

St. Mary Bourne Parish Council
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**Report from the St Mary Bourne Parish Council Finance Committee
Held on Tuesday 23 June 2020 at 7:30pm
This meeting was held virtually via Zoom**

Those present: Cllrs Kevin Fullerton, Oliver Madge, David Peart and Gwen Randall

In attendance: The clerks Jo Exelby and Ben Sawyer

Members of the public present: None

Time allowed for public speaking

20F1. Receive and approve apologies for absence: Cllr Bridget Culley

20F2. Receive declarations of interests: None

20F3. Elect committee chair and vice-chair

Resolved: Nominations were requested for Chair of the Finance Committee. Cllr Randall nominated Cllr Peart. Cllr Peart was unanimously elected.

Resolved: Nominations were requested for Vice-Chair of the Finance Committee. Cllr Madge nominated Cllr Culley. Cllr Culley was unanimously elected.

20F4. Review the fourth quarter 2019-20 spend against budget

Resolved: It was noted that the full year shows a net surplus of £6,247 compared to a budgeted deficit of £6,158, a favourable variance of £12,405.

The main change is a proposed reduction in flood work of £18,685, offset by a reduction in NFM grant of £7,635. The remaining spending has been deferred to 2020-21 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 favourable variance of £2,450 as the CFI fees are being taken directly from BEST monies rather than paid for by the parish council. And £5,000 for the SLRs not yet being purchased. This will be offset by a corresponding adverse variance in 2020-21 when they are purchased.

There is a net adverse variance of £10,688 due to reduction in VAT recovery which is mostly due to the VAT recovery of £9,000 not being reclaimed until May 2020.

In the core running costs there are underspends for the year of £1,267 in play area maintenance which has been delayed into 2020-21 and £1,280 in tree maintenance.

20F5. Consider Internal Audit report for 2019-20

Resolved: The contents of the internal auditor's report were noted. It was noted that there are no recommendations to take forward to the full council.

20F6. Review the draft first quarter 2020-21 spend against budget

Resolved: It was noted that Q1 shows a net surplus of £35,305 compared to a budgeted surplus of £15,248, a favourable variance of £20,057.

The most significant elements of this variance are:

- £270 favourable variance in the street cleaning grant due to a transposition error by BDBC in the payment of the grant. This will be repaid in Q2.
- £939 adverse variance in receipts from the fishing syndicate and model yacht club as they were unable to use the lake during the Covid-19 lockdown.
- £7,022 favourable variance for the VAT refund as the whole 2019-20 refund of £9,001 was received in May 2020.
- £921 adverse variance in staff costs due to the delayed clerk handover.
- £2,095 favourable variance in maintenance of parish facilities. This is likely to be a temporary variance due to the lockdown.
- £8,982 favourable variance in flood prevention projects. The projects are delayed due to the river being up during the first quarter.
- £2,488 favourable variance in VAT payments, due to the reduction in other costs.

20F7. Consider use of Xero as accounting software

Resolved: The clerk (JE) noted that she has set up Xero with automatic bank feeds and used it to produce the Q1 figures, including the comparison to budget. She noted that she is currently using a free trial, the cost thereafter will be £8.33 (net) per month, or £100 a year. This subscription has a limit of 20 bank transactions a month, which should be sufficient. If it ever becomes insufficient the cost will be £20 (net) a month, or £240 a year. This cost compares to the current cost of using RBS of £121 for software support plus £125 for data backup services. It was unanimously agreed to use Xero going forward.

The meeting closed at 8pm.

Jo Exelby
Clerk, St. Mary Bourne Parish Council
24 June 2020