

**Report to:** Charity Planning Committee

**Date of Meeting:** 18 September 2023

**Report Title:** Finance Monitoring Report to Period 4 2023/24

**Report By:** Rita O'Mahoney  
Chief Accountant

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### **Purpose of Report**

To advise members of the Committee on the current year's financial position (2023/24).

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### **Recommendation**

**1. To agree the current financial position for 2023/24.**

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### **Reasons for Recommendations**

The Council has the responsibility for the proper management of the financial affairs of the Trust. In doing so it complies with Accounting Codes of Practice and the high standards required for the accounting of public money.

The Trust is reporting a surplus for the 2023/24 financial year in respect of operating income and expenses of £377,000.

## **Introduction**

1. The Foreshore Trust derives its income mainly from car parking and property leases/licences, the former income stream being quite variable.
2. Appendix 1 attached provides details of the actual income and expenditure to 31<sup>st</sup> July 2023 against the budget for 2023/24 as agreed at the March 2023 meeting of the Committee.
3. The forecast operating surplus for 2023/24 is expected to be £377,000 which is £121,000 greater than the budgeted surplus. This is mainly due to the increase in the projected parking Income.

## **Financial Position 2023/24**

4. The budget agreed in March 2023 identified budgeted income at £1,549,000 and expenditure at £1,292,000 (Excl Capital Charges). The budgeted surplus for the year being £257,000 after direct governance costs, but before distribution of grants, capital charges and before use of Reserves.
5. Appendix 1 attached, details the current 2023/24 actual to date figures (as of 31<sup>st</sup> July 2023) compared to the agreed budget.
6. Income is currently projected to be a £102,000 increase on the Budget. Car Parking Income is expected to exceed budget by £90,000.
7. Investment Income is projected to be £12,000 over Budget because of the increase in interest rates currently available.
8. Expenditure is anticipated to be £19k under budget. This is due to the reduction of the cleaning costs that will be incurred because of the new cleaning contract.
9. Currently the Trust is anticipating a surplus for Operations at the end of the financial year of £377,000.

## **Business Plan**

10. Given the ever-changing world in which we currently find ourselves it is prudent for the Trust to review its business plan regularly and update it in line with the latest information and forecasts.
11. The business plan has not been updated for some time due to officers and committee members not knowing the full impact of the Covid-19 Pandemic on the Trusts operations and financial position.
12. It is therefore a priority for the business plan to be updated to aid budget setting for the medium to longer term stability of the Trust and to allow for assurance around decision making, and as part of good governance.
13. To date much of the expenditure on maintenance projects and main programme projects has yet to occur. Appendix 2 details the business plan showing planned cyclical repairs and redecorations and main programme projects over the next 3 financial years.

### **Indicative Forward Plan**

14. The indicative forward plan just like the business plan above is in the process of being updated and will be revised as part of the budget setting discussions with committee members once detailed discussions have taken place and a clear objective and plan is agreed upon.

### **Reserves**

15. The total effective cash balances of the Trust at the 31 March 2023 amounted to £1.44m after providing for the outstanding settlement to Hastings Borough Council for amounts owed for 2022/23.
16. The reserves policy agreed on 23 September 2019 identified £900,000 as the suitable level to maintain given the potential risks to the Trust.
17. The Risk Register and Reserves policy was last considered by the Committee in September 2019 and will need to formally review again.

## Timetable of Next Steps

1. Please include a list of key actions and the scheduled dates for these:

Action	Key milestone	Due date (provisional)	Responsible
Continued quarterly monitoring	Each financial quarter	Charity Committee Meetings	Chief Finance Officer
Review of 2023/24 under and over spends	2024/25 budget	March 2024	Chief Finance Officer

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### Wards Affected

None

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### Implications

Relevant project tools applied? Yes

Have you checked this report for plain English and readability? Yes

Climate change implications considered? N/A

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness	No
Crime and Fear of Crime (Section 17)	No
Risk Management	Yes
Environmental Issues	No
Economic/Financial Implications	Yes
Human Rights Act	No
Organisational Consequences	No
Local People's Views	No
Anti-Poverty	No

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### Additional Information

Appendix 1 - Financial Monitoring Report

Appendix 2 – Business Plan

Appendix 3 – Grants Summary

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### Officers to Contact

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