

Agenda item 9

For approval - Financial update to 31 October 2022

Author: Hannah Paniccia, Assistant Finance Officer

Summary

This report provides an update on the finances of the Town Council for the period 1 July to 31 October 2022. It includes the Internal Audit letter, Income and Expenditure and Balance Sheet reports to 31 October 2022, a list of spending on items over £500 (July 2022 to October 2022) 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 and hpaniccia@frometowncouncil.gov.uk.

Internal Audit letter

The first internal audit of the year has taken place and looked at the period 1 April 2022 to 31 August 2022. Everything is in order. [You can view the letter from Fair Account our internal auditors on the website here at Appendix 1.](#)

Income and expenditure

[A summary of Income and Expenditure to 31 October 2022 can be viewed on the website here at Appendix 2.](#)

Income highlights – July 2022 to October 2022

Budget code	Payer	Description	Net Amount
900-1076	Mendip District Council	Second half of the precept	£935,314.00
608-1113	Somerset County Council	SCAEF Grant Funding	£30,000.00
500-1034	Frome Selwood Tennis Club	Donation towards flood lighting Tennis Courts	£21,000.00
500-1034	Frome Selwood Tennis Club	Donation towards flood lighting Tennis Courts	£19,980.00
105	HMRC	VAT Return July – September	£19,070.52
105	HMRC	VAT Return April - June	£18,597.19

Payments over £500

[A full list of payments over £500 for July to October 2022 can be viewed on the website here at Appendix 3.](#)

Expenditure highlights – July to October 2022

Budget code	Payee	Description	Net Amount
700-4418	Chubb Bulleid	Gold Chevron loan payment – Frome Town Football Club	£310,224.22

608-4453	Centre for Sustainable Energy	Centre for Sustainable Energy second payment for Healthy Homes	£9,422.00
800-4321	Mendip District Council	Town Elections	£5,342.03

The Balance Sheet

[The Balance Sheet can be viewed on the website here at Appendix 4.](#) It is a breakdown of assets and liabilities as at 31 October 2022.

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 £1,920,583.

The cash balances at 31 October 2022 are shown on the Balance Sheet:

- £192,991 Barclays Current Account
- £26,930 Barclays Savings Account
- £404,300 CCLA Public Sector Deposit Account
- £213,259 Charity Bank Community Account (Easy access)
- £209,424 Charity Bank Saver Account (90-day access)
- £408,105 Triodos
- £401,162 Unity Trust Bank Savings
- £49,956 Unity Trust Bank Current Account
- £1,057 Mendip Credit Union
- £74 Barclays Frome Welcomes Refugees
- £333 Office petty cash
- £61 Park petty cash

Other assets at 31 October 2022 were as follows:

- £ 6,296 Trade debtors
- £4,099 VAT control
- £1,349 Debtors C&G Trust loan (amount due to us from the Cheese & Grain)
- £154 Zettle control (card payment processor)
- £1,033 Cycle to Work Scheme

Liabilities

Our liabilities are money that we owed at 31 October 2022.

- £2,324 Trade creditors
- £203 Known staff deductions
- £347 Mayor's Charity
- £16 Ticket Control – National Express
- £630 Ticket Control – Dorset Steam Fair

Total net assets (assets minus liabilities) at 31 October 2022 are £1,917,065. Comprising £1,285,365 for budgeted expenditure, £180,000 for the prudent General Reserve and

£451,700 in Earmarked Reserves (EMRs) for specific, previously planned projects and purposes, The list of current EMRs is the last half of the Balance Sheet.

Actual v Budget overview – period ending 31 October 2022 (58% through year)

There are some over and underspends showing in the ‘% spent’ column of the Income & Expenditure report but overall actual expenditure to year end March 2023 is currently estimated to be on budget. We will report further at January 2023.

External Auditors report 2021-22

On 7 September 2022 PKF Littlejohn confirmed their satisfactory inspection of FTC’s Annual Governance Statement and financial statements for 2021/22. [The report can be read on the website at Appendix 5.](#)

Conclusion

FTC remains financially sound with adequate funds and assets.

Recommendations

Note the:

1. External Auditors report and signed certificate of FTC’s AGAR 2021/22

Approve the:

1. Internal Auditors report letter April 2022 to August 2022
2. Income and expenditure report to 31 October 2022
3. Payments made over £500 for July 2022 to October 2022
4. Balance sheet report including the breakdown of reserves at 31 October 2022