

**Report from the St Mary Bourne Finance Committee Meeting
Held on Tuesday 29 October 2019 at 7pm
in the Club Room, Village Centre**

Those present: The chair, David Peart, Cllrs Bridget Culley and Kevin Fullerton and the clerk Jo Exelby.

- 1. Apologies for Absence:** Cllr Gwen Randall and Carole Whitlock
- 2. Declarations of Interests:** None
- 3. Review of the second quarter spend against budget**

Resolved: It was noted that quarter two shows a net surplus of £8,999 compared to a budgeted surplus of £1,867, a favourable variance of £7,132.

The most significant element of this variance is £23,552 for Community Funded Initiative work. It had been assumed in the budget that the parish council would spend £18,552 on the works in Q2 and reclaim the funds from HCC in Q4. Actually the work is being undertaken by Hampshire Highways directly from the S106 funds, so neither the expenditure nor the receipt will pass through the parish council accounts. The remaining £5,000 of this is for SLRs, which are still due to be purchased and so this is a timing difference. There is a favourable variance of £1,228 in VAT payments due to lower than expected payments.

There are adverse variances of £10,000 in EA NFM grant receipts, which are now expected in 2020-2021; £5,080 in VAT receipts as the VAT has not yet been reclaimed, but will be in Q3; £1,974 in wicket maintenance, which is a timing difference; £1,092 in lengthsman spending, which is a timing difference; £400 in football club receipts as Arms St Mary Bourne are not playing this season; and £400 on fitness equipment which was the cost of the taller monkey bar supports.

4. Review projection for the financial year against budget

Resolved: The full year projection shows a net deficit of £452 compared to a budgeted deficit of £6,158, a favourable variance of £5,706.

The reconciliation between budget and projection was reviewed and the following was noted. The main change is a proposed reduction in flood work of £18,685, offset by a reduction in NFM grant of £7,635. This is to maintain the flood funds to provide match funding for Watercress & Winterbournes projects in 2020-2021 on the riverbank restoration alongside the lake and habitat enrichment work in the lake environs. There is also a net reduction in forecast net VAT receipts of £3,666.

5. Review interim audit report

Resolved: The interim audit report was reviewed, the recommendations noted and the clerk instructed to action.

6. Review 1st draft of budget for 2020-2021

Resolved: The budget was reviewed and the following were agreed:

- To leave out any income from football clubs, given the uncertainty of the village team being re-established;
- Increase the IT hardware costs to £750 as the office PC is nearing the end of its life;
- Before the next Finance Committee meeting consider the benefit we receive from our HALC membership and whether we should continue to subscribe;
- Include £100 for S137 projects to fund the Welcome event;
- Include £500 per quarter for ongoing flood prevention costs;
- The clerk will get quotes for a replacement pavilion and the Chair will investigate possible sources of grant funding before the next Finance Committee meeting.

The reserves requirement was reviewed and it was agreed that the precept will probably be increased in line with the proposals made as part of the 2019-20 budget setting process to preserve sufficient reserves.

7. Approve Reserves & Investment Policy

Resolved: The draft policy was reviewed and it was agreed to recommend its adoption to the Full Council.

The meeting closed at 7:45pm.

Jo Exelby
Clerk, St. Mary Bourne Parish Council
30 October 2019