



# Morton-On-Swale

## Parish Council

### RFO Report to Parish Council Meeting on 25<sup>th</sup> March 2026

The following reports are being distributed and scheduled as attachments to the agenda for consideration/approval at the Parish Council Meeting on 25<sup>th</sup> March 2026.

#### **1. 2025/26 Routine Finance Schedules**

- (a) Bank Reconciliation Report
- (b) Income Transactions & Expenditure Transactions Reports
- (c) Accounts Summary and Budgetary Performance

##### (a) Bank Reconciliation Report

The total of funds held in the Current and the Business Money Manager (Savings) Accounts amounts to £16,133.66, a nett reduction of £1,408.87 since the January meeting. This includes “ring-fenced” sums of £7,324.76, being the remaining unspent CIL balance, and of £850, which was received at the end of January from North Yorkshire Council by way of a Locality Budget Grant. This leaves £7,958.90 as the Council’s current working balance. However this does not take into account an expected VAT refund of £1,453.48 for expenditure during the second half of this financial year which will not actually reach our accounts until early April. The effective working balance carried forward from 2025/26 is therefore expected to be £9,412.38, a significant improvement over the 2024/25 year-end position.

No further routine income or expenditure transactions are anticipated between now and the end of the financial year on 31<sup>st</sup> March 2026. However the budget anticipated a cost of up to £200 for a tree safety inspection has not yet been spent and this item is still potentially pending this year. Repairs to the white railings and cobbles near the pub, and the reinstatement of the safety barrier at the Cromwell snicket to Back Lane, should these be completed before the end of the year, will be funded from the ring-fenced NYC Locality Budget Grant of £850.

##### (b) Income & Expenditure Transaction Details Reports

We received £56.18 in bank interest on the BMM account for the three months to March 2026, and a refund of £25.70 for non-delivery of a supply of printer stationery ordered and paid for prior to the January meeting.

Total routine expenditure for the period was £1,490.75 (including £134.85 recoverable VAT), all of which was within budgeted provisions with the exception of the following item. The original charge of £424 plus VAT from WJPS for renewal of the Council website licence and official officer email accounts was subsequently increased by a further £53 plus VAT when it was discovered that the four new Councillor email accounts did not have the same functionality as the existing Chairman/Clerk/RFO accounts - making them slightly less readily accessible. This deficiency has now been remedied and an additional charge of £53 plus VAT was paid to bring all 7 official accounts up to the same level of functionality. Whilst this increase took the cost of this specific item to £30 above the annual budget figure, this was more than offset by the surplus of more than £70 in the contingency budget.

(c) Accounts Summary (including budgetary performance report)

Total staff costs for the year are £47.46 below the annual budget provision.

Play Park expenses are £724.78 below budget, and this was due partly to a change in the payment arrangements for the quarterly Play Park inspections (which are now being invoiced at the time of each inspection instead of annually in advance) and also to refunds having been received for two inspections that had been missed by the previous supplier during 2025. There also remains an unspent provision of £200 for tree safety inspections, as noted above. Against this, the cost of equipment servicing and maintenance during the year was overspent by £536.64. However this was largely in respect of work that had been delayed from 2024/25 and is more than offset by the unspent budget of £2,100 brought forward from last year's accounts which had previously been set aside for this work.

The General Expenses budget was overspent by £850.26, although it should be noted that this does include the cost of £677.89 for reinstatement of the MVAS, which is fully offset by the receipt of a similar amount from Mulgrave Properties. So, the "true" overspend was in fact "only" £172.37. This is largely accounted for by the increase in the annual insurance premium of £37.82, and an extra £110 for grass-cutting of verges (an additional unplanned-for cut due to warmer weather conditions experienced at the start of the year). The other main factor was the cost of £157 for providing four new official Councillor email accounts, as required in order to comply with new audit legislation. However, this was fully offset by savings of £30 for the annual cost of supporting the Council website, a £64 saving in bank servicing charges and £69.92 from the contingency allowance.

## **2. 2026/27 Schedules**

(a) Expected Routine Expenditure during April and May 2026

Routine expenditure during the first two months of the new financial year leading up to the May Council Meeting is forecast to amount to £2,600.67. These are shown in the Bank Reconciliation Schedule for 2026/27. All of these items are included in the Schedule of Routine Payments for 2026/27 – see (b) below.

(b) Schedule of Routine Payments for 2026/27 Financial Year

An updated version of this schedule, which was previously approved and adopted at the January 2026 Council meeting, is attached for consideration.

Changes since then include a change to the frequency of invoicing for payroll processing charges (T P Jones) from annual to quarterly and of the total annual cost for this service from £120 to £215 (both ex VAT). This presupposes Council agreement to a separate submission which is being made to the March Council meeting to change from bi-monthly to monthly processing of staff payrolls.

The other proposed change is for the annual payment to WJP Software for website support and the provision of official secure email accounts from £429 to £477 ex VAT. This is to cover the extra cost of upgrading the new official email accounts to full-function accounts as noted under 1c above.

### **a) Internal Audit**

The annual internal audit of the 2025/26 accounts has been scheduled for Tuesday 14<sup>th</sup> April with Ian Smithson FCA, who has conducted the audit for the Parish Council for the past 7 years. The six week (30 working days) period set aside for parishioners to be able to request to view documents and records relating to the 2025/26 financial year will commence on Monday 22<sup>nd</sup> June 2026.