

STRATFORD-UPON-AVON TOWN COUNCIL

FINANCE & AUDIT COMMITTEE

4 JUNE 2024

TOWN CLERK'S OPEN REPORT

- 1) To receive the management accounts for the period 1 April 2023 to 31 March 2024

- **To note the report**

The Management Accounts for the period 1 April 2023 – 31 March 2024 are attached as **Appendix 'A'**, along with a detailed review attached as **Appendix 'B'**.

Members are requested to note the report.

- 2) To receive the management accounts for the period 1 April 2024 to 31 May 2024

- **To note the report**

Councillors should note that Management Accounts are not published for April due to the Year End processes. A verbal update will be given at the meeting if there any budgetary concerns. May's management accounts will not be ready before the Finance & Audit Committee meeting on 4th June 2024 as the month end process does not begin until a week into the new month. The Management Accounts for May will be published on the Town Council's website and Councillors notified as usual.

Members are requested to note the report.

- 3) To review and approve adjustments to Designated Reserves;

- **Members are requested to approve Reserve adjustments identified during the Year End process**

At the last Finance and Audit Committee meeting of 5 March 2024, the changes to designated reserves were agreed.

Following the year end process and publishing of the Financial Accounts, the designated reserves and general reserve stand at the below figures:-

Reserve	Balance
Allotments	4,662
Building Maintenance	10,664
Cemetery Land and Building Maintenance	44,305
Christmas Festival	0
Climate Change	11,108
Community Infrastructure Levy <i>(this has been queried with the accountants as is not the anticipated figure)</i>	168,104
Election Expenses	1,522
Events	2,000
Holy Trinity Churchyard and Monuments	8,633
NDP Town Centre Strategic Partnership Initiatives	198
Shakespeare's Birthday Celebration	67,403
Shakespeare's Coming Home Statue Restoration	8,547
Vehicle Replacement	5,188
TOTAL:	332,334

4) To review and recommend the Financial Statements (Annual Accounts) for 2023-24

- **Members are requested to consider the report and recommend the 2023-24 Annual Accounts to Council for approval**

The final annual accounts have now been received from our accountants and are attached at **Appendix 'C'**. It has been a very long process with a number of late adjustments. The key points to note are as follows:-

The final accounts have been prepared slightly differently this year due to the increased Community Infrastructure Levy receipts. The funds go directly to/from the designated reserve and so do not impact the final surplus/deficit as in previous years. This has meant that some figures in the document where they refer to the 2022-23 year have changed (i.e. been restated) in order to show an accurate comparison.

There is a small surplus for the year of £11,926 (compared to £21,287 in the pre adjustment management accounts).

The general reserves have still risen by £26,227 from £99,891 to £126,118. This leaves the general reserve at 17.4% of NBE at the end of 2023-24. The level required as set out in the Reserves policy is 25% of NET budgeted expenditure. For 2024-25 NET budgeted expenditure is £791,970 against the general reserves balance of £126,118 which gives a percentage of 15.9%. Council will need to give this matter much consideration as part of the budget consideration process for 2025-26.

NET Operating Expenditure has fallen by £18,890 to £570,312 compared to 2022-23 which is mainly due to the completion of the Town Hall works.

For more detail on each budget line, please see the management accounts and review for March 2024 (**Appendices 'A'-'B'**)

Members are asked to recommend the Annual Accounts (Financial Statements) to Council for approval.

5) To review and recommend Part 1 of the Annual Governance and Accountability Return (AGAR) for 2023-24, and consider any points raised in the internal audit report.

- **Members are requested to consider the report and recommend the Annual Governance and Accountability Return (AGAR) for 2023-24**
- **Members are further requested to consider any points raised in the Internal Audit Report**

The Annual Governance and Accountability Return (AGAR) (Draft at Appendix 'D') comprises of 4 sections:-

- Annual Internal Audit Report 2023/24
- Annual Governance Statement 2023/24
- Accounting Statements 2023/24
- External Auditor's Report and Certificate 2023/24

H.L. Barnes have undertaken their annual internal audit and at the time of writing the Town Council is awaiting the report. If the report is received ahead of the Finance and Audit Committee meeting on 4 June 2024 it will be tabled at the meeting. A signed copy of the

Internal Audit Report will be tabled at the Town Council meeting on 11 June 2024.

The Annual Governance Statement and separate Account Statement must both be formally and individually approved by Council before being sent for external audit. This will also be carried out during the Town Council meeting on 11 June 2024.

The completed AGAR together with supporting documentation is required by Moore UK, the External Auditor, by Friday 30 June 2023 for them to complete the external audit.

Items to note on the AGAR are:-

- The balances carried forward have increased by nearly £39,000 which is mainly due to CIL Receipts.
- The precept received has increased by nearly £26,000
- Staff costs have increased by a little over £10,000 - this has previously been explained in the management accounts owing to the 2023-24 pay award and staff changes.

Any changes to these documents will be tabled at the meeting and a verbal update given.

Members are asked to recommend the Annual Governance and Accountability Return to Council for approval.

Responsible Financial Officer
27 May 2024