



**SHREWSBURY TOWN COUNCIL  
FINANCE & GENERAL PURPOSES COMMITTEE  
4th DECEMBER 2017**

Agenda No

**6i**

**Responsible Officer: Andy Watkin - RFO**

**Statement of Accounts for the quarter 30.09.17**

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**1 Purpose of Report**

To appraise members on the following:

- 1.1 The financial position of the Council for the second quarter of the 2017/18 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 2<sup>nd</sup> quarter ended 30<sup>th</sup> September 2017 compared to budget (column A)**

- 3.1 Per the attached detailed and consolidated Income & Expenditure account report, there is an overall negative variance of £46,623 compared to the budget.
- 3.2 The overall negative variance of £53,302 is misleading and caused by capital expenditure and the time management system all of which are covered by earmarked expenditure accounting for £49,209. The majority of other costs are positive with spending of budgets with the exception of:

20,484 - 4110 business rates, Sunday Market site not budgeted for

- 3.3 There is also a positive variance on income of £6,679 these are timing issues with the exception of the following:

5,869 – 1400 SLA, inflation higher than budgeted

**4 Income and Expenditure account for the 1st Quarter ended 30<sup>th</sup> June 16 compared to prior year (Column B)**

- 4.1 When comparing the second quarter of 2017/18 to 2016/17 there is a similar trend and overall negative variance of £78,468.



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 The expenditure variance is a negative £84,472. The major variances are:

(11,249) 4100 – Rent, due on Riggs Hall not incurred last year  
(24,034) 4110 – Rates, due on Sunday Market site  
(55,126) 4950 – Capital, earmarked expenditure

4.4 There is a positive variance on income of £6,004, other than small variances which are down to inflationary increases in scale of charges the main drivers are:

10,753 1400 - SLA, Increase due to inflation on the contract  
9,663 1880 - Inv income, increase in property fund holding  
(6,439) 1870 – Interest received, decrease in rates

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

5.1 Overall there is a negative variance of £4,599.

5.2 There is a positive variance on income of £14,289.

5.3 There is a negative variance on expenditure of £18,888 due to capital and rates per previous explanation.

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

6.1 Overall there is a positive variance of 19,561

6.2 As expected with rising costs there is a negative variance on expenditure of (£82,301) due to the reasons stated in 4.3 above.

6.3 There is a positive variance on income of £101,862 due mainly to the SLA and precept increases.

## **7 Recommendations**

7.1 Income and collection is in line with expectations

7.2 There are no areas of concern regards spending that need addressing.