

Stoke by Clare Parish Council

Agenda item 5ii

Report title:	2022/23 Financial Overview as at the Third Quarter Stage
Date of meeting:	23 January 2023
Report by:	Judith Dignum, Parish Clerk and RFO

1. Purpose of report

- 1.1 To set out the current forecast financial position of the Parish Council as at the third quarter stage of the 2022/23 financial year and highlight any issues of interest or concern.

2. Recommendations

- 2.1 To note the forecast financial position of the Council's budget as at the third quarter stage of the 2022/23 financial year.

3. Background

- 3.1 The Council's budget for 2022/23 was agreed at the Parish Council meeting on 6 December 2021. The Appendix to this report sets out the current position and forecast outturn for each budget heading.

4. Commentary

Summary of Income and Expenditure

- 4.1 Total forecast expenditure and income at year end compared with the budgeted figures are set out below

Income			
Budget	Total at Q3	Year-end forecast	Variance
£19,690	£55,036.32	£57,000	£37,310
Expenditure			
Budget	Total at Q3	Year-end forecast	Variance
£20,674	£54,650.10	56,000	£33,976

- 4.2 The Council has an arrangement whereby it settles invoices for building work and other projects on behalf of the Village Hall Committee. The net sum is reimbursed by the Village Hall Committee and the remaining VAT reclaimed by the Council. This year has seen relatively high levels of expenditure on the Village Hall and, with the payment/reimbursement arrangements described, this is producing a distorted view of the Council's financial activity (although the net effect is cost neutral). Advice is being sought from SALC on the best way to rectify this, but in the meantime a budget statement will be prepared for circulation to Councillors with income and expenditure relating to Village Hall projects removed.

- 4.3 There are no significant variances of concern.

- 4.4 The staff pay award has been finalised and its application to Council staff was agreed by the Council at its December meeting. It is expected to be included with February 2023 pay, facilitating a more accurate assessment of the end of year position.

Reserves

- 4.5 The Council's total reserves stand at £26,149.75, comprising the General Reserve (£25,003.62) and Restricted Funds for the Play Area (£746.42) and Bus Shelter Maintenance (£400). Funds are committed from the General Reserve for completion of the separation of the water supply at The Barn.

This level of reserves is consistent with the Council's Reserve Policy, which specifies that the level of the General Reserve is set at twelve months of predicted expenditure.

VAT

- 4.6 A total of £7,731 is eligible for reclaim from HMRC. A claim for part of this sum together with outstanding amounts from previous years has been submitted but has not yet been received. This is likely to be linked to the recent postal strikes and the current position will be checked with HMRC.