

KELBROOK AND SOUGH PARISH COUNCIL BUDGET NARRATIVE 25_26

BUDGET 25_26

Inclusive of earmarked reserves the Parish Council budgeted to spend £23,101.58. The opening bank balance at 01.04.2025 was £24,333.15. With an income of £17,508.47 coming from precept of £15,767, VAT claim (24_25) of £1,489.51 and a precept interest payment of £251.96 the projected closing bank balance at 31st March 2026 was expected to be £18,740.04, all of which would be general reserves based on the assumption that all of the £5400.81 earmarked reserves would be spent.

ACTUAL 25_26

The closing bank balance at 31.03.2026 was £23,022.97 with £20,338.82 in General Reserves and £2,684.15 in Earmarked Reserves. Net variance to budget was £5,971.71 under spent. The significant net budget variances are detailed below:

Under Budget

Sough Park Maintenance Contribution	£4,710.00 (Not Invoiced)
Contingency	£ 785.84
9 other budget lines	£ 754.00
Total	£6,249.84

The standout under budget item relates to the Sough Park contribution where no invoice has been received. There is no budget contribution for 26_27.

Over or Not Budgeted

Sough Xmas Tree	£1,225.00
Maintenance	£ 679.15 (2 benches & light removal)
Insurance	£ 608.28 (changed to reflect needs)
Xmas Trimmings	£ 270.11
5 other budget items	£ 179.74
Total	£2,962.28

The Xmas Tree resulted from being unable to plant a living tree due to its proximity to the highway. The trimmings were a one-off purchase and will be used in future years in both villages. The maintenance budget line includes 2 x one off spends. £1,040 capital on 2 new benches and £985.75 removing all the tree lights in Kelbrook and Sough. Council changed Insurance provider to reflect its needs.

EARMARKED RESERVES

From the original balance of £5,400.81 a total of £2,716.66 was used on projects for Kelbrook Park, Footpaths and Railing Planter liners. The remaining balance of **£2,684.15** is carried forward to 26_27 budget.

Conclusion

Kelbrook and Sough's budget is prepared on a net basis with claimed and unclaimed VAT shown as either income or expenditure on separate lines. The net variance to budget for 25_26 is an underspend of £5,971.71 made up as follows:

Under Budget	£6,249.84
Earmarked Reserves not spent	£2,684.15
Over or Not Budgeted	£2,962.28
Net variance to budget	£5,971.71 under spent

The unspent budgets for Sough Park Maintenance and Earmarked Reserves dilutes the effect of the £3k overspend on the net budget variance and gross closing balance.

Had the budgets for Sough Park and Earmarked reserves been realised the closing balance would be reduced from £23,022.97 to £15,628.82 giving a Net budget variance of £1,422.44 overspent.

Karen Shorrocks

Clerk & RFO

Kelbrook & Sough Parish Council