

Date of Meeting: 22<sup>nd</sup> July 2021

## Budget Review – Income and Expenditure

### 1. Purpose of Report

To note the review of this year's accounts as of 30 June 2021.

### 2. Introduction

The report includes as appendices:

Appendix 1 – Expenditure and income incurred to 30 June 2021 (Actual year to date) and agreed budget 2020/21.

Appendix 2 – Phased budget – Current month actual compared to current month budget.

Appendix 3 – June 2021 Bank / Cash Reconciliation.

(Note: Figures within the Appendices are as of 30 June 2021).

### 3. Current month actuals

#### Expenditure

As advised previously each of the cost centres listed within the attached reports 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.

Expenditure as of 30 June 2021 (year to date) was £295,135, with the benefit of the additional reports available, appendix 2 shows the year-to-date budget on expenditure was expected to be £339,195, an overall underspend to date of £44,060. The actual monthly expenditure for June was £99,974, and over the first three months of the year suggests an average of almost £100,000 per month.

There is however a current overspend within some areas:

**Cost Centre 110 - Grants** – The yearly budget for grants is £7700, but there is a current spend of £7920. This overspend is as a result of approved grants for The Happiness Hub and Community Gardens, a total of £7000. However, members are asked to approve a virement of funds from the budget for the Food Festival as this is not going ahead in 2021 and has a budget of £15,000.

**Cost Code 4000 – Salaries** - There is an overall overspend on salaries (year to date) of £5,968. This is due to the recent staffing review which was approved by Council and resulted in three salary changes not previously budgeted for.

There was however a budget set for £20,000 for the staffing review and members are asked to approve the virement of funds to cover the current overspend and the likely year end overspend.

**Cost Code 4220 – General Equipment** – The cost code for general equipment in the markets cost centre 602 has an overspend of £659 due to the purchase of essential gazebo weights.

**Cost code 4212 – Repairs & Maintenance** – The cost code for repairs in the Brookfield cost centre 201 has an overspend of £827 due to required works following a Fire Risk assessment being carried out at the building.

### **Virements**

<b>From cost code</b>	<b>amount</b>	<b>To cost code</b>
4143 Food Festival	£7,000	4138 Local Organisations
6300 Professional Fees	£15,000	4000 Salaries

### **Income**

Overall, the total amount of income received as of 30 June 2021 is £569,002 with most of this coming from the precept of £466,187. Again, considering the detail within Appendix 2 the expected budgeted income (year to date) was £546,445, resulting in £22,557 more income.

**Cost centre 601 – Civic Hall** – There has been a total income received through the Civic Hall of £42,369 to date. Of this income almost £7,000 is from the sale of tickets for future shows. Members are asked to be mindful of the risk that these shows could be cancelled if the impact of Covid is greater in the Autumn and Winter months.

## **4. Considerations**

Based on the income and expenditure reported above the Town Council is currently in a stronger financial position than expected. However, members should consider that this position is only at the end of the first quarter of the financial year.

## **5. Decisions Required**

Members are asked to consider the report and:

5.1 Note and approve the review of income and expenditure and the bank reconciliation as of 30 June 2021.

5.2 Approve the virement of funds as requested within the report.