

Agenda item 5

For decision - financial update to 30 November 2018

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Summary

This report provides an update on finances of the Town Council. It includes Income and Expenditure to date and a current Balance Sheet, a list spending on items over £500 (October & November), status of reserves and any specific items to bring to Cllrs' attention. It also provides an updated year end forecast to 31st March 2019.

I will endeavour to answer any questions at the meeting but if you require any specific information, please let me know beforehand at williamss@frometowncouncil.gov.uk.

Income and expenditure

A summary of income and expenditure to 30 November 2018 is shown in [Appendix 5.1](#).

October and November 2018 income highlights

| Budget code | Who? | Description | Amount |
|-------------|---------------|--|--------|
| 105 | HMRC | VAT refund for quarter ending September 2018 | £23k |
| 4531/610 | QBE Insurance | Insurance claim refund – damaged wall at Town Hall carpark | £2k |
| 1040/500 | Mendip DC | S106 payments for Showfield path resurfacing £35k, Skatepark ramps £14k and Welshmill play park swings £5k | £54k |

October and November 2018 expenditure highlights

| Budget code | Who? | Description | Amount |
|-------------|---------------------|---|--------|
| 4072/600 | Wainwright | Resurfacing Showfield & Victoria Park paths | £74k |
| 4503/610 | Ian Hobbs Tech Srvs | Air-conditioning installation Town Hall Chamber – final payment | £9k |
| 4028/501 | Locators | Electric vehicle axle replacement & repairs to broken window on transit | £5k |
| 4729/600 | St Johns Ambulance | Emergency First Aid at Work courses (x 2) for community groups & annual First Aid refresher for staff | £2k |
| 4790/600 | Somerset CC | School Crossing Patrol Apr-Sept | £2k |
| 4745/600 | Rotary | Part of fireworks payment | £2k |

Payments over £500

A full list of payments over £500 in October and November is shown in [Appendix 5.2](#).

The Balance Sheet

The Balance Sheet at [Appendix 5.3](#) is a breakdown of assets and liabilities as at 30 November 2018.

Assets

Our assets are money in our bank accounts, money we have invested and money owed to us. The first part of the Balance Sheet details short term investments of cash on deposit totalling £1.2m.

The cash balances at 30 November 2018 are:

- £203k Triodos
- £102k CCLA
- £407k Charity Bank Saver
- £481k Barclays

The new Charity Bank account was confirmed on Monday 10 December with six Councillors, Paul Wynne and Sarah Williams added as signatories.

Other assets are as follows:

- Trade debtors: £6k
- VAT Control: £22k (amount due to us from HMRC)
- Debtors C&G Trust Loan £5k (amount due to us from the Cheese & Grain)
- Petty cash £420

At the last meeting we were asked if we could include a list and value of non-monetary assets (land, buildings etc). We are working on this and hope to be able to publish this at the next meeting.

Liabilities

Our liabilities are money that we owe:

- Trade creditors: £76k
- There are a few minuses due to banking and invoicing differences.
- Total net assets (assets minus liabilities) are £1.150m

Reserves

The final part of the Balance Sheet shows our reserves:

- General Reserves are £809k
- Ear Marked Reserves (EMR's) are £342k
- Total reserves £1.150m

Year-end forecast to 31 March 2019

Following completion of the month-end to 30 November 2018 and discussions with budget holders, the year-end forecast to 31 March 2019 indicates a net underspend of £43k.

The underspends are primarily due to:

- A staff redundancy and related project funding cessation
- Estimated underspends in maintenance on Open Spaces
- Estimated underspends on utilities at the Town Hall

The overspends or under budgeted income are primarily:

- Lower than budgeted income from Chamber hire at the Town Hall
- Over budgeted expenditure on legal and professional fees (primarily due to legal fees incurred by the transfer of open spaces to the Theodora Ann le Gross Trust and by settling the £80k owed to us from the sale of Chantry House)

Based on the current year end forecast, £43k will be added to General Reserves giving a total of £244k at 31 March 2019 which is within FTC's Financial Regulations.

Conclusions

FTC remains financially sound with adequate funds and assets.

Recommendations

Cllrs are requested to approve the:

1. Income and expenditure sheet
2. Balance sheet
3. Breakdown of reserves
4. Payments made over £500
5. Year-end budget forecast