



In his report, the Internal Auditor noted that the outturn for the year to 31st March 2010 showed a surplus of £65,227 compared with a budgeted deficit of £8,667. The major factors contributing to this improved outturn were additional revenues from facilities compared with prudent budget expectations and, also, outsourcing the Playscheme to a local organisation to reduce the net cost to the Council.

The draft accounts, therefore, showed a general fund balance of £190,831 representing a healthy 3.6 month's expenditure.

Councillors at the meeting were full of praise for Officers who had worked hard to keep the finances of the Council under control at this very difficult time.

The Internal Auditor also drew attention to the VAT situation relating to the hire of halls under the control of the Council. At present, hire fees at the Radstock Lane Community Centre and Maiden Place Community Centre are not liable for VAT. However, this means that there would be a small loss to the Council in not being able to recover VAT on expenditure on these premises. Again, in the current economic situation, Councillors were very mindful of the price that hirers would be able to pay and they were not willing at this point in time to charge more for community facilities. As recommended by the Auditor, Members accepted that the VAT strategy would need to be kept under review.

