

Date of Meeting: 11 June 2020

Budget Review

1. Purpose of Report

To note the review of this year's accounts as of 30 June 2020.

2. Introduction

The report includes as appendices:

Appendix 1 – Expenditure and income incurred to 30 June 2020 (Actual year to date), and agreed budget 2020/21.

Appendix 2 – June 2020 Bank / Cash Reconciliation.

(Note: Figures within the Appendices are as of 30 May 2020).

3. Background

The Town Council considered the projected first quarter end figures for 2020/21 at its last meeting of 11 June 2020. Member agreed to provide grants to the Museum, Food and Drink Festival and a reduce grant of £2500 to Nantwich in Bloom. Members also agreed to review the financial situation monthly and consider further grants and contributions as the year progressed.

4. Current quarter actuals

Expenditure

As advised previously each of the cost centres listed within the attached report provide a summary of total income and expenditure under that cost centre. Within each cost centre are cost codes which hold individual budget headings within the overall budget of the cost centre.

In the last finance report on 11 June 2020 some assumptions were made for the period 1 June to 30 June 2020 based on regular month expenditure, including direct debits, salaries and utility costs.

The spreadsheet shows that expenditure as at 30 June 2020 was £268,275 compared to the estimated figure provided of £256,690. The slight difference between the actual and projected is due to the approval and subsequent payment of grants detailed in the above paragraph equaling £10,500. Taking this into consideration the projections within £1,100 of the actual spend. The first quarter spend of 2020/21 is only slightly below that for the same period in 2019/20 of £277,713.

Income

As the Town Council has approved the phased return of market rent charges there will now be an income stream from the market. As at 30 June 2020 there was a total receipt of £2,962.

The Town Council has also benefited from the Governments' Job Retention Scheme grant where to date almost £35,000 has been re. From 13 July staff will be returning to work on reduced hours and the Town Council will continue to benefit from the new Job Retention Scheme for employees working part time hours. It is not yet known how much could be claimed under the new scheme.

Following approval at the last meeting a request has been made to the CCLA for the transfer of funds of £283,000 for historic capital expenditure and £62,356 for the purchase of a cherry picker in 2020 previously approved by council. The next report to council will show this transfer into the Royal Bank of Scotland accounts.

5. Considerations

Based on the income and expenditure for first quarter of 2020 it is anticipated that the figures will be similar in quarter two, assuming no income in the second quarter from the Civic Hall. Whilst it is a welcome income stream from the Market it is not sufficient to cover the deficit. The next installment of the precept is not due until early September, and based on worst case scenario other than the market income this could be the only income received until April 2021.

It is recommended that the Town Council continue to act with caution, and refrain from unnecessary expenditure including grants, unless a strong case for supporting a grant request can be justified.

6. Decisions Required

Members are asked to consider the report and:

6.1 Note and approve the review of income and expenditure and the bank reconciliation as of 30 June 2020;

6.2 Approve the recommendation to act with caution and refrain from unnecessary expenditure.