

## **NONSUCH PARK JOINT MANAGEMENT COMMITTEE FINAL ACCOUNTS 2019-20**

**Head of Service:** Lee Duffy, Chief Finance Officer  
**Contact:** Brendan Bradley, Chief Accountant  
**Annexes/Appendices (attached):** 1 – Final 2019/20 Revenue Account  
2 – Financial Position at 31 March 2020

**Other available papers (not attached):**

### **Report summary**

This item presents the Joint Management Committee's final accounts for the financial year 2019/20

### **Recommendation (s)**

**It is recommended that the Joint Management Committee:-**

- (1) Receive the final accounts for 2019/20**

## **1 Background**

- 1.1 This report presents the final accounts for the year ended 31 March 2020.

## **2 Revenue Account for 2019/20**

- 2.1 The final revenue account for the year ended 31 March 2020 is attached at Annexe 1, showing income and expenditure against budget. The financial position at 31 March 2020 is shown at Annexe 2.
- 2.2 Overall there was a net deficit of £16,085 on the revenue account for 2019/20.
- 2.3 Gross expenditure was £24,400 above budget due to:
- 2.3.1 A £5,483 overspend on engineering and fabric budgets, due to one-off tree works and subsidence at Sparrow Farm Lodge.

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2.3.2 Additional asbestos work created a £4,814 overspend. Asbestos removal is essential by law, as it poses a risk of death. It had to be removed from the mezzanine floor of Nonsuch Mansion, with new fire doors required to replace old asbestos doors. A re-inspection also revealed asbestos requiring removal at Castlemaine Lodge.

2.3.3 Cleaning costs for the estate exceeded the budget by £11,000. The new cleaning contract with Churchill commenced in April 2019, following a competitive tender process, and included pest control to address a rat problem and increased the frequency for cleaning the public toilets, to ensure they remain a suitable standard. 2020/21 budgets have been adjusted to take account of the new contract.

2.3.4 Council Tax for London Road Lodge was £1,495 over budget. This is because the property is subject to a Long Term Empty Premium (LTEP), which is chargeable on all properties that have been unoccupied and unfurnished for 2 years or more in the Borough. For 2019/20, the standard Council Tax charge was multiplied by 100%. For 2020/21 the LTEP has been increased to 200%.

2.3.5 A overspend of £8,772 on electricity occurred; officers are investigating the reason for this overspend and whether it can be recharged to the tenants.

2.3.6 £3,921 unbudgeted spend was incurred on the purchase of materials, for fencing agreed by the Joint Management Committee. The Nonsuch Voles will contribute £3,200, with the remainder (up to £2,000) funded by the Friends of Nonsuch. The legal team is drawing up a contract to receive these funds.

2.4 Income budgets overachieved by £8,300, principally due to additional rental income secured at Nursery Lodge and from the Mansion House - Bovingdons letting.

### **3 Nonsuch Reserves**

3.1 At 31 March 2020, the Repair and Renewals fund holds a balance of £36,400 following interest and a budgeted contribution of £7,500.

3.2 The working balance now stands at £85,300 following a contribution to the revenue account to cover the 2019/20 deficit of £16,085.

### **4 Impact of Covid-19 for Quarter 1 of 2020/21**

4.1 Due to the unprecedented impact of Covid-19, both the nursery school and Bovingdons wedding services are currently closed. These businesses have been granted 3 months deferred rent to temporarily assist with cashflow during the lockdown. The deferred rent will still be payable to the JMC by the end of the current financial year.

### **5 Financial and Manpower Implications**

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5.1 Financial implications are contained in the body of the report. There are no direct manpower implications.

5.2 ***Chief Finance Officer's comments: None arising from the contents of this report.***

## 6 Legal Implications (including implications for matters relating to equality)

6.1 None for the purposes of this report.

6.2 ***Monitoring Officer's comments: None arising from the contents of this report.***

## 7 Sustainability Policy and Community Safety Implications

7.1 None for the purposes of this report

## 8 Partnerships

8.1 None for the purposes of this report

## 9 Risk Assessment

9.1 None for the purposes of this report

## 10 Conclusion

10.1 The £16k deficit seen in 2019/20 will be monitored to ensure overspending budgets are addressed in 2020/21. The deficit would not be sustainable over the longer term if regularly repeated.

10.2 A 2020/21 budget monitoring report will be prepared for the JMC later Autumn 2020.

10.3 The reserves now total £122,000 (compared to £130,000 at 31 March 2019). The reserves are required principally to cover any material one-off expenses such as unforeseen repairs and maintenance, or other annual variances against the revenue budget. The reserves can also assist with funding applications for grants. The level of reserves will continue to be monitored to ensure they remain sufficient to cover unforeseen expenditure and provide sufficient financial security.

**Ward(s) affected:** Nonsuch Ward;