

Agenda item 5

For Information: Financial update at 30 April 2017

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Summary

This report provides an update on finances of the Town Council – income, expenditure, spending on items over £500, reserves and any specific items to bring to your attention.

I am very happy to answer any questions at the meeting but if you require any specific information please let me know beforehand.

Income and expenditure

A breakdown of budgeted Income and Expenditure from 1 April to 30 April 2017 is shown at Appendix 3.

Income Highlights

- In April being the start of the new financial year, the first half of the 2017/18 Precept, £596,634 (1076/900) was received with the final instalment due in October.
- Further funding of £1,478 (1010/600) was received from Great Western Rail Customer and Communities Improvement Fund to fund fingerposts and signage between the railway station and the town centre.

Expenditure Highlights

- The annual insurance premium £10,297 (4025/802) increased slightly on last year due to the higher valuation of the Town Hall following renovation.

The Balance Sheet

The Balance Sheet at Appendix 4 is a breakdown of assets and liabilities as at 30 April 2017.

Investments

- The first part of the Balance Sheet details short term investments totalling £1m on deposit comprising £201k (Triodos), £200k (CCLA), £200k (Charity Bank Saver), £200k (Barclays) plus £200k long term 12-month investment in the Charity Bank Community Account with interest rates ranging from 0.34% to 1.25%.
- The precept was paid directly into the Barclays current account, hence the large balance. Short term investment opportunities for some of this balance are being explored but are limited.

Reserves

- The second part of the Balance Sheet identifies the net amount of £1,696,454 is allocated to the reserves. The reserves are a combination of General Reserve £740,923, a figure which varies month on month and Earmarked Reserves total £955,531.

Payments over £500

Payments over £500 for March – April are shown at Appendix 5.

2016 2017 financial year end and general reserves

The majority of expenditure for 2016/17 kept within budget. At the end of the financial year any budget underspend is put into general reserves and any overspend is taken from general reserve.

The general reserves ended the year at £295k, although the actual figure available is £219k as Council agreed to use £76k to fund the 2017/18 budget.

Marginal budget overspends for 2016/17, were identified at Council Matters during the year and they were salaries, staff training and recruitment and meeting room hire.

Underspends returned to general reserves were from the events budgets. Savings were made on the marketing and business collaboration budgets and the Community Toilet Scheme relaunch and rebranding was postponed to 2017/18.

Crowdfunder, established in 2016/17 had no budget provision but taking £17.5k from general reserves and using some of the Community Grants budget enabled this project to happen.

Council agreed to 'write off' the budgeted Town Hall income of £23k and was taken from general reserves.

The net result of the budget overspends, underspends and general reserves expenditure during the year enabled the general reserves to start £30k over the agreed £180k minimum.