

Agenda item 7

For approval: Financial update to 31st July 2019

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Summary

This report provides an update on the finances of the Town Council. It includes Income and Expenditure to 31st July 2019, the current Balance Sheet, a list of spending on items over £500 (June & July 2019), status of reserves and any specific items to bring to Cllrs' attention.

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

Annual Return Year ending March 2019

The Annual Governance and Accountability Return (AGAR) was submitted to external auditors PKF Littlejohn LLP on Friday 24th May and the notification of the conclusion of their audit was received on 20th August 2019 (report attached [Appendix 7.1](#)). There were no matters requiring attention. The Notice of Conclusion of Audit along with a certified AGAR (Sections 1, 2 & 3) has been posted on the notice board outside the Town Hall as well as to the Finance page on the website here: <http://bit.ly/2Zyn7Za> and will remain in place until 15th October.

Income and expenditure

A summary of income and expenditure to 31st July 2019 is shown in [Appendix 7.2](#)

June & July 2019 income highlights

Budget code	Who?	Description	Amount
608-1086	Little Charity	Donation towards funding a Citizens Assembly	£5,000
710-1025	Npower	C&G PV panels income – qtr Apr-Jun	£2,766
803-1013	Mendip Tourism	Grant funding part year	£6,000

June & July 2019 expenditure highlights

Budget code	Who?	Description	Amount
500-4033	Westcotec	Speed indicator device – location placement in negotiation with Somerset County Council – see Environment report	£3,400
500-4033	Broxap	8 new bins various FTC spaces	£2,183
500-4033	Easton Bevins	Surveys of VP toilets, café, bandstand & bowls club	£1,175

Payments over £500

A full list of payments over £500 in June & July 2019 is shown in [Appendix 7.3](#)

The Balance Sheet

The Balance Sheet at [Appendix 7.4](#) is a breakdown of assets and liabilities as at 31st July 2019.

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 lists these assets including short term investments of cash on deposit, totalling £890,487.

The cash balances at 31st July 2019 are:

- £204k Triodos
- £2k CCLA
- £510k Charity Bank
- £150k Barclays
- £0k Unity Trust Bank

The new deposit account at Unity Trust Bank was confirmed in July with signatories being: Sheila Gore, Mark Dorrington, Anne Hills, Paul Wynne, Sarah Williams.

Town Clerk Paul Wynne, Cllr Anne Hills, Business Manager Sarah Williams and Finance Administrator Hannah Paniccia met with Handelsbanken to discuss the feasibility of moving FTC's current and deposit accounts away from Barclays. Handelsbanken followed up the meeting with a quotation for charges. The individual item charges were generally similar to or higher than Barclays but in addition there would be a monthly fee of £100 for each bank account held, meaning an increase of £2,400 per annum in bank charges without changing the volume of transactions. This in addition to some other administrative issues (one being that bank downloads to Making Tax Digital compatible software not currently in place) meant that it would not be an ideal move at this time.

Other assets are as follows:

- Trade debtors: £8k
- VAT Control: £12k (amount due to us from HMRC)
- Debtors C&G Trust Loan £1.5k (amount due to us from the Cheese & Grain)
- Mendip Credit Union £1k
- Petty cash £248

Liabilities

Our liabilities are money that we owe. We aim to pay invoices within a week where possible.

- Trade creditors: £6k
- Various ticket sales held on behalf of other organisations e.g. National Express, Bath & West Show, Yeovil Air Show etc.
- There are a few minuses due to banking and invoicing differences.

Total net assets (assets minus liabilities) are £882k

Reserves

The final part of the Balance Sheet shows our reserves:

- General Reserves are £463k
- Ear Marked Reserves (EMR's) are £419k
- Total reserves £882k

We will provide March 2020 year end forecasts at the next Council Matters meeting.

Conclusion - FTC remains financially sound with adequate funds and assets.

Recommendations

Cllrs are requested to approve the:

1. Income and expenditure sheet
2. Balance sheet, including the breakdown of reserves
3. Payments made over £500