
Finance Report – Month Ending 30 September 2023

Agenda item: LTW729
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This accounts commentary highlights the most significant variances from forecast in the actual financial results to the month ending 30 September 2023 and the forecast outturn for the year 2023-24. A mid-year budget review has been undertaken in October and the forecasts will be updated accordingly to reflect in the October accounts.

Revenue Income & Expenditure Report

1. Revenue Income

Grant of £1,111,000 has been agreed with the GLA for the year. In addition further funding of £34,000, which is £22,000 more than originally budgeted, has been agreed in principle for the annual pay award awarded to staff which has ranged from 4.5% to 8% dependant on grade and is in line with GLA awards. Income has been profiled and allocated monthly in the accounts.

2. Revenue Expenditure

Staff costs:

Staff costs to date are in line with forecast. The full year forecast is higher than budget as the forecast has been updated to reflect the actual pay awards made in the year ranging from 4.5% to 8% rather than the assumed 3.2% in the budgets. The additional costs are to be funded by further funding from the GLA.

Variable overheads:

There are number of small favourable variances across variable overheads which collectively amount to £10,000 year to date. The forecasts have been reviewed as part of the mid year budget review exercise and will be updated in the October accounts: we anticipate some further favourable variances in these updated accounts.

Project costs:

A total of £135,000 has been allocated to projects for the year which includes £70,000 for the Ticket Office Closures consultations. Passenger contact volumes were within the expected range and total costs for the original consultation period are expected to be well within budget. Separate to that provision, costs for processing responses received during the extension period will be funded by the Department for Transport via Transport Focus. We secured an in-principle commitment from DfT to fund up to £55,000 of these additional

costs, and again we expect the final figure to come in well within that level. Final costs are anticipated to be finalised in the coming weeks as the last remaining invoices are received.

All other costs are largely in line with forecast and budget, subject to some minor adjustments which we expect to reflect in the October accounts.

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

The opening reserve balance at 1 April was £150,000 following final audit. £46,000 of these reserves are forecast to be utilised to fund spending in the year leaving a closing forecast reserve of £104,000.

3. Cash Flow

The bank balance at 30 September was £474,000.

4. Recommendation

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