**Narrative for estimated outturn and**

**budget position report for**

**End of Sept 2017**

**The current estimated carry forward figure is £218,917**

I have not printed and calculated a full outturn report for this meeting as we are only one month in to the year. At this early stage it must be assumed that all predicted income will be received and all cost centres will spend what has been assigned to them. As the year progresses, factors may change and as we become aware of anything affecting the cost centres it will be factored in.

A full outturn report will be calculated and included at the next meeting to reflect any changes and updated information.

For this meeting I have included a copy of the list of income, plus contingency, minus expenditure which shows the current expected carry forward for this year.

**Year end 2016 - 17**

The year-end carry forward from 2016-17 was budgeted at £126,000 in June but the actual figure was much higher than expected.

The actual carry forward after all year-end adjustments had been made in September, was £204,434.

The main reason for the higher outturn figure was due to a re-working of how our Salix loan liability was accounted for. In breaking down the figures from last year as part of this years’ year-end process, we discovered that MWS had requested a journal that deducted the full liability of each salix loan in the first year. In reality each loan is payable over 8 years but the full liability must be reflected somewhere. MWS chose to do this by deducting the full amount immediately from our budget which I felt doesn’t accurately show our actual position. To correct that we put the value of the salix liabilities that are not due within one year, back into the budget and then created a cost centre for “Salix long term liability”. This cost centre shows the full outstanding amount of the loans will be reduced each year to reflect the reducing total of the outstanding balance. This should satisfy MWS that the liability is reflected but will allow us to see a more accurate representation of where we are at the current time.

**Budget Position**

The estimated carry forward figure of £218,917 is made up of the £204,434 carry forward (this years’ contingency), and our current predicted in year surplus of £14,483.

We had previously predicted an in year deficit of (£12,644) at the time the budget was set. The difference is mainly down to staffing and recruitment that took place between June and September coming in less costly than anticipated.

**Staffing**

Staffing calculators will be checked and updated regularly and any changes will be reflected in the next full outturn report.