

## Agenda item 6

For approval - Financial update to 31 July 2021

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## Summary

This report provides an update on the finances of the Town Council. It includes Income and Expenditure and Balance Sheet reports to 31 July 2021, a list of spending on items over £500 (June to July 2021), the status of reserves and any specific items to bring to Cllrs' attention. We will endeavour to answer any questions at the meeting but if you require any specific information, please let us know beforehand at [swilliams@frometowncouncil.gov.uk](mailto:swilliams@frometowncouncil.gov.uk) or [hpaniccia@frometowncouncil.gov.uk](mailto:hpaniccia@frometowncouncil.gov.uk).

## Income and expenditure

A summary of Income and Expenditure to 31 July 2021 can be [viewed here at Appendix 1](#)

## Income highlights – June to July 2021

Budget code	Payer	Description	Net Amount
608-1112	Lotto grant funding	3 x E bikes and accessories for Cycle Together project	£4,569.13

## Expenditure highlights – June to July 2021

Budget code	Payee	Description	Net Amount
608-4453	University of Plymouth Enterprise Ltd	External verification fee for Green and Healthy Futures evaluations year 1 of 2	£3,000
502-4745	Young Somerset	PB Grant to Young Somerset for Skate Park Fundraiser Launch	£9,800
602-4801	Various	Community grants detailed on payments over £500 <a href="#">Appendix 2</a>	£19,859
608-4453	Pronto Bikes Ltd	Three additional bikes for the Cycle Together project in addition to the first Lotto CAF funded three	£4,843
500-4033	J D Leber Stonemasonry	Repairs to the damaged wall at Welshmill	£3,050
500-4908	The Roots Company	Tree works at Tower View play area & Egford Lane play area	£2,995 & £720
608-4455	Frome Missing Links	Bike Jumble donations	£2,936

## Payments over £500

A full list of payments over £500 for the period June to July 2021 can be [viewed here at Appendix 2.](#)

## The Balance Sheet

The Balance Sheet can be [viewed here at Appendix 3](#). It is a breakdown of assets and liabilities as at 31 July 2021.

### 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 £1,543,258.

The cash balances at 31 July 2021 are shown on the Balance Sheet:

- £138,790 Barclays Current Account
- £15,814 Barclays Savings Account
- £403,082 CCLA Public Sector Deposit Account
- £57,222 Charity Bank Community Account (Easy access)
- £108,245 Charity Bank Saver Account (90-day access)
- £406,913 Triodos
- £400,599 Unity Trust Bank
- £1,055 Mendip Credit Union
- £80 Office petty cash
- £57 Park petty cash

Other assets at 31 May 2021 were as follows:

- £3,291 Trade debtors
- £6,371 VAT control
- £1,349 Debtors C&G Trust loan (amount due to us from the Cheese & Grain)
- £235 National Express tickets
- £77 Hidden Gardens Frome Festival
- £78 iZettle control (card payment processor)

### Liabilities

Our liabilities are money that we owed at 31 May 2021. We aim to pay invoices within a week where possible and this has not changed during the pandemic.

- £1,275 Trade creditors
- £239 Mayor's Charity

Total net assets (assets minus liabilities) at 31 July 2021 were £1,541,744

### Reserves

The final part of the Balance Sheet shows our reserves:

- General Reserves are £729,034
- Ear Marked Reserves (EMR's) are £812,710
- Total reserves £1,541,744

### Conclusion

FTC remains financially sound with adequate funds and assets.

## Amendment to Financial Regulations

Financial Regulations point 12.2 states that all income received must be banked 'within seven days'. The amount of cash received has reduced due to the more frequent use of card transactions. The last amount banked was approximately £8. We suggest amending 12.2 to state twenty-eight days instead, as follows:

“12.2 All money received by a member of staff on behalf of the Council must be banked in its entirety within twenty-eight days.”

In addition, we suggest that this amendment is supported by the understanding that whenever larger amounts of cash are received (e.g. over £100) it will be banked more promptly and all cash is held in the safe overnight.

Only Council can amend Financial Regulations but it was felt that bringing this point to Council Matters for information would allow for any discussion if need be.

### Recommendations

Approve the:

1. Income and expenditure sheet to 31 July 2021
2. Payments made over £500 for June to July 2021
3. Balance sheet including the breakdown of reserves at 31 July 2021

And:

4. Propose to Council on 22 September to amend 12.2 of the Financial Regulations for banking of cash received to be at least every twenty-eight days instead of seven.