



## PARISH COUNCIL OF DENMEAD

### ACCOUNTS-BUDGET 2008/2009 - COMMENTARY

A draft of the year end accounts for 2008/2009 have been prepared and the explanatory notes are as follows.

#### Precept (page 2)

The total precept for 2008/2009 was £309,747.00 which, based on approximately 2,725 properties in the Parish, is a **cost of £2.18 per week per household for all the services provided by the Parish Council**. This is an increase of 04p per week due to the increase in properties and the 2.75% increase in precept.

Year	Precept	Annual Cost	Weekly Cost
2007/08 (2,700 properties)	£301,457	£111.65	£2.14
2008/09 (2,725 properties)	£309,747	£113.67	£2.18

These services include maintenance of all landscaping in the village, sports pitches, children's play areas, dog bins, burial ground, Parish Office administration, Office Staff, Landscape Management Staff and Grants providing support to local organisations.

#### Income (page 3 & 5) increase in income of £3,856.38

This increase relates to Sports revenue and a Corporation Tax refund. The Corporation Tax was incorrectly calculated by the Inland Revenue but has now been rectified. Local Councils and their District, County and National Associations are exempt from Corporation Taxes. These same bodies are also exempt from capital gains taxes. The interest received from the Bank of Ireland has greatly reduced also due to the current financial situation.

#### Administration Budget (page 3) under spend of £5,052.35

The employment costs total has an over spend of £2,736.56. The budget for 08/09 was set in December 2007 and at this time the employer's contribution rate for pensions was calculated at 12.5%. On April 1<sup>st</sup> 2008 this rate was increased to 18.1% making the budget figure under estimated. A Locum Committee Clerk was also employed which was an unbudgeted expense.

There is an under spend on insurance of £3,333.75. The asset register has now been completed and all items have been included on the Parish Council's insurance. This budget figure had to be set not knowing the actual cost. The election and recruitment budget of £2,000 was not used. Large savings have been made on subscriptions, stationary, publications, equipment replacement, training, bank charges, copier and IT support. The phone budget has overspent by 20.65% due to underestimation and increased charges to the office and Pavilion including the payphone.

### **Planning (page 3) under spend of £150.00**

There is a budgeted under spend of £150.00.

### **Amenities Committee Budget (page 4 & 5) under spend of £3,823.68**

Employment costs total has an under spend of £85.63.

Savings have been made on most budget headings with the exception to Vandalism, Play equipment/skate park maintenance and fuel. The KGV field water budget has an under spend of 153.33% due to a refund from Southern Water. Denmead Bowling Club had installed a septic tank in 1993. Proof was supplied to Southern Water resulting in a refund (6 year limit) of £2,174.04. DPC also will not receive any future bills from Southern water for KGV field. DPC will however be expected to pay a Portsmouth Water bill for the water use that will in turn be passed on to the users in proportion to their use.

### **Amenities Projects (page 4) £7,200.00**

This budget has been rolled forward and transferred to Earmarked Funds as committed funds for these projects not yet completed. Contingency Youth Workers £5,000, Wetlands Project £300, Seats £500, Rubbish Bins £600 and Drainage of Harvest Field £800.

### **Special (page 4) £1496.41**

This budget has a credit due to a recoverable payments increase. The rest of the budget has been fully spent with the exception to the grant contingency which has been rolled forward to 2009/2010.

### **Highways Committee Budget (page 5) under spend of £1,705.88**

Savings have been made on dog bin collection, street lights power, street lights repair and bus shelters. A budget is kept in bus shelters for any maintenance required for DPC bus shelters.

### **H & GP Projects (page 5) under spend of £33.28**

Savings have been made on Denmead shopper bus, village centre brick flower bed and rubbish bins. The festive lighting transformer, time clock and installation were not budgeted for resulting in an over spend of £605.50. However the cost of the transformer has been reclaimed in a grant from Freddie Allgood Hampshire County Councillors Special Fund.

### **Burial Ground (page 6) Income £6,401.55**

Expenditure for the burial ground totals £3,789.45 and income totals £10,191.00 giving and overall amount of £6,401.55 revenue to move to burial ground earmarked funds.

### **Earmarked Funds (page 6) Difference**

Earmarked Funds are budgeted reserves that are allocated to projects such as Landscape Maintenance, Equipment Replacement, Play Equipment, Pavilion, Community Facility, Burial Ground, H & GP Projects and Special Projects.

All agreed rolled forward funds from 08/09 totalling £16,584.12 have been moved to earmarked funds special projects to be used as they were committed. The agreed 08/09 surplus income over expenditure min ref 178/09C of £17,128.73 will be moved to earmarked funds equipment replacement.

**Caroline Brown**  
**Responsible Finance Officer**