

**RESERVES POLICY**

**Budget 2018 – 19**

1. The reserve is the opening balance of the Council's accounts before receipt of the precept. The reserve may include money being saved for specific extra-ordinary expenditures, but will include an allowance to cover identifiable financial risks.
2. The purpose of the reserve policy is to declare the basis on which the reserve is calculated, so that both the precept and the public money held in reserve can be justified.
3. A council should typically hold between 3 and 12 months expenditure as a general reserve. If the general reserve is too low then it may not be enough to cover unexpected expenditure or emergencies, whilst if the general reserve is too high then local electors have paid a tax, which is not being used for the benefit of the local community. (*Source: Good Councillors Guide to Finance 2017*)
4. The financial risk is the danger of being faced with an invoice which exceeds the money available to pay it. The budget for 2018/19 contains a single extra-ordinary item related to review of the VDS by Daventry District Council. Based on previous years' experience, it is unlikely that the regular items of expenditure will significantly vary from the amount budgeted. Any risk is from the timing of expenditure affecting cash flow. The following table will illustrate this risk is adequately covered.
5. During the last two financial years, reserves have been eroded with the benefit of a lower precept being requested, along with some additional expenditure in relation to the turnover of Paris Clerks however, it is now necessary to rebuild reserves in line with the best practise statement and our precept request of £4500 is designed to achieve this over a three year period.

# Stowe Nine Churches Parish Council

## Stowe IX Churches 2018-19 Budget requirements

Description	2017/18	2017/18	2018/19
	(Budget)	(Est. Expenditure)	(Budget)
<b>Expenditure</b>			
<b>Admin Costs</b>	<b>2,673.00</b>	<b>2,883.88</b>	<b>2,800.00</b>
Clerk's Salary	2,493.00	2,838.23	2,650.00
Clerk's Expenses	180.00	45.65	150.00
<b>Insurance</b>	<b>340.00</b>	<b>325.83</b>	<b>340.00</b>
<b>Audit Costs</b>	<b>90.00</b>	<b>90.00</b>	<b>90.00</b>
External Auditor	-	-	-
Internal Auditor	90.00	90.00	90.00
<b>Subscriptions</b>	<b>460.00</b>	<b>294.80</b>	<b>355.00</b>
NCALC	420.00	223.80	250.00
CPRE	40.00	36.00	40.00
Domain Registration (2 yrs)	-	-	30.00
NACRE	-	35.00	35.00
<b>Hall Hire</b>	<b>110.00</b>	<b>120.00</b>	<b>130.00</b>
<b>Training</b>	<b>120.00</b>	<b>253.00</b>	<b>210.00</b>
<b>Projects &amp; Liabilities</b>			
Telephone Box Refurb	<b>400.00</b>	<b>351.19</b>	-
Radar Memorial	-	-	-
Village Design Statement	-	<b>340.00</b>	<b>445.00</b>
Contingency	-	-	-
<b>Total Expenditure</b>	<b>4,193.00</b>	<b>4,658.70</b>	<b>4,370.00</b>
<b>Income</b>			
Balance Brought Forward	<b>1,792.00</b>	<b>1,810.19</b>	<b>710.48</b>
Precept	3,200.00	3,200.00	4,500.00
Interest	-	-	-
V.A.T. Refund	-	-	-
Transparency Grant	-	358.99	-
<b>Total Income</b>	<b>3,200.00</b>	<b>3,558.99</b>	<b>4,500.00</b>
<b>Balance Brought Forward + Income</b>	<b>4,992.00</b>	<b>5,369.18</b>	<b>5,210.48</b>
<b>Less Expenditure</b>	<b>4,193.00</b>	<b>4,658.70</b>	<b>4,370.00</b>
<b>Estimated End of Year Balance</b>	<b>799.00</b>	<b>710.48</b>	<b>840.48</b>
<b>Ring-fenced Reserves</b>			
Election			
Radar Memorial		337.00	337.00
	-	<b>337.00</b>	<b>337.00</b>

Reserves less Ring-fenced reserves

**799.00**

**373.48**

**503.48**