

Treasurers Report 2019 - 2021

The impact of Coronavirus prevented an Open Meeting being held in May 2020 and whilst no report was made available at that time the ability to hold internet meetings later in the year has provided the opportunity to present an update that will cover the financial differences and corresponding basic explanations over two years instead of just one year.

Total Reserves held at yearend 2020/21 were £54498.16.

The external auditors strongly recommend that the maximum reserves should not exceed twice the precept amount. The precept for the year being £13350. Therefore the maximum reserve balance would equate to £26700. Reserves were substantially above this threshold by £27798.16. The explanation for such an increase is attributed to the Parish Council instigating an affordable housing project on the site of the old Egg Packing Station. Two grants totaling £61000 from Eden DC of which I will explain later in the report.

Parish Reserves less remaining grant £20,498.16.

In January 2021 the Council agreed that the Precept should remain unchanged from the previous year, £13350. Since 2018/19 the Precept had been raised £3000 to cover the costs of adopting the footway lights from Eden DC. A strong reserve of over £15000 has been projected over many years, coupled with a possible grant to cover the costs of the remaining un-adopted lights and the impact on parishioners' finances during the Covid crises led to this decision. Early projections on costing the implication of inheriting the footway lights showed a preliminary increase of £6000 over four years, this is now believed to be unnecessary.

Reviewing the total income there is a difference of £63556 more between the accounts of 2018/19 through to 2020/21. The main examples of this increase in income derive from the following, though firstly I would like to point out a couple of revenue falls.

Fishing Permits were down £56, partly Covid and weather conditions when out of lockdown although a few fishermen are now paying online. Recycling Credits were down £64 with kerbside collections and no plastic recycling facility.

Rents were up £643 partly the increase in the insurance costs for Croglin Ltd use of the Old School which I cost as a rent but the majority is derived from Foundry 34 Chip Van at the Recycling Centre Car Park. Grants received as I mentioned earlier up £61000 will eventually be offset as Project expenditure. Miscellaneous income is up £655 in part from a donation from a parishioner for a bench purchased and installed along the top end of Fiddlers Lane at the Railway Bridge and the reversal of errors by Midshires in overcharging print use. Footway lights Grant down £1633 a decreasing yearly allocation from Eden DC to help absorb the initial costs of inheriting the lights. One final tranche is payable for 2021/22.

Reviewing the total expenditure there is a difference of £33029 more between the accounts 2018/19 through to 2020/21. Staff Salaries were up £1351 linked to a local government employee pay rise, promotion to a new scale for both employees and an increase in the Clerks weekly hours to cover the increasing Clerk's workload. The Treasurers' hours remained unchanged. Staff expenses were down £420 due to Covid restrictions preventing the Clerk travelling to Lazonby with stationary costs at a low through lack of printing necessary documents. Local grants were up £1492 with more applicants requiring funding for local projects. Maintenance was up £1593 mainly due to the tree surgery undertaken at the Old School and Will Pool and remedial work on the War Memorial. Operating Costs were up £406, partly due to the registration of Parish land behind the Old School and initial set up fees for the new printer.

Capital/Project expenditure was up £27878, this being the cost of surveys and plans associated with the development of the Egg Packing site and includes VAT which completes Phase 1. Footway lights expenses were down £301 as electricity costs negotiated by Eden DC and passed onto the Parish were reduced by the supplier annually, once fully adopted the council could explore long term deals to save costs.

Miscellaneous expenses were up £1175 due to the purchase and installation of a park bench being fully funded by a parishioner and overpaid fees by Midshires in error for print use having now been refunded.

Finally the Budget for 2021/22 has projected a net deficit of £5924 projecting Reserves as at 31/03/2022 of £15450. This includes the expected cost of approximately £3000 to re commission the remaining 6 streetlights that are inoperative at present. A grant to cover the costs has been applied for and should this be successful then the Reserves will increase accordingly.

Chris Hoy
Treasurer
LPC
5th May 2021