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## Finance Report – Month Ending 31 May 2022

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This accounts commentary highlights the most significant variances from forecast in the actual financial results to the month ending 31 May 2022 and the forecast outturn for the year 2022/23. Periodic budget reviews will be undertaken and the forecasts updated accordingly to reflect.

### Revenue Income & Expenditure Report

#### 1. Revenue Income

Grant of £1,089,000 has been received from the GLA for the year. In addition the GLA have agreed further funding of £22,000 will be provided for an increase to national insurance contributions and a 3.2% pay award to be awarded to staff. It is anticipated this will be received in the coming months and this represents the slight variance to date. Income has been profiled and allocated monthly in the accounts.

Forecast income is £53,000 lower than budget as we are currently in discussion with GLA finance colleagues regarding surplus accumulated funds at 31 March 2022 and the forecast assumes we may need to repay these to the GLA as a contingency measure.

#### 2. Revenue Expenditure

##### Staff costs:

Staff costs to date are slightly lower than forecast as the forecast assumes a 3.2% pay award would be paid from 1 April but is actually due to be paid with arrears as part of the June payroll. The full year forecast is lower than budget as the budget assumed a number of vacancies would be filled from 1 April but the full year forecast has been updated to reflect the actual start dates which were later than originally assumed.

##### Campaigns and Project Costs:

The forecast outturn is £11,000 lower than budget. This reduction to forecast project reserves is as a result of the contingency put in place if £53,000 is needed to be repaid to the GLA which has been partially offset by a transfer of £42,000 from staff costs.

Plans are currently being scoped to utilise the £139,000 project reserves which include insight in connection with digital inclusion for transport users. Plans will be further developed with the Head of Campaigns in coming months.  
All other costs are in line with forecast and budget.

### **Funding to/from reserves and reserves at the year-end**

The opening reserve balance at 1 April was £103,000 (subject to audit). £53,000 of these reserves will be utilised to fund spending in the year leaving a closing forecast reserves at the agreed balance of £50,000.

### **3. Cash Flow**

The bank balance at 31 May was £1,063,000.

### **4. Recommendation**

That the Board consider the report and review the management accounts.

**Shahid Mohammed**  
**Finance Manager**