

Committee: FULL COUNCIL

Date: 21 February 2023

Title: Income and Expenditure Report

Purpose of Report

For members to be informed of the income and expenditure from April to the end of January 2023

Recommendation:

Members to note the income and expenditure report as of 31st January 2023.

Background:

1. In the Financial Regulations that were adopted by the Town Council at the May 2022 meeting, regulation 4.8 states;
The RFO shall regularly provide the council with a statement of receipts and payments to date under each head of the budgets, comparing actual expenditure to the appropriate date against that planned as shown in the budget. These statements are to be prepared at least at the end of each financial quarter and shall show explanations of material variances. For this purpose "material" shall be in excess of 15% of the budget.
2. As part of the process for fulfilling this requirement we have been looking at the way in which the accountancy software that the council uses can produce reports that will assist members in the best way. Whilst there are some standard reports these are not always easy to interpret and as such **Appendix 12A** has been created to assist. This is an evolving process but it is hoped that we will be able to keep members informed better.
3. The report provided shows under each budget heading, what was budgeted at the start by the council in the December Full Council meeting, any Revised Budgets made during the year, any reserve movements that have taken place, what income/expenditure has occurred during the period under consideration, the balance of the budget and finally the percentage of budget at this point.
4. As can be seen, **Appendix 12A** covers ten months of the financial year 2022-2023. If one was to consider a linear budget, we would expect expenditure at this point to be 83% of annual budget. However, linear expenditure and income rarely occurs, but it will as the year progresses, help officers and members to see where there may be issues of budgets that are likely to be exceeded. This will allow for members to be updated and plans made on how to deal with any potential occurrences.
5. At present each committee has its own delegated budget areas, however it is still incumbent on the Full Council to be aware of the full budget position of the council. It does mean that Income and expenditure at this point is operated in the report into committee.

Report

6. As has already been identified the linear expenditure at this point would be **83% of budget**. Overall, **income** stands at **£447,404** which is **113%** of what was expected to be received, with **expenditure** of **£296,415** which represents **74.5%** of budgeted expenditure.
7. Interest from the bank account and from the Public Sector Deposit Fund continues to increase on a monthly basis to the current income total of **£1,875.46**.
8. Payment of **£405.57** was received for the Tony Rice Bar annual lease.
9. Two invoices totalling **£3,442.80** were paid towards making amendments to the Neighbourhood Plan as suggested by the Examiner.
10. Budget heading 356/1 **£810.00** was the total of three grants made to three organisations. The Meeting House towards improving their IT/telephone system (£500), the Quakers (£160) towards the cost of running the warm space in the Minster Rooms, and the Ilminster Tree Project (Green Ilminster) (£150) towards purchase of 30 trees.
11. Membership and Subscription fees recorded under budget heading 366 **£936.00** for the annual subscription for Office 365. Under budget heading 361/3 the annual fee for the business backup of data cost **£150.00**.
12. The invoices for printing walking leaflets for the Information Centre cost **£475.00**. A cheque for **£300.00** donation to The Meeting House was also made for using the space in the building. The budget available is now **£1,584.75**.
13. Under budget heading 4102 Grounds team mobile/office telephone/internet cost **£99.81** includes two months contract fees. Please note that the grounds team office telephone and internet contract will end on 7th March 2023 and a new contract starting on the same day will reduce the monthly fee from £41.57 to £27.95 for the following 24 months.
14. New chainsaw trousers for the Recreation Manager were purchased **£219.50** under the PPE budget heading 552/1. A new chainsaw was purchased as the two existing machines are unreliable and now have a limited life **£850.00** under budget heading 560/2. There were funds available in the budget and it was under the Town Clerk's £1,000 threshold as stated in Financial Regulations.
15. Budget heading 561/8, a chipper was hired for two days **£317.00** the amount of hedging and branches that had accumulated from hedge laying etc.
16. Members are to note the income and expenditure report as of 31st January 2023.

Julie Earp
Deputy Town Clerk
February 2023