Financial Narrative Report for January 2022

Management Accounts

At this point in the year the majority of budgets are on track. The areas which look to have a variance by the year end are:-

Other Government Grant Income – additional funding has been received for Covid testing at the start of the autumn term, the additional costs involved will come through as Educational Support staff. Income has also been received to reimburse the Free School Meal vouchers purchased for October half term.

Staffing - the staffing forecast is slightly higher with the pay award for support staff still pending and the planned NI increase from April. Additional hours for casual cover supervisors and tutors is also included in Teaching and Educational Support as well as the Covid testing salaries.

Utilities – Water usage will be overspent by the end of August as we had a large bill at the beginning of the year, checks on consumption have been made as a water leak was suspected but it appears that it was the result of a urinal constantly flushing. Meter readings are now taken monthly.

KGG4150 – Exam Fees – actual spend will be in the region of £130k as we had credits in hand from summer 2021.

KGG4180 – Free School Meals – numbers eligible for FSM's are increasing (currently at 57). Vouchers were purchased for the Christmas break as well as October half term and the funding for these will come in through KGG1086 (Other Government Grants).

KGG5105 – General Fund – this reflects movement on the fund, income and expenditure is shown on the Fund Review.

KGG5120 Photocopying Leases – the Year to Date figure is showing an overspend as invoices are entered as Commitments, credits will be received from Departmental budgets to cover these costs

KGG5152 – Legal Fees – increased use of legal services this year and up-dating the Articles of Association may result in an over spend.

KGG6027 Hospitality – Internal (Staff) – this budget is overspent and covers staff refreshments/meals for inset days, parents' consultation evenings, twilight training, 11 plus test days and open evenings.

KGG6020 DBS Checks – This budget will also be overspent by year end as we have appointed additional personnel on zero hours contracts including exam invigilators, cover supervisors, Covid testing personnel and tutors.

KGG4182 – Staff Duty Meals – this budget will be underspent by year end and could be vired to cover the over spend on Internal Hospitality.

<u>Fund Review</u>

On the advice of Streets I have added in extra lines to account for the additional funding that we receive from ESFA and to account for our General Fund spending following the closure of the bank account. The increased Pupil Premium carry forward has arisen as Streets moved spend on laptops in 2020/21 to capital expenditure, going forward I will adjust this monthly to reflect a more accurate picture of the Pupil Premium spend.

The surplus for December is showing as £236,187.03 with £851,440.34 to date.

<u>Cash Flow</u>

Bank Balances:

- Current Account £288,062.26
- Deposit Account £738,104.08

<u>Creditors</u>

- Current £5,080.24
- 31-60 days (£182.94)
- 61-90 days (£10,829.79)
- 91-120 days (£17,882.24)
- Older £43,523.75
- **TOTAL** **£19,709.02**

The fluctuating credits and large 'Older' Creditor figure are due to rates and insurance that are paid monthly by direct debit.

<u>Debtors</u>

- 61-90 days £380.00
- **TOTAL** **£380.00**

Jackie Harrison
Bursar
07/02/2022