

WATTON TOWN COUNCIL – FINANCIAL REPORT FOR TOWN MEETING 2019

BUDGET 2018/19

The 2018/19 budget is currently showing a predicted underspend of at least £20000. The final figure will not be known until all debtors and creditors have been accounted for in the financial year which ended on March 31st. Any underspend will be placed in the general reserves until any decision is made by Council to re-allocate any money.

The most recent confirmed Bank Reconciliation is dated 11.03.19. This shows the Council finances at a total of £453706.49 on that date.

Points to note:

- There will need to be some virement between cost centres as some are overspent. This can be alleviated by using money from centres which have an underspend.
- The Council has undertaken maintenance work in Watton Cemetery, using money from the Community Improvement Fund (CIF). £16350 was transferred from the CIF to the budget to meet this expense.
- The Council has entered into a Service Level Agreement with Swaffham Town Council and now engages a Project, Promotions and Events Support Officer; who works within Watton for half the week.
- An allocation of £6000 was made within the budget to undertake tree works. Some inspection work has been commissioned and four trees have been felled at Church Walk, but not all the allocation has been spent in the financial year and thus there may be a quite large underspend that can be vired to ensure the grounds maintenance spend does not tip over budget overall.
- The Town Council has had the roof at Wayland Hall overhauled and other more minor general maintenance works have been undertaken. It is possible a future large expense will result from necessary works to the heating system at Wayland Hall.
- A large cost for the town is the public toilets located at St. Giles Road. Expenditure on the public toilets for the 2018/19 financial year totals £23833 which does not include any repair works. Fortunately there has been no large maintenance jobs necessary this year and the Town Operative has been able to undertake small jobs as they have arisen.
- Watton Sports Centre was given a donation of £7000 (from the CIF) and Stephens Almshouses received a donation of £3000. Other groups within the town have received grants as listed.

BUDGET SETTING

The Budget is made up of 3 elements: • General Budget • General Reserves • Allocated Reserves

Setting the Budget is a predictive exercise as the Budget has to be set before the end of the financial year (March 31st).

Each year the General Budget is re-set according to the priorities of the Council and the review of the out-turn of the previous year's Budget.

The overspends and underspends within each cost centre do not go forward into the next year against that cost centre heading, but are considered when agreeing a budget sum for each cost centre, i.e. was the previous year's allocation sufficient or insufficient.

In setting the Budget the Council must be mindful of rising general costs, rises in staffing costs and the possibility of increased spending on maintenance of assets, as well as considering funding of projects in the planning or committed to.

END OF YEAR

The Council operates using Income & Expenditure accounting and thus, until all creditors and debtors have been accounted for, the accounts for the year cannot be finalised. First predictions indicated that the Community Improvement Fund will stand at £79150 and the General Reserve at £235000 by 31.03.19. However, it is now most likely the general reserve will increase if there is an underspend as anticipated.

All town and parish councils are required by statute to make arrangements for an independent internal audit examination of their accounting records and system of internal control. Auditing Solutions Ltd provides this service to Watton Town Council and the end of year examination will take place on June 3rd 2019. The accounts for the year ending March 31st 2019 will thus be complete by this date, ready to be approved by the Town Council by June 30th, as is the Council's duty.