

Tunbridge Wells Commons Conservators **Finance Report for Meeting of 27 June 2024**

Accounts for part quarter to 14 June 2024

Accompanying this report are summary accounts for the period from 1 April to 14 June. The bank receipts, spending and closing balances are correctly accounted for, as is depreciation, but accrued income and expenditure are necessarily approximate. Budget figures are for the full quarter per the agreed budget. Preparation of the figures has been a useful exercise for the new Treasurer but in future, when a quarterly meeting takes place before the end of the quarter, accounts will not be presented. Instead, they will be prepared and circulated during the month following the quarter end.

Audits

The internal audit has concluded without major incident and the AGAR completed; the next step is the external audit. I dealt with the accounting side, providing and answering queries on the figures, but Gemma has done an amazing job of dealing with administration, timetables, meetings, notices, discussion of recommendations and so on, as you will see from the reports she has prepared, and deserves appreciation from the Conservators for all the work she has done. I will be in a better position to do more on this side of the process next year.

Bank reconciliation

One of the recommendations of the internal auditors was for members to sign off the bank reconciliation. A reconciliation as at 14 June is provided with the accounts for approval.

New bank deposit account

In the meeting of 25 April I agreed to look into opening a deposit account with a different bank, partly to obtain a better interest rate than paid by Lloyds or Barclays, our current bankers, and partly to reduce the risk of loss in the event of a bank going out of business while holding deposits in excess of the Financial Services Compensation Scheme limit of £85,000. Balances at 14 June were £132k at Lloyds (who pay us 1.3% on instant access and 2.5% on our 32-day notice account) and £106k at Barclays (1.51%). A new account has not yet been opened.

I have been looking for an instant access account, as we do not hold funds that can be locked up for long periods. A trawl of money websites produced various possible candidates, with the likes of Tide, Cynergy Bank and Allica Bank offering rates in excess of 4% pa on instant access business deposit accounts, while Virgin (one I had heard of) offered a respectable 3.8% on a standalone deposit account.

Allica were looking for proper businesses with 10-250 employees. Tide did not have good reviews, required a business current account to be opened with them, and the account was only available to sole traders and limited companies. Cynergy was now well reviewed either and the account was only available to sole traders, LLPs and limited companies. Further investigation revealed that Virgin's offer was only available to partnerships, LLPs or limited companies; they do offer a charity account yielding 1.35%, which is more like the rate we

might get. Aldermore Bank, offering 3.66% pa, was only available to companies. The Co-operative Bank offers 1.63% but the account is no longer available to new applicants.

In short, we shouldn't be dazzled by some of the rates on offer, because we aren't the kind of organisation most banks are looking for. Gemma and I are now looking to approach some of the banks with branches in Tunbridge Wells, armed with some sort of documentation that tells them who we are and how we are constituted. Other banks to consider are CCLA (Churches, Charities and Local Authorities) and Unity Trust Bank, used by parish councils and similar organisations.

The main priority now is safety of deposits, with higher interest rates a bonus, and we will report back on our findings in due course.

David Miller
Treasurer
19 June 2024