



SHREWSBURY TOWN COUNCIL
FINANCE & GENERAL PURPOSES COMMITTEE
5th OCTOBER 2015

Agenda No

6i

Responsible Officer: Andy Watkin - RFO

Statement of Accounts for the quarter 30.09.15

1 Purpose of Report

To appraise members on the following:

- 1.1 The financial position of the Council for the second quarter of the 2015/16 financial year, and the year to date position.
- 1.2 Please note that these accounts do not include a provision for depreciation and earmarked reserves which are included in the final published accounts, which are non cash items.

2 Accounts preparation

- 2.1 The accounts have been prepared using the same procedures and techniques as previous years.

3 Income and Expenditure account for the 2nd quarter ended 30th September 15 compared to budget (column A)

- 3.1 Per the attached detailed consolidated Income & Expenditure account report, there is a positive variance compared to the budget of £3,312.
- 3.2 There is a positive variance on income of £147,425 and the major variances are:
 - 7,837 1420 – Other Works, more income than budgeted from contracts
 - 140,000 1600 – Sale of assets, residential property sold
- 3.3 Expenditure is a negative variance of (£144,113). These are minor variances due to timing issues with spending of budgets with the exception of:
 - 6,738 4000 – Wages, leavers and delays in appointing temps etc
 - (10,764) 4170 – Building improvements, towpath and county ground rec
 - (16,626) 4700 – Town promotions, wayfinding contribution
 - (140,000) 4950 – Capital, Investment fund from sale of asset

4 Income and Expenditure account for the 2nd Quarter ended 30th September 15 compared to prior year (Column B)

- 4.1 When comparing the second quarter of 2015/16 to 2014/15 there is an overall positive variance of £63,745.
- 4.2 Please note due to seasonal, operational and unforeseen circumstances one year is never the same as the next. These things tend to unwind and balance



out over the course of the year but it is useful to compare to the prior year as guide on the income and performance.

- 4.3 There is a positive variance on income of £69,653, despite the expected drop in income from Shropshire Council, due to sale of assets. Other than small variances which fluctuate between nominal codes the major variances are:

(30,225) 1400 – SLA, reduction as agreed with SC
(51,875) 1830 – SC 10year DG, STC waived receipt of grant
140,000 1600 – Sale of Assets, Residential property sold.

- 4.4 The expenditure variance is negative, to the tune of (£5,908). Despite spending £118,236 more on capital than the same quarter last year. Apart from timing the major variances are:

22,731 4000 – Wages, Staff reorganisation 14/15, benefit current year
17,468 4110 – Rates, WXC rates bill 14/15 invoiced late, see Q1 explanation
51,542 4180 – Building, path improvements this time last year.
17,323 4640 - Election costs, election inv raised by SC every 4 years
(16,897) 4700 – Town promotions, wayfinding per 3.3 above
(118,236) 4950 – Capital, expenditure not incurred last year

5 Year to Date (YTD) variances for income and expenditure compared to budget (Column C)

- 5.1 Overall there is a positive variance of £1,884
- 5.2 There is a positive variance on income of £147,209, due to the sale proceeds from New Street finally being sold. Removing capital sales would be a £276 positive variance.
- 5.3 There is an adverse variance on expenditure of (£147,209) due to the reinvestment of sale proceeds in the investment product, removing this leads to a small negative variance.

6 Year to Date (YTD) variances for income and expenditure compared to prior year (Column D)

- 6.1 Overall there is a negative variance of (£111,084)
- 6.2 There is a negative variance on income of (£91,503) due to the expected change in income from Shropshire Council but offset by the large capital receipt subsequently reinvested otherwise the variance would be significantly larger
- 6.3 There is an adverse variance on expenditure of (£19,581) due to the reinvestment of sale proceeds in the investment product. Removing this leads to a large positive variance of £101,667 due in part to the reorganisation last year in staff and operating.



7 Recommendations

- 7.1 Income is in line with expectations after adjusting for the large capital receipt although significantly less than prior year as reflected in the budget for expected decrease in income.
- 7.2 There are no areas of concern regards overspending that need addressing. Allowing for the reinvestment of capital receipts, expenditure is less than last year, the effects of the reorganisation are now being highlighted in the accounts.
- 7.3 The investment following the sale of the New Street property was made and per NC 1880 has commenced paying dividends.

Shrewsbury Town Council
Balance Sheet as at 30th September 2015

	Note	2015		2014	
		£	£	£	£
Fixed Assets					
Operational land & Buildings			3,902,443		3,958,746
Vehicles & Equipment			299,639		404,901
Community Assets			5,625		5,625
Investment Properties			590,500		668,077
			<u>4,798,207</u>		<u>5,037,349</u>
Current Assets					
Debtors Control Account		84,456		64,722	
Other debtors and prepayments		92,050		139,671	
Current / HIBA Account		1,710,979		1,538,856	
Imprest Account		13,402		10,634	
Fixed Interest bonds		4,000,000		3,500,000	
Petty Cash		174		188	
			<u>5,901,061</u>		<u>5,254,071</u>
Current Liabilities					
Creditors Control Account		144,019		104,486	
Other creditors, accruals VAT, S106 etc		1,397,631		1,197,644	
			<u>1,541,650</u>		<u>1,302,130</u>
Net Current Assets/(liabilities)			4,359,411		3,951,941
Long term Liabilities					
Deferred / capital adjustment			(4,798,207)		(5,037,349)
			<u>4,359,411</u>		<u>3,951,941</u>
Represented by					
Current Year fund (General)			603,566		714,653
Accumulated reserves (General)			416,629		417,951
Earmarked reserves / replacement (Depreciation)			3,251,839		2,731,960
Useable capital receipts			87,377		87,377
			<u>4,359,411</u>		<u>3,951,941</u>

Shrewsbury Town Council
Income and Expenditure Account - Detailed and Consolidated
Quarter Ended 30th September 2015

Column A				Column B			
QUARTER ENDED 30TH SEPTEMBER 2015							
Actual Vs Budget		Actual Vs Prior Year		Actual Vs Budget		Actual Vs Prior Year	
Budget	Variance	Prior Year	Variance	Budget	Variance	Prior Year	Variance
£		£		£		£	
1,490	1,461	29	1,425	65			
117,274	117,389	(115)	111,498	5,776			
314	300	14	1,702	(1,388)			
49,029	51,441	(2,412)	51,919	(2,890)			
9,384	9,334	50	6,301	3,083			
30	1,000	(970)	550	(520)			
337,149	335,071	2,078	367,374	(30,225)			
1,740	1,501	239	0	1,740			
31,201	23,364	7,837	22,025	9,176			
5,522	6,526	(1,004)	5,557	(35)			
9,484	9,340	144	12,442	(2,958)			
0	0	0	0	0			
140,000	0	140,000	0	140,000			
0	132	(132)	16	(16)			
0	0	0	0	0			
0	0	0	51,875	(51,875)			
6,343	5,651	692	7,598	(1,255)			
975	0	975	0	975			
0	0	0	0	0			
0	0	0	0	0			
<u>709,935</u>	<u>562,510</u>	<u>147,425</u>	<u>640,282</u>	<u>69,653</u>			
<u>(23,882)</u>	<u>(27,194)</u>	<u>3,312</u>	<u>(87,627)</u>	<u>63,745</u>			

Column C				Column D			
YEAR TO DATE							
Actual Vs Budget		Actual Vs Prior Year		Actual Vs Budget		Actual Vs Prior Year	
Budget	Variance	Prior Year	Variance	Budget	Variance	Prior Year	Variance
£		£		£		£	
		2,490		2,435		55	
		236,137		234,054		2,083	
		314		300		14	
		72,616		75,634		(3,018)	
		18,608		18,568		40	
		2,432		10,202		(7,770)	
		674,298		670,146		4,152	
		3,090		3,002		88	
		32,429		25,227		7,202	
		9,951		10,776		(825)	
		9,484		12,138		(2,654)	
		0		0		0	
		146,933		0		146,933	
		114		264		(150)	
						0	
				11,402		84	
		11,486		0		975	
		975		0		0	
		879,881		879,881		0	
				0		0	
		<u>2,101,238</u>		<u>1,954,029</u>		<u>147,209</u>	
				<u>601,682</u>		<u>1,884</u>	
				<u>714,650</u>		<u>(111,084)</u>	
				<u>2,192,741</u>		<u>(91,503)</u>	

NOMINAL CODE

INCOME

1000 Residential

1010 Commercial

1020 Allotment

1100 Events/fairs

1120 Sports lettings

1130 Countyside & Fishing I

1400 SLA - SC/COOP

1410 SC - other

1420 Other works

1430 Hanging Baskets

1700 Revenue grants

1750 Commuted sums

1600 Sale of Assets

1800 Misc income

1820 Insurance proceeds

1830 SC - 10year DG

1870 Interest received

1880 Investment income

1900 Precept Received

1950 CTS grant

TOTAL INCOME

NET INCOME / (EXPENDITURE)

Shrewsbury Town Council
Income and Expenditure Account - Summary by Cost Centre
Quarter Ended 30th September 2015

	Column A		Column B		Column C		Column D		
	QUARTER ENDED 30TH SEPTEMBER 2015				YEAR TO DATE				
	Actual	Budget	Actual Vs Budget	Prior Year	Actual Vs Budget	Prior Year	Actual Vs Prior Year	Variance	
£	£	£	£	£	£	£	£	£	
OVERALL SUMMARY									
ORGANISATION									
Expenditure	117,303	104,868	(12,435)	105,354	268,769	(11,991)	272,446	(8,314)	
Income	18,028	15,980	2,048	68,164	914,252	(5,574)	1,083,309	(174,631)	
	9,445	12,645	3,200	17,231	71,895	2,516	78,730	9,351	
	110,056	108,773	1,283	107,690	215,546	7,506	217,361	5,691	
MARKETS									
Expenditure	47,156	42,282	(4,874)	83,233	92,759	(6,042)	113,302	14,501	
Income	12,972	11,296	1,676	8,869	25,662	187	21,937	3,912	
COMMUNITY									
Expenditure	303,823	159,414	(144,409)	217,580	387,568	(151,197)	420,403	(118,362)	
Income	204,498	64,885	139,613	70,631	127,196	146,710	144,075	129,831	
OPERATIONAL									
Expenditure	95,039	106,756	11,717	121,355	212,632	16,460	240,137	43,965	
Income	163,466	164,132	(666)	172,996	302,326	(567)	323,742	(21,983)	
AMENITY									
Expenditure	78,717	69,267	(9,450)	78,798	138,534	(12,376)	153,007	2,097	
Income	70,583	67,803	2,780	69,695	114,105	3,311	122,205	(4,789)	
RECREATIONAL									
Expenditure	82,333	94,472	12,139	104,351	180,190	17,305	200,062	37,177	
Income	130,334	129,641	693	142,240	254,942	(4,364)	280,114	(29,536)	
COUNTRYSIDE									
Expenditure	733,816	589,704	(144,112)	727,902	1,352,347	(145,325)	1,478,087	(19,585)	
Income	709,937	562,510	147,427	640,285	1,954,029	147,209	2,192,743	(91,505)	
TOTAL									
Expenditure	1,497,672	1,352,347	(145,325)	1,478,087	2,192,743	(91,505)	2,192,743	(91,505)	
Income	2,101,238	1,954,029	147,209	2,101,238	1,954,029	147,209	2,101,238	147,209	
Current Year fund (General)	603,566								