



Lighthorne Parish Council

Policy: Finances

General Principle

The Parish Council will seek to balance income and expenditure, maintaining a prudent reserve sufficient to cover any reasonably foreseeable exceptional expense. Requests for funding for parish projects will be considered against the current and projected financial position, taking into account the potential benefit to the parish.

Income

The Parish Council has regular predictable income from the precept, and from rent for any occupied buildings it owns. Unpredictable income may arise from grants, planning related contributions, and bequests. These are usually ring-fenced for a specific purpose and not considered available for general expenditure.

Expenditure

The Parish Council has regular predictable outgoings for such things as staff costs, grass cutting, street lighting, etc. Unpredictable outgoings can arise for building maintenance, dangerous tree maintenance, etc.

Approach

The financial year for the Parish Council runs from 1st April to the 31st March. The Parish Clerk or acting Responsible Financial Officer will maintain, in addition to statutory accounts, a historical record showing on a financial year basis the following summary figures:

- Total regular predictable income
- Total exceptional income ring-fenced for specific purpose
- Total exceptional income without specific purpose
- Total regular predictable outgoings
- Total exceptional unpredictable outgoings
- Allocated reserve at the end of the year
- Unallocated reserve at the end of the year

On a monthly basis or on request the Parish Clerk or RFO will present the year to date position for the above categories so that the Parish Council has a clear view of the current financial position. The unallocated reserve will be maintained at or above the highest total annual exceptional expenditure from the previous five years.

Date of adoption: 12th March 2019