

Introduction

1. This report sets out the Council's accounts for 2023-24. It compares the final outturn figures with the original budget for the year and the forecast produced as part of the budget process.
2. The proposed financial submission to the Council's external auditors is also attached for approval.

Background

3. The Council's financial year runs from 1 April to 31 March. It is required to keep its accounts for that period in accordance with legal requirements, to report them for approval by the Council within three months of the year end, and to submit an annual return to its external auditors to a similar timescale.
4. The Council is also required to employ the services of an internal auditor, who examines the accounts, reviews the Council's internal control, completes the internal audit section of the annual return, and may produce a report identifying any areas of concern to Members. This internal audit has been performed by Sandie Morris, who will be reporting independently to the Council, as required.
5. Subject to certain limited requirements, councils which turn-over less than £6.5 million per annum are not expected to comply with the accounting standards required of larger local authorities and have more freedom to determine their own form of accounts, subject to national recommendations on proper practices.

Accounts 2023-24

6. The Council's net revenue spending for 2023-24 was £562,226. This can be seen in detail in the Income and Expenditure Account set out at Appendix 1. The resulting effect on the Council's balance sheet can be seen at Appendix 2.
7. This net spending of £562,226 compares with £300,248 in the previous year, an approved budget of £774,214 and a forecast made at the time the 2024-25 budget was prepared of £729,430. This is set out in more detail in Appendix 3.
8. Explanations of the major variations between the original budget and the forecast were included in a series of budget reports to this Committee and its Sub-Committees during

December 2022 and January 2023. Details of the major variations from the forecast that was made at the time the 2024-25 budget was prepared are set out later in the report.

9. In a number of cases identified below, spending was originally anticipated and provided for in 2023-24, but that expenditure has been delayed until the current year. In such cases I have recommended that the budgets be rolled forward to the new financial year to meet the costs when they are incurred. A figure of £150,888 has been contributed to the Rollover Reserve to allow this transfer between years to happen. The details of the makeup of this reserve are set out in the explanation of variances below.

Explanation of Variances from Forecast

10. Appendix 3 shows that the Council's net expenditure for 2023-24 was £167,204 less than forecast at the time the budget was prepared in January. Of this, £150,888 relates to budgets rolled over into the current financial year, leaving a true variance of £16,316 underspent.
11. Details of the more significant variances from forecast and proposals for rollover are set out below:
12. **Frank Jordan Centre (net £1,703 overspent)** – Income was almost exactly as expected, with an increase in expenditure of around £1,700, largely due to the work to bring the Walton Suite and Stonefield Room back into use.
13. **Stone Station (net £9,352 underspent)** – This is largely due to the Council planned work on roof repairs not taking place. The £30,000 budget to undertake these repairs has been rolled forward into 2024-25.
14. **Town Market (net £3,562 overspent)** - Income was around £1,900 less than expected, with an increase in expenditure of around £1,600.
15. **Bus Shelters and Street Furniture (£4,022 underspent)** – Some recurring maintenance tasks and repairs were not undertaken in the year, including painting and glass replacement, and provision of a new bench. Some of this will be undertaken this year with the cost met from this year's budget, however a sum of £2,500 has been rolled forward to 2024-25.
16. **Building Maintenance (£10,000 underspent)** – This unspent provision has been rolled forward into 2024-25.
17. **Grounds Maintenance (£324 underspent)** – An additional contract payment was made in March 2024 which was expected to be in April when the budget was prepared. Against this, anticipated work on replanting of borders and Walton Roundabout, and the replacement of the lock gate, were not undertaken in 2023-24. £1,600 has been rolled forward into the 2024-25 budget to cover the cost of these items.
18. **Crown Meadow Improvements (£3,925 underspent)** – A number of planned works were not completed by March 2024, and the budgets have been rolled over into 2024-25 to allow

them to be completed. The sums involved are £525 for bridge cleaning, £500 for scrape 1 willow removal, £1,560 for a new hedgerow, and £1,000 for the scrape 1 cutback.

19. **Allotments (£2,828 underspent)** – This largely relates to work to clear a Newcastle Road allotment (£300), skip hire at Newcastle Road (£300) and an underspending against the provision for asbestos removal (£1,825). These amounts have all been rolled forward into 2024-25.
20. **Environmental Initiatives (£1,190 underspent)** – Spending under this budget has been delayed. The unspent £1,190 has been rolled forward into 2024-25 via the rollover reserve.
21. **Christmas Lights (£1,631 underspent)** – Costs were lower than budgeted for due to lower than expected electricity costs and the contingency remaining unused.
22. **Salaries and Employment Costs (£6,684 underspent)** – This is mainly due to staff vacancies during the year.
23. **Administration (£1,565 overspent)** – The overspend is due to the recruitment costs of new staff. It is offset by the underspending on salaries and employment costs due to staff vacancies.
24. **Interest (£1,135 underspent)** – The underspend is due to higher than anticipated bank balances and the consequent increase in interest receipts.
25. **Stone Heritage Centre Capital (£99,588 underspent)** – This underspending is due to the whole of the project budget being provided in 2023-24, with unspent amounts being rolled forward to meet costs in 2024-25. The underspend includes £40,000 grant received for furniture and equipment at the Centre.
26. **Inflation contingency (£10,130 underspent)** – This represents the unused portion of the inflation contingency built into the 2023-24 budget.

Audit Submission

27. The completed financial statement to be submitted to the Council's external auditors is attached at Appendix 4 and the summary year-end bank reconciliation which will accompany it is at Appendix 5. It should be noted that the net expenditure shown in the audit return is £1,213 different than set out in other parts of this report. This is because the Mayor's Charity Fund is required to be included within the accounts for external reporting purposes, but it is excluded from internal income and expenditure reports for the sake of clarity.

Recommendations

28. The Council are recommended to:
 - a. Approve the Council's Accounts for 2023-24 as set out in this document, including the use of the rollover reserve to allow the transfer of budgets between financial years and the proposed use of those budgets in 2024-25.

- b. Note the variances between the forecast outturn for 2023-24 and the actual outturn, and the reasons identified for the major variances.
- c. Approve the financial statement for submission to the Council's external auditors.

Stone Town Council

Income and Expenditure Account 2023-24

2022-23			2023-24	
£	£		£	£
Income				
22,883		Frank Jordan Centre	36,585	
7,164		Stone Station	9,478	
16,603		Town Market	16,167	
-		Crown Meadow Improvements	-	
4,049		Allotments	4,380	
1,019		Tourism & Town Promotion	1,010	
-		Salaries & Employment Costs	-	
374		Administration	1,025	
2,122		Civic Dinner & Hospitality	1,291	
1		Miscellaneous	-	
2,515		Interest	6,035	
-		Stone Heritage Centre (Setup)	40,024	
	56,731	Total Income		115,996
Expenditure				
17,063		Frank Jordan Centre	26,688	
16,662		Stone Station	19,247	
12,459		Town Market	14,430	
-		Car Parking	-	
2,766		Bus Shelters & Street Furniture	2,078	
962		Street Lighting	1,039	
763		Dog & Litter Bins	839	
-		Joules Clock	-	
590		Town Electricity Supply	703	
21,473		Grounds Maintenance	22,776	
5,521		Crown Meadow Improvements	975	
2,871		Allotments	1,452	
-		Environmental Initiatives	-	
17,785		Christmas Lights	22,869	
25,525		Tourism & Town Promotion	24,568	
4,655		Grants to Outside Bodies	3,900	
169,183		Salaries & Employment Costs	200,116	
5,496		Accommodation	7,020	
6,620		Insurances	6,893	
26,373		Administration	43,240	
1,440		Audit & Legal Fees	1,183	
-		Town Council Elections	27,786	
2,682		Allowances - Mayor & Deputy Mayor	2,924	
3,359		Regalia & Presentations	235	
3,735		Civic Dinner & Hospitality	3,859	
2,708		Remembrance Sunday & War Memorials	2,449	
1,678		Miscellaneous	515	
-		Neighbourhood Plan	-	
4,611		Stone Heritage Centre (Setup)	240,436	
	356,978	Total Expenditure		678,222
	300,248	Total Net Expenditure		562,226
Financing				
355,843		Precept	369,163	
21,419		Council Tax Support Grant	21,552	
11,461		Concurrent Functions Allowance	11,461	
-192,774		Transfer from (to) Earmarked Reserves	154,676	
	195,949	Total Financing		556,852
	-104,298	Net Surplus for Year		-5,374

Stone Town Council

Balance Sheet as at 31 March 2024

<u>2022-23</u>			<u>2023-24</u>	
£	£		£	£
		Current Assets		
8,498		Debtors	9,961	
2,296		Payments in Advance	2,340	
2,083		VAT Recoverable	2,017	
540,268		Cash at Bank and In Hand	381,176	
	553,145	Total Current Assets		395,495
		Current Liabilities		
17,640		Creditors	13,538	
6,007		Receipts in Advance	12,071	
6,197		Payroll Taxation	7,847	
	29,844	Total Current Liabilities		33,456
	<u>523,302</u>	Total Net Assets		<u>362,039</u>
		Represented by		
207,364		General Fund Balances	201,989	
313,144		Earmarked Reserves	158,468	
2,794		Mayor's Charity Fund	1,581	
	<u>523,302</u>	Total Reserves and Balances		<u>362,039</u>

Section 2 – Accounting Statements 2023/24 for

ENT Stone Town Council RITY

	Year ending		Notes and guidance
	31 March 2023 £	31 March 2024 £	
1. Balances brought forward	433,460	523,301	Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.
2. (+) Precept or Rates and Levies	355,843	369,163	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	90,976	149,009	Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.
4. (-) Staff costs	169,183	200,116	Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.
5. (-) Loan interest/capital repayments	0	0	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	187,795	479,319	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	523,301	362,038	Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).
8. Total value of cash and short term investments	540,268	381,176	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.
9. Total fixed assets plus long term investments and assets	288,868	293,300	The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.
10. Total borrowings	0	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

For Local Councils Only	Yes	No	N/A	
11a. Disclosure note re Trust funds (including charitable)	✓			The Council, as a body corporate, acts as sole trustee and is responsible for managing Trust funds or assets.
11b. Disclosure note re Trust funds (including charitable)	✓			The figures in the accounting statements above exclude any Trust transactions.

I certify that for the year ended 31 March 2024 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval

SIGNATURE REQUIRED

Date

30/04/2024

I confirm that these Accounting Statements were approved by this authority on this date:

04/06/2024

as recorded in minute reference:

MINUTE REFERENCE

Signed by Chair of the meeting where the Accounting Statements were approved

SIGNATURE REQUIRED

Stone Town Council

Summary Bank Reconciliation as at 31st March 2024

BANK RECONCILIATION

Balance per bank statements as at 31 March 2024

	£	£
Current Account	1,500.00	
Business Reserve	366,341.63	
National Savings	<u>13,334.35</u>	
		381,175.98

Less: unpresented cheques at 31 March 2024

None	<u> </u>	0.00
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Add: unbanked cash at 31 March 2024

None	<u> </u>	0.00
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Net balances as at 31 March 2024 **381,175.98**

CASH BOOK

Opening Balance 1 April 2023 540,267.66

Add: Receipts in the year	594,900.90	
Less: Payments in the year	<u>753,992.58</u>	
		-159,091.68

Closing balance per cash book as at 31 March 2024 **381,175.98**