

Q3 FINANCIAL REPORT 2020/21

Summary: To provide the Executive Committee with an update on the financial position of the organisation and the reforecast to year end.

Recommendation: That the Executive Committee notes the various updates.

Report by: Ann Wyatt – Head of Finance
Andy Parsons – Chief Executive

1. FINANCIAL OVERVIEW

Based on the actual figures for Q3 and the reforecast to year-end, it is anticipated that:

- Income for the year will be in the region of £906k (COVID 19 Reforecast £934k and Original Budget £998k).
- Expenditure to year end is forecast to be £972k (COVID 19 Reforecast £1,098k and Original Budget £1,157k).
- At year end there will be a net deficit on the income and expenditure account for the year prior to any reserves transfers of £67k (COVID 19 Reforecast £163k and Original Budget £160k).
- Net transfers from reserves totalling £63k will be made into the General Fund (detailed in Section 5) resulting in a year end General Fund balance of £43k.
- Including the designated ('earmarked') reserves of £24k, year-end free reserves will be in the region of £67k (£71k 2019/20 Financial Statements). This is an improvement of £3k when compared to the original budgeted figure of £64k. Total reserves are forecast to be £669k (£736k 2019/20 Financial Statements).
- The forecast year-end free reserves represent 61% of the target of £110k.

2. OPERATIONAL OVERVIEW

- The Key Performance Indicators (KPIs) will help to monitor progress against the three-year Business Plan 2020-23.
- It should be noted that the KPIs are measured against original budgets and annual work programme outputs not the Covid-19 impacted forecasts. This will allow the Board to better understand the full impact of Covid-19 on our operations.

Key Points

- KPI1 Training Days – the target is for everyone to have a minimum of four training/development days per annum (averaging one per quarter). Only two people achieved this during Q3 so the KPI is currently red. Although not surprising given the current situation, we need to ensure our goal of supporting the team to achieve their professional and personal ambitions is a focus for 2021/22.
- KPI2 Process Improvements Identified and Implemented – the target is eight per annum (averaging two per quarter). There have been three improvements in Q3 so the KPI is blue. The process improvements were: implementation of Xero financial software system; implementation of Receipt Bank; improvement to the Constitution's Finance and Contract Regulations.

- KPI3 Value of Externally Funded Projects – the Glorious Cotswolds Grasslands target was significantly exceeded (55 hectares of grasslands improved during the quarter) so the KPI is blue. There were no new projects during Q3 for Cotswolds Champions, which means that the KPI is amber.
- KPI4 Number of People Directly Engaged – this KPI has been most affected by Covid-19 and, unsurprisingly, remains red in Q3 with just 91 people engaged.
- KPI5 New Partnerships – the target is eight per annum (averaging two per quarter). Four new partnerships were established in Q3: Youth Panel (for Caring for the Cotswolds); Cotswold Way Association (new fundraising MoU); FWAG SW (partnership agreement for the Rail Corridor Enhancement); Big Chalk Protected Landscapes (terms of reference have been agreed). The KPI is therefore blue.
- KPI6 Useable Reserves – the budget target by year-end was £63.7k (58% of longer term target) and the new forecast is £67k (61%), so it is currently green.

Supporting documents

- Appendix A. Reserves Movements and Forecast Position Report
- Appendix B. Income and Expenditure Report
- Appendix C. Key Performance Indicators

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