



**HAVERHILL**  
TOWN COUNCIL

**Finance Committee**

**Date: 12<sup>th</sup> July 2016**

**Agenda item - 7**

**Report from Responsible Financial Officer**

**6a HTC Report to end May 2016**

**1 – Budget Report Summary**

Town Council 2016/17 to 31 <sup>st</sup> May 2016										
Code	Cost Centre	Annual	Annual	Expenditure YTD		Income YTD		Net YTD Expenditure		Variance (=- good)
		Expenditure	Income	Budget	Actual	Budget	Actual	Budget	Actual	
<b>Town Council</b>										
101	Administration	649360	653772	108227	406852	108962	656400	-735	-249548	-248813
102	Democracy	7200	7200	1200	1059	1200	7200	0	-6141	-6141
103	Mayor's Charity	3000	3000	500	0	500	58	0	-58	-58
200	Arts & Leisure	138830	138830	23138	12762	23138	106731	0	-93969	-93969
300	Arts Centre	488820	488820	81470	87730	81470	387043	0	-299313	-299313
400	Community	84300	84300	14050	16964	14050	84300	0	-67336	-67336
401	Handyman	23187	23187	3865	6655	3865	18187	0	-11532	-11532
500	One Haverhill	2392	0	399	240	0	0	399	240	-159
501	Youth Co-ordination	38085	0	6348	6455	0	4000	6348	2455	-3893
600	Bevan House	8080	6060	1347	1396	1010	0	337	1396	1059
	<b>TOTAL</b>	<b>1443254</b>	<b>1405169</b>	<b>240544</b>	<b>540113</b>	<b>234195</b>	<b>1263919</b>	<b>6349</b>	<b>-723806</b>	<b>-730155</b>

**2 – Budget Report – Haverhill Town Council**

The following notes should be read in conjunction with the Budget report in section 1 above. Minus figures below means we are better off than we might have expected, had we correctly forecast what our financial situation would be.

The condensed budget report provides an overview of the Council's financial situation as at 31<sup>st</sup> May 2016.

This report covers the first 2 months of the new financial year only, so it is rather early to make any great inferences at this stage. However, a couple of trends can be seen from the full figures supplied separately.

- a) The budget figure for payroll costs is too low. This is not a big figure to begin with, but will end up £800 over budget. The budget figure for 2017/18 will be amended.
- b) Really good performance from the Arts Centre, with sales up significantly on budget.

### 3 – HTC Bank Reconciliation for financial period ending 31<sup>st</sup> May 2016.

Balances as per statement at 31<sup>st</sup> May 2016.

Account name	Current Interest Rates	Statement date	Sheet no.	Balance	Deposit maturity date
Business Account	0.00	31/05/2016	69	£10,110.10	
Bus Instant Access	0.05	31/05/2016	9	£223,370.63	
Scottish Widows	0.40	01/04/2016	32	£118,364.97	
Lloyds Treasury	0.57	31/05/2016	1-2	£601,566.73	32-day notice required
Lloyds FTD 11570097000	0.80	06/05/2016		£400,000.00	07/11/2016
Lloyds FTD 11570092000	0.65	06/05/2016		£250,000.00	08/08/2016
<b>Total</b>				<b>£1,603,412.43</b>	
Less un-presented Cheques				£28,751.88	
Plus receipts not banked/cleared				£153.50	
<b>Balance as per cash book</b>				<b>£1,574,814.05</b>	
<b>Difference</b>				<b>0.00</b>	

### CCLA Property Fund

I have been in contact with CCLA following brexit, as the Local Authority Property Fund has investments along the same lines as Standard Life and other property funds. Basically, as with any investment that can go down as well as up, the bid price at the end of June has dropped 4%, back to what it was in July 2015. When we bought the units the bid-offer spread represented a “loss” of £34,500, which we expected to take a year to recover given historic growth. If we were to sell our holding now we would crystallise a real loss of £47,200, compared to last month when the “loss” would have been £28,700. The market is still very jittery. Given the long road ahead to actual brexit, I suspect the market will remain bumpy for some time. This will only become an issue if we actually need the cash and Council always saw this as a long-term investment designed to yield dividends and that shouldn't stop.

The actions of property funds in suspending transactions is to stop panic selling of units, which drains the institutions of cash and if unchecked, would force actual real estate sales to generate cash. Such forced sales would clearly be at a massive discount.

The advice appears to be fairly standard – if you don't need to sell at a loss, don't.

### 4 – HTC Payments made in June 2016

A total of £113,923 was expended in June. Cheque list goes to Full Council.

### 5 – HTC Debtors & Creditors to 31/05/2016

Current Debtors	£14,088.28
30 days	£6,484.94
60 days	£5,783.14
90 days	£1,820.20

Since the end of May £5,779.08 of the above £14,088.28 total debtors has now been collected. A further £5,346.00 relates to an internal Hartseats invoice which will be settled shortly. The remaining outstanding balance of

£2,963.20 includes outstanding debts from April and May of £1,027.00, one from March of £950.00 plus older debts of £986.20. Now that the additional work required at year- end and audit has been completed the Finance Administrator will re-focus on debt collection.

Legal papers have been prepared for the long standing debtor who owes the Town Council and Community Trust a total of £575 and has not co-operated with us in our attempts to recover the funds.

**Creditors** – At the end of May 2016 the total of outstanding creditors invoices was £25,782.09 – all but £126.72 of this total has now been paid.

## 7b Hartseats Limited

### 1 – Budget Report

2015/16 YTD 31 <sup>st</sup> May 2016										
Code	Cost Centre	Annual		Expenditure		Income		Net Expenditure		Variance
		Expend	Income	Budget	Actual	Budget	Actual	Budget	Actual	(- = good)
<b>Sales</b>										
1019	Bar/Tuck	19000	40200	3167	4110	6700	8617	-3533	-4507	-974
1020	Bistro	35000	70000	5833	4577	11667	9158	-5834	-4581	1253
1213	Catering Lettings	0	3000	0	0	500	737	-500	-737	-237
<b>Overheads</b>										
4003	Payroll Charges	179		30	30			30	30	0
4004	Training	805		134	0			134	0	-134
4005	Recruitment	250		42	0			42	0	-42
4010	Staffing Recharge	76728		12788	10445			12788	10445	-2343
4109	Insurance	0		0	0			0	0	0
4110	Clothing & Safety	253		42	0			42	0	-42
4113	Audit Fees	126		21	30			21	30	9
4114	Café New Equipment	2020		337	139			337	139	-198
4200	Rent	7200		1200	1800			1200	1800	600
4777	Other Costs	2200		367	0			367	0	-367
7004	PPL Fees	96		16	65			16	65	49
7022	Bar Consumables	0			17				17	17
7024	Bar Equipment	0			229				229	229
7025	Café Consumables	0			353				353	353
7026	Café Cleaning Prod	0			165				165	165
7027	Café Equipment Hire	0			315				315	315
	<b>Sub Total</b>	<b>143857</b>	<b>113200</b>	<b>23977</b>	<b>22275</b>	<b>18867</b>	<b>18512</b>	<b>5110</b>	<b>3763</b>	<b>-1347</b>
	<b>Net Profit</b>		<b>-30657</b>							

### 2 - Notes to budget report

Councillors will be aware that consideration needs to be made about how the Hartseats financial performance is improved. In particular, café sales have fallen since the “high” of the refurbishment, down 18% on the same period last year, but stable. This change appears to have happened at the end of February. Bar sales are on a very modest upward trend.

### 3 – Bank Reconciliation for financial period ending 31<sup>st</sup> May 2016.

Balances as per statement at 31<sup>st</sup> May 2016.

Account name	Statement date	Page no.	Balance
Business Account	31/05/2016	82	£10,816.13
Less Un-presented Cheques			£1,233.34
Plus receipts cleared			£277.30
<b>Balance as per cash book</b>			<b>£9,860.09</b>
<b>Difference</b>			<b>£0.00</b>

### 4 – Payments made in June 2016

A total of £ 6,345 was expended in June.

### 5 – Debtors and Creditors

As at 31<sup>st</sup> May 2016 Debtors amounted to £884.25 relating to catering invoices owed by Haverhill Town Council which have since been settled.

As at 31<sup>st</sup> May 2016 Creditors amounted to £ 12,595.77. All invoices have now been settled except one internal invoice for staffing recharges from Haverhill Town Council for £5,346.00 which will be settled shortly.

## 7c Haverhill Community Trust

### 1 – Budget Report

To 31/05/2016		Annual Budget		Expenditure		Income		Net Expenditure		(-= good)
		Annual Expend	Annual Income	YTD Budget	YTD Actual	YTD Budget	YTD Actual	Budget	Actual	
<b>Income - Town Hall</b>										
1200	Rent		31800			5300	7455			-2155
1201	Lettings		11800			1967	0			1967
1500	Grant from Town Council		76109			12685	19027			-6342
	<b>Total</b>		<b>119709</b>			<b>14652</b>	<b>26482</b>			<b>-6530</b>
<b>Expenditure - Town Hall</b>										
4109	Insurance	1968		328	0					-328
4113	Audit Fees	125		21	30					9
4122	Trade Waste	0		0	1233					1233
4201	Refurb Costs 2016	0		0	-7113					-7113
4202	Rates	4100		683	0					-683
4203	Maintenance Planned	22000		3667	2223					-1444
4204	Maintenance Reactive	10000		1667	235					-1432
4205	Heat & Light	25000		4167	1558					-2609
4206	Window Cleaning	360		60	0					-60
4207	Cleaning	22500		3750	2438					-1312
4208	Water	0		0	33					33
4777	Other Costs	3000		500	0					-500
	<b>Total</b>	<b>89053</b>		<b>14843</b>	<b>637</b>					<b>-14206</b>
<b>Income - Leiston Centre</b>										
1201	Lettings		9909			1652	3000			-1348
	<b>Total</b>		<b>9909</b>			<b>1652</b>	<b>3000</b>			<b>-1348</b>
<b>Expenditure - Leiston Centre</b>										
4109	Insurance	500		83	0					-83
4122	Trade Waste	278		46	273					227
4202	Rates	747		125	58					-67
4203	Maintenance Planned	2500		417	0					-417
4204	Maintenance Reactive	2500		417	188					-229
4205	Heat & Light	3259		543	-86					-629
4207	Cleaning	6120		1020	724					-296
4208	Water	302		50	47					-3
4777	Other Costs	0		0	0					0
	<b>Total</b>	<b>16206</b>		<b>2701</b>	<b>1204</b>					<b>-1497</b>

### 2 - Notes to Budget Report

4201 Refurbishment Costs expenditure of -£7113 is a reversal of a 2015/16 year end accrual – where we are still awaiting to be invoiced for good/services.

### 3– Bank Reconciliation for financial period ending 31<sup>st</sup> May 2016.

Balances as per statement at 31<sup>st</sup> May 2016.

Account name		Statement date	Page no.	Balance
Business Account		31/05/2016	70	£28,440.91
Less Un-presented Cheques				£1,025.38
Plus receipts not cleared				£0
<b>Balance as per cash book</b>				<b>£27,415.53</b>
<b>Difference</b>				<b>£0.00</b>

### 4 – Community Trust Payments made in June 2016

A total of £ 7,289.500 was expended in June.

### 5 – Community Trust Debtors and Creditors

As at 31<sup>st</sup> May 2016 the current Debtors amounted to £ 4,949.50 Of this £3370.50 has been collected during June and the remaining debt is largely only just 30 days old. Now that the additional work required at year- end has been completed the Finance Administrator will re-focus on debt collection. As at 31<sup>st</sup> May 2016 there were no Creditors as all supplier invoices had been settled.

### F16/006(c) Debtors

Haverhill Town Council Sales Ledger - Debts over 60 days at 31/05/2016			
	£	Invoice Date	Comments
Private	105.00	30/11/2014	
Private	176.40	04/09/2014	Ongoing dialogue with debtor
Charity	40.00	13/02/2015	
Education	40.00	06/07/2015	Unpaid VAT
Local Group	950.00	31/03/2016	Have recently made contact with this group
Private	300.00	30/04/2015	Legal action started
Private	84.00	06/07/2015	Unpaid VAT
Council	61.40	09/06/2015	Commitment to pay made 01/04/2016
Council	45.00	30/11/2015	
Health	134.40	15/02/2016	
	<b>1936.20</b>		
Haverhill Community Trust - Debts over 60 days at 31/05/2016			
	£	Invoice Date	Comments
Charity	90.00	31/03/2016	
Private	30.00	18/12/2014	
Private	270.00	01/07/2015	Legal action started
Local Group	70.00	30/03/2016	
Private	76.00	31/03/2016	Debtor is on a payment plan
	<b>536.00</b>		

**Colin Poole**

Responsible Financial Officer  
Haverhill Town Council