

NWIFCA Quarterly Meeting

13th September 2018: 11.00 a.m.

AGENDA
ITEM NO.
5

FINANCIAL REPORT

Purpose of Report

- To present the Final Budget Review, Bank Reconciliation and Balance Sheet for the year ended 31st March 2018
- To present the Independent Audit Report for year ended 31st March 2018
- To present the Budget Review for first quarter (1st April – 30th June 2018) of current financial year

Recommendations

- The Final Budget Review, Bank Reconciliation and Balance Sheet for the year ended 31st March 2018 are approved
- The Independent Audit Report for year ended 31st March 2018 is approved
- The Budget Review for first quarter of the current financial year 2018-19 is approved

1. Final Budget Review for the year ended 31st March 2018

- a) The updated budget review (checked by Auditors and no errors found) for the year 2018-19 is attached at Annex A.
- b) Income from shellfish sampling increased slightly, due to extra requests from councils.
- c) Working surplus was £133,302 plus £90,157 set aside from 2% levy increase to fund a new patrol vessel. A total of £223,458 was transferred to Reserves.
- d) NWIFCA Bank Reconciliation (checked by auditors) for the Year Ended 31st March 2018 is included at Annex B.
- e) A balance sheet has been included at Annex C

2. Audit Report, Internal Controls Review and Accounting Statement to 31st March 2018

- a) A Corporate Manager and Assistant from independent auditors Moore and Smalley LLP carried out the audit at the Carnforth office on 27th June 2018.
- b) Attached is their Audit Report for the year ended 31st March 2018:
 - i. Internal Audit Report is the result of testing of NWIFCA financial systems which were all found to be in order
 - ii. Internal Controls Review found that NWIFCA had fully complied with a series of relevant procedures and objectives, as in the annual return in previous years.
 - iii. Accounting Statement to 31st March 2018 summarises NWIFCA finances at 31st March 2018 in the format of final checked Annual Return figures as previous years.
 - iv.

3. Budget Review for the first quarter (1st April – 30th June 2018) of current financial year 2018-19

This is included at Annex D.

(Payment of Contract for North Western Protector of £1,057,403.18 was made by cheque dated 1st July 2018, signed by the Chair of NWIFCA and Chair of the Finance Sub-Committee, who also authorised the transfer from NWIFCA reserves to finance this. Details will appear in next quarterly report and budget review for second quarter at December quarterly meeting.)

Finance Officer
4th September 2018

ANNEX A

NWIFCA BUDGET REVIEW FOR 2017-18

FROM 1 APRIL 2017 - 31 MARCH 2018					
	ANNUAL BUDGET £	BUDGET TO DATE £	ACTUAL TO DATE £	BETTER+/WORSE- THAN BUDGET £	NOTES Main areas of saving
EXPENDITURE					
Employees	888,227	888,227	827,537	60,690	Payroll savings - staff turnover
Premises	56,800	56,800	48,972	7,828	Gen Insurance & Rent savings
Transport	205,280	205,280	173,705	31,575	Fuel&Oil & Repairs savings on PV
Vessel Purchase*	95,952	95,952	5,795	90,157	Set aside to fund new PV
Supplies/Services	61,400	61,400	48,854	12,546	Copying/Computers/Subscriptions
Corporate	30,800	30,800	11,091	19,709	Repayment of legal costs/FAPS
Total Expenditure	1,338,459	1,338,459	1,115,955	222,504	<i>(PV is Patrol Vessel)</i>
INCOME					
Levy	1,259,959	1,259,959	1,259,959	0	
Shellfish sampling	7,000	7,000	9,681	2,681	Extra sampling for councils
Byelaw 3 Permit Fees	64,000	64,000	63,000	-1,000	Varies due to date of renewal
Interest	7,500	7,500	6,773	-727	Interest rate slightly lower than est
Total Income	1,338,459	1,338,459	1,339,413	954	

* Vessel Purchase: Levy increase of 2% per year for 5 years set aside for Vessel Replacement Fund

Surplus	223,458
Less Vessel Purchase	90,157
WORKING SURPLUS	133,302

ANNEX B

NWIFCA BANK RECONCILIATION FOR THE YEAR ENDED 31 MARCH 2018

	£	£
Bank Account: NatWest Current Account (Unadjusted Fig. see Note 1)	90,668	
Less Unpresented Cheques: None	0	
Add Uncleared Payments: None	0	
Add Petty Cash:	200	
Add STIS: Lancashire County Council Investment	<u>1,647,000</u>	
TOTAL CASH AND SHORT TERM INVESTMENTS		1,737,868

Note 1: Reconciliation of bank account figure with Profit & Loss

Unadjusted Bank Account	90,668	
Less Unpresented Cheques	0	90,668
Profit & Loss 8255 Bank		90,668

(STIS is short term investments)

ANNEX C

NWIFCA BALANCE SHEET AS AT 31 MARCH 2018

	<u>Year to Date</u>	
Current Assets		
Investments	1,647,000.00	
Debtors	24,969.42	
Payments in advance	53,730.03	
Cash & bank	90,867.72	
		1,816,567.17
Current Liabilities		
Creditors	55,083.19	
		55,083.19
Current Assets less Current Liabilities:		1,761,483.98
Total Assets less Current Liabilities:		1,761,483.98
Capital & Reserves		
Capital Replacement Reserve	219,551.00	
Other Capital Reserves	80,593.69	
Revenue Reserves	1,237,880.96	
P & L Account	223,458.33	
		1,761,483.98

ANNEX D

North Western Inshore Fisheries and Conservation Authority (NWIFCA) BUDGET REVIEW TO 30 JUNE 2018

	FROM 1 APRIL 2018 - 30 JUNE 2018				NOTES Main areas of saving
	ANNUAL BUDGET £	BUDGET TO DATE £	ACTUAL TO DATE £	BETTER+WORSE- THAN BUDGET £	
EXPENDITURE					
Employees	888,227	212,791	199,795	12,996	Payroll&Expenses
Premises	56,800	33,450	31,886	1,564	Office Maint/Elec&Gas underspend
Transport	205,280	67,885	58,345	9,540	Fuel&Oil & Repairs savings on PV
Vessel Purchase	121,151	7,488	7,488	0	
Supplies/Services	61,400	27,260	25,561	1,699	Uniform/Copying/Stationery
Corporate	30,800	1,752	1,576	176	
Total Expenditure	1,363,658	350,626	324,651	25,975	(PV is Patrol Vessel)
INCOME					
Levy	1,285,158	1,285,158	1,285,158	0	
Shellfish sampling	7,000	0	0	0	
Byelaw 3 Fees	64,000	500	500	0	
Interest	7,500	90	90	0	
Total Income	1,363,658	1,285,748	1,285,748	0	
			SURPLUS	25,975	