Financial Narrative Report for June 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 through to the May half term holiday as well as Recovery Premium and tutoring income. An additional £63k Supplementary Grant has been received to help with increased energy costs and the National Insurance uplift.

Other Income – forecasts for some areas have been reduced slightly.

Staffing – on track overall

KGG3001 - Minor Improvements – additional work has been arranged for the summer.

KGG4145 – Pupil Premium will be overspent as the surplus from 2020/2021 is used (see Fund Review).

KGG4150 – Exam Fees – actual spend will be in the region of £125k as we had credits in hand from summer 2021.

KGG4180 – Free School Meals – numbers eligible for FSM's are increasing (currently at 61). Vouchers were purchased for the Christmas break as well as October and February half terms and the funding for these will come in through KGG1086 (Other Government Grants).

KGG5000 – Catering - costs continue to rise with inflation.

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 will result in an over spend.

KGG6025 – Hospitality – this will be slightly overspent with more events and visitors to school.

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.

Fund Review

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 pupil premium balance has reduced to £15,022.49 with further salary adjustments to be made. Catering is showing a deficit to date of £21,190.86. The General fund Balance is reducing and stands at £15,077.66. The overall surplus for April is showing as £238,762.39 with £854,769.16 to date.

Cash Flow – Bank Balances

- HSBC Current Account £45,802.00
- Lloyds Bank Account £968,091.96

Creditors

- Current £90,178.77
- 31-60 days (£8,658.87)
- 61-90 days (£6,075.56)
- 91-120 days £39,400.86
- Older £8,413.26
- **TOTAL** **£123,258.46**

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

Debtors

- Current £614.43
- 91-120 days £200.00
- **Total** **£814.43**

Purchase Order Invoice Compliance – June 2022

Total number of Invoices	1,945	£1,658,017.13
Purchase Order Invoices (POIN's)	1,034	£670,079.66
Total Number of Non-Order Invoices (KGPI's)	106	£76,300.62
Number of KGPI's which should have been POIN's	7	£3,115.57

KPI's (Recommended by SAAF Education)

% of SLT Salary against staffing costs to date	9.80%
In Year Balance as a % of income	3.90%
Revenue Reserves as a % of income	14.10%
Current ratio of assets to liabilities	2.08

Jackie Harrison
Bursar
21/07/2022