |  | <b>£7,787.83</b>       | <b>£4,200.33</b>        | <b>£11,988.16</b> |
|  |  |  |                        |                         |                   |
|  |  |  | <b>19.10.2023</b>      | <b>29.09.2023</b>       | <b>TOTAL</b>      |
| Bank Statement                                     |  |  | £7,787.83              | £4,200.33               | £11,988.16        |
|  |  |  |                        |                         |                   |
| o/s cheques  |  |  |                        |                         |                   |
|  |  |  |                        |                         |                   |
|  |  |  | £0.00                  |                         | £0.00             |
|  |  |  | <b>£7,787.83</b>       | <b>£4,200.33</b>        | <b>£11,988.16</b> |

# Budget Monitoring Report November 2023

## Spend against budget

| AVENBURY PARISH COUNCIL APPROVED BUDGET 2023/24 |                  |                            |  |
|---|------------------|----------------------------|--|
|   |                  |                            |  |
| Budget<br>2023/24                               | YTD<br>2023/24   | Estimated<br>projection to | INCOME   |
| £260.00   |                  | £424.00                    | HMRC VTR   |
|   | £25.80           | £40.00                     | Bank interest  |
| £5,450.00                                       | £6,450.00        | £5,450.00                  | Precept  |
| <b>£5,710.00</b>                                | <b>£6,475.80</b> | <b>£5,914.00</b>           | <b>Total Income</b>                                    |
|   |                  |                            |  |
| Budget<br>2023/24                               | YTD<br>2023/24   | Estimated<br>projection to | EXPENDITURE  |
| £3,200.00                                       | £1,848.69        | £3,241.69                  | Salary (inc. PAYE)                                     |
| £0.00   | £0.00            | £0.00                      | Clerk Expenses   |
| £0.00   | £0.00            | £0.00                      | Clerk's home working allowance                         |
| £50.00  | £0.00            | £56.99                     | Website Expenses                                       |
| £180.00   | £0.00            | £202.00                    | Payroll Services                                       |
| £340.00   | £411.94          | £411.94                    | Insurance  |
| £370.00   | £0.00            | £400.00                    | Lengthsman   |
| £200.00   | £220.00          | £220.00                    | Audit fees   |
| £300.00   | £0.00            | £400.00                    | Subscriptions  |
| £0.00   | £0.00            | £0.00                      | Training   |
| £50.00  | £23.00           | £50.00                     | General Admin  |
| £200.00   | £0.00            | £145.16                    | Election Expenses                                      |
| £100.00   | £0.00            | £0.00                      | Council Assets   |
| £0.00   | £0.00            | £0.00                      | Meeting room hire                                      |
| £200.00   | £0.00            | £0.00                      | Contingency / Other                                    |
| £0.00   | £0.00            | £0.00                      | Legal Fees   |
| £170.00   | £65.59           | £276.99                    | VAT Paid   |
| £0.00   | £0.00            | £0.00                      | Speed Indicator Device                                 |
| £0.00   | £0.00            | £0.00                      | Traffic Regulation Order (to use reserves if required) |
| <b>£5,360.00</b>                                | <b>£2,569.22</b> | <b>£5,404.77</b>           | <b>Total Expenditure</b>                               |

# Avenbury Parish Council Reserves Policy

## Background

Local authorities need to plan to hold a certain amount of funds in reserves for a variety of reasons. Often these will be earmarked for specific purposes to help the council save up each year towards the cost of capital projects, replacing equipment, in case of contested elections, etc. However, it is also good practice for a Council to hold general *revenue* reserves for reasonable working capital, although the level of a Council's Reserves should be considered carefully.

The generally accepted recommendation regarding the appropriate minimum level of a Local Council's Reserve (as opposed to its Earmarked Reserves), is that this should be maintained at between three and twelve-months Net Revenue Expenditure (NRE)

1. Net Revenue Expenditure (subject to any planned surplus or deficit) is effectively Precept less any Loan Repayment and/or amounts included in the Precept for Capital Projects and transfers to Earmarked Reserves<sup>1</sup>
2. The reason for the wide range (3 to 12 months) is to cater for the large variation in sizes of individual Councils. The smaller the Council, the closer the figure should be to 12 months Net Revenue Expenditure, the larger the Council, the nearer to 3 months. In practice, a Council with an NRE in excess of £200,000 should plan on 3 – 6 months equivalent General Reserve.<sup>2</sup>

## Application to Avenbury Parish Council

As Avenbury Parish Council is a small Council with a small Precept, it should be aiming to maintain General Reserves closer to 12 months Net Revenue Expenditure.

## Avenbury Parish Council Reserves Policy

Avenbury Parish Council and the Responsible Financial Officer will work together to prepare and agree well-thought out, accurate, and detailed Budgets and Precept proposals which take into account, amongst other things:<sup>3</sup>

- General running costs (including increases in National Pay Award for staff)
- Current and future activities (including the possibility of devolved services)
- Councillor and staff training and development

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<sup>1</sup>As per guidance from NALC's Audit and Accounts Advisor Derek Kemp.

<sup>2</sup>As above.

<sup>3</sup>As above.

- Capital projects
- Replacing and repairing equipment and assets
- Contingencies

### **Level of financial reserves**

The level of financial reserves to be held by the Council will be agreed by the Parish Council during the discussions held regarding the setting of the budget for the next financial year.

The aim will be to hold a Reserve Fund of not less than 50% of the net revenue expenditure. Where this reserve is depleted, the Council will consider the appropriate period over which to replace it to that level.

### **The Election Fund**

To be built up between election years at 25% of the anticipated cost of a contested election per annum.

### **The IT Equipment Fund**

To be built up at £100 a year to allow for laptop replacement every five years if necessary.

### **The General Revenue Reserve Fund**

Comprising surplus funds from previous years' precept.