

Neil → for info. Jan.

READING ROOM FINANCES AND THE EFFECT OF NOT HAVING A FETE IN 2012

1. Introduction

This document is about the hole in the Reading Room's income in the coming year due to not having a fete in 2012, and about the proposed improvements to the Reading Room. The finances for the running of the Reading Room and for the improvements will be considered separately.

2. Reading Room running cost

The Annex attached shows in tabular form the income and expenditure for the years 2008 to 2010. It also shows the differences between income and expenditure for these years, the annual insurance premia and the income generated from the fete. A study of these figures lead to the conclusions drawn below.

If we have no money from the fete (typically this would be about £650), and as normally income exceeds expenditure by about £250, we are going to be showing a deficit next year of about £400. This is why we need more money from somewhere for running the Reading Room. There are two possibilities:

- A) Raise the precept contribution by say £250 (to £750; it is currently £500), or
- B) Ask the village fund for £500.

Option A would still leave us with a £150 deficit, which we would have to cover from our reserve, which hopefully would be restored if we hold a fete in 2013. (The attached annex shows that our reserve averages about £1,750. We like to keep a reserve of this size to cover the insurance premium when this becomes due, and to cope with any unexpected running expenses.)

Option B would solve the problem, without asking for an increase in the precept, and without denting our reserve.

3. Reading Room improvements.

These are planned in order to make the Reading Room more attractive to use and hence increase our letting income and encourage more community activities.

The work planned has been estimated to cost about £7,000, but we have been awarded a council grant of £5,000 towards this. We are applying for another grant (the Lottery's 'Awards for All' grant) to cover the difference. If we do not get this extra grant we could cut down on the costs by doing some of the work ourselves, reducing the shortfall to an amount which could be funded from our reserve.

4. What is the best option?

Both options A and B would solve the problem of ensuring we are covered for the Reading Room running costs in 2012, but leaves the problem of a shortfall in the money needed to carry out the improvements; UNLESS we get an Awards for All lottery grant.

Accordingly I think the best way forward is to adopt BOTH options A and B; that is an increase in the precept, plus £500 from the village fund. If we did get the lottery grant we would not need the village fund money. The increase in the precept by £250 permanently would help each year with the ever-increasing insurance premium, and of the cost of general maintenance.

(It should be noted that our village precept is one of the lowest in the county, and also that Stapleford's and Winterbourne Stoke's precepts are at least double ours).

I would like these matters to be discussed at the parish meeting on 12th January.

I.A.FISHER.

SUMMARY OF READING ROOM INCOME & EXPENDITURE

YEAR (to April)	£ INCOME	£ EXPENDITURE	INCOME £ MINUS EXPENDITURE	£ INSURANCE PREMIUM	£ MONEY FROM FETE	RESERVE CARRIED FORWARD
2011	2,318.47	2,307.90	10.57	1026.22	922.78	2,273.22
2010	1,619.23	1,224.70	394.53	1,015.74	500.	1,878.69
2009	1,804.50	1,570.37	234.13	992.39	594.82	1,644.58
2008	1,771.89	1,394.32	377.59	876.36	438.53	1,266.99
			AVERAGE £ 254		AVERAGE £ 614	AVERAGE £ 1,766