

**Committee: FULL COUNCIL**

**Date: 17 January 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 December 2022

**Recommendation:**

Members to note the income and expenditure report as of 31<sup>st</sup> December 2022.

**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 the three quarters of the financial year 2022-2023. If one was to consider a linear budget, we would expect expenditure at this point to be 75% 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 **75% of budget**. Overall **income** stands at **£436,421** which is **112%** of what was expected with **expenditure** of **£265,400** which represents **67%** of budgeted expenditure.
7. The income under budget headings for **Resources** of **£424,561** represents **113%** of the budgeted income **£375,561**, the majority of this being the precept **£361,231**. Aside from this, the income has exceeded the expected budgeted figures.
8. Interest from the bank account and from the Public Sector Deposit Fund have been increasing throughout the year and exceeded the budgeted figure of £250.00 to the current income of **£1,708.86** with three months to go.
9. Grants received from South Somerset District Council have totalled **£21,852.21** from the Market Town Investment Group and the Welcome Back Funding.
10. Donations stand at **£516.00** which is mainly due to a donation from a media company who used Herne Hill for filming of **£300.00** and also **£176.00** of wood sales.
11. The fees received from the Ilminster Sports Club Ltd includes the **£500.00** deposit for bonfire night, whether that will be returned to the club will be decided in March 2023. The fees received from the Youth Football Club **£559.95** were set in February 2022, after the budget had been agreed.
12. The contract for Legionella Testing has increased the Health & Safety expenditure significantly, and the monthly fees **£135.00** will be in the budget for 2023/24.
13. Budget heading 358/1 **£6,727.98** was the service charge for the North Street offices in 2021/22 which included the new gas central heating boiler. This charge could be covered by the earmarked reserves set aside for the Old Magistrates Court under budget heading 361/1.
14. Membership and Subscription fees recorded under budget headings 366 and 375 total **£3,080.52** which are over the combined budgeted figure **£2,600**.
15. The electricity costs for the Market House is higher than budgeted because of the move to a monthly direct debit.
16. Under budget heading 558/1, Ilminster Education Foundation presented an unpaid invoice of **£1,150.00** for September 2020 which was unexpected. The records were checked.

## **AGENDA ITEM 12**

17. The costs for servicing the vehicles and machinery occur over the winter period and these costs have risen slightly to **£1,671.61** under budget heading 561/1.
18. The building maintenance figure under budget heading 561/14 includes the plumbing work undertaken in the tuck shop and the water bottle refilling station.
19. Members are to note the income and expenditure report as of 31<sup>st</sup> December 2022.

**Julie Earp  
Deputy Town Clerk  
January 2023**