

Agenda Item No:

Report to: Charity Committee

Date of Meeting: 10 December 2012

Report Title: Foreshore Trust - Financial Report

Report By: Peter Grace
Head of Finance

Purpose of Report

To advise members of the Committee on the current year's financial position (2012/13).

Recommendation(s)

1. The financial position for 2012/13 be noted and agreed

Reasons for Recommendations

The Council has the responsibility for the proper management of the financial affairs of the Trust.

Introduction

1. The Foreshore Trust derives its income mainly from car parking and property leases/licences, and these are the key variables that affect the trust's income. The Monitoring Report attached continues to be enhanced in order to provide the Committee with relevant and timely financial information with which to monitor the Trust's financial position.

Financial Position 2012/13

2. The budget was agreed at the 26 March 2012 Committee meeting. In brief, income was budgeted at £1,037,260 and expenditure at £862,800. The estimated surplus for the year being £174,460 (before grants and use of reserves).
3. In brief the financial projections for the year are generally in line with the original budget as amended by the decision to bring forward expenditure on Pelham Place Car Park (£205,000) – as determined at the meeting on the 2 July 2012. The quotes for this work on the car park have come in slightly above estimates and the revised business plan (elsewhere on the agenda) has been amended to reflect the cost (£220,000). In terms of the operating surplus for the year this is currently estimated to be some £10,000 below that originally forecast. The main reason being additional maintenance costs albeit offset by savings on the grounds maintenance contract.
4. The total balances on the Trust accounts at the 31 March 2012 amounted to £2,023,310 of which £1,812,142 was effectively held in cash. With an estimated operating surplus of £169,000 in 2012/12 (before grants) and programmed expenditure now of some £535,000 in 2012/13 the estimated fund balance at 31 March 2013 is some £1,608,000.

Use of Surpluses

5. The Trust has a duty to maintain its assets and only thereafter to consider the use of any surpluses for the benefits of the community.

Wards Affected

Ashdown, Baird, Braybrooke, Castle, Central St. Leonards, Conquest, Gensing, Hollington, Maze Hill, Old Hastings, Ore, Silverhill, St. Helens, Tressell, West St. Leonards, Wishing Tree

Area(s) Affected

Central Hastings, East Hastings, North St. Leonards, South St. Leonards

Policy Implications

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	No
Environmental Issues	No
Economic/Financial Implications	Yes
Human Rights Act	No
Organisational Consequences	No
Local People's Views	No

Background Information

Officer to Contact

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Note: The Appended Monitoring report is published on the Hastings and St Leonards Foreshore Charitable Trust web pages, or from the following link:

http://www.hastings.gov.uk/community_living/foreshore_trust/