

Batheaston Parish Council

Financial Report on the half year 2020/21

by Catherine Gregory, Chair Finance Committee

1. Background

- 1.1. The Finance Committee was formed in March 2020 and has worked through the first 6 months of this financial year to establish robust and consistent processes to monitor and control the spend of the parish council.
- 1.2. The budget was revised in August to take account of the impact of the pandemic. This has reduced some income but has also reduced some costs. The budget was revised by removing the majority of planned capital expenditure.

2. Summary of accounts to the end of September 2020

Description	Half year Budget	Actual	Change
Income	£33,692	£32,542	£1,150 shortfall (3.41%)
Expenditure	£31,668	£28,177	£3,491 underspend (11.02%)

- 2.1. The balance of accounts as at 30/09/2020 is **£45,056**.

3. Variances in income

3.1. **Income is lower** than expected due to:

- 3.1.1. The VAT claim has not been filed yet and this accounts for a shortfall of £9.5k over the full year.
- 3.1.2. Income from the Rhymes Pavilion and Riverside Toilet are substantially reduced.

3.2. Income has been **on target** for:

- 3.2.1. The Precept, a payment of 50% of which received in April (£25.2k)
- 3.2.2. The full amount of CIL funding in the budget for the first half of the year (£6.9k) has been received.

4. Variances in expenditure

4.1. **Expenditure is lower** than expected due to:

- 4.1.1. General lower activity levels, substantially due to lockdown
- 4.1.2. Specifically, no grant has been paid to Batheaston Youth Club because they have not been able to operate due to Covid19 restrictions

4.1.3. Salary costs have been lower, reflecting the delay in agreement to pay rises, and other costs.

4.1.4. Delays in expenditure into the second half of the year (or beyond). (See 6)

4.2. Expenditure has been higher than expected for:

4.2.1. A number of overdue payments from 2019/20 have been settled in this period:

4.2.1.1. £5k grant to Batheaston Youth Club

4.2.1.2. Outstanding National Insurance and Tax of about £1,194.

4.3. Other Expenditure items of note:

4.3.1. £5.5k spent on website and new business system

5. Expected income for second half

5.1. Income is expected to be lower, due to

5.1.1. Reduced income from the toilet and pavilion hire, approx. £1,000 below budget in total.

6. Expected expenditure for second half.

6.1. Expenditure is expected to be higher than budget for:

6.1.1. There are some outstanding payments to be made,

6.1.1.1. A liability of £465 for electricity supply to the floodlights has just come to light (this appears to relate to a considerable period, perhaps back to 2018)

6.1.1.2. Payments in arrears for pay rise to the junior staff, and for the Clerk – subject to approval by the Committee – up to £220

6.1.1.3. Handyman overtime £520.

6.1.1.4. £1,094 pension payments, including £400 relating to 2019/20

6.1.1.5. £475 grant not yet paid to Bathampton Meadows

6.1.2. Delayed activity from the first six months, such as the repairs to the Batch and the Playground, and processing of transactions.

6.2. Expenditure is expected to be lower on:

6.2.1. Continued lower levels of activity, specifically, utilities, where there will be a delayed realisation of lower usage in the first half.

7. Forecast to the financial year end (end of March 2021)

Description	End of FY £	Second half
Income	67,714	35,172
Expenditure	67,642	39,525
Net Income/("Loss")	72	(4,353)

Forecast balance at year end is approx. £40,750, compared with £40,692 at start of year.