CYNGOR TREF
LLANFYLLIN
TOWN COUNCIL

HALF YEAR FINANCE REVIEW

1st April to 30th September

Overview

This report summarises the Council's finances for 1 April to 30 September 2026, including income received, payments made, reserves and major costs still to come.

The Council uses receipts and payments accounting. This means income is recorded when money is received and expenditure when money is paid. Unpaid invoices, outstanding grant claims and orders placed are not included in the actual figures until the money changes hands. Known commitments are therefore explained separately.

The annual expenditure budget is £95,996. By 30 September, the Council had received £59,805.81 of ordinary income and paid £19,382.89 against that budget. Including separately reported project transactions, total receipts were £76,966.31 and total payments were £39,739.86.

Transforming Towns grant money is administered by the Council for approved project work. It is shown separately because it is restricted to the project and is not available for everyday Council spending.

Several substantial payments remain due, including the Library contribution, salaries, drainage work and audit fees. Money is also held in reserves for specific purposes and to provide a financial cushion. Unspent budgets and money held in the bank should therefore not be treated as spare money available for additional spending.

Income Detail

Income	Annual budget	Received to 30 September
Precept	£79,640.00	£53,094.00
Other ordinary income	£8,048.00	£6,711.81
Total ordinary income	£87,688.00	£59,805.81
Inward grants — Transforming Towns	—	£16,826.90
Inward grants — Pride in Place	—	£0.00
Other receipts	—	£333.60
Total receipts		£76,966.31

Other receipts are mainly allotment rents, an insurance refund and some Mayor's charity collections which will be paid out at the end of the year.

VAT

Whilst the council is not VAT registered, we do claim back qualifying VAT via the HMRC VAT126 process. Current reclaim for this year is £1,945.26 and was received in early October.

Library Costs

The Library's full annual cost is £15,000. Contributions of £6,718 from other councils reduces the cost to Llanfyllin Town Council to £8,282. The full payment and the contributions are shown separately in the budget. This agreement with Powys CC is due to terminate in March 2028 so re-negotiation will likely need to start in the new financial year.

Expenditure Detail

Area	Annual budget	Paid to 30 September
Administration	£16,880.00	£3,174.62
Staff costs	£17,136.00	£3,817.76
Services and events	£26,650.00	£5,377.40
Town and street cleaning	£3,340.00	£797.13
Grounds and maintenance	£25,050.00	£4,050.98
Grants & Donations (Outwards)	£6,940.00	£2,165.00
Total	£95,996.00	£19,382.89

This represents 20.2% of the annual expenditure budget year to date.

Expenditure figures exclude reclaimable VAT.

Upcoming Major Payments

Item	Amount	Explanation/Timing
Library	£10,000.00	Balance of the £15,000 annual payment (Oct & Feb)
Staff costs October to March	£9,000.00	Estimated pay and employer National Insurance
Pride in Place Match Funding	£7,000.00	Likely from Cae Bodfach Development Reserve
Senior Citzens Lunch Club	£1,500.00	December

Reserves

Reserves are money the Council keeps to meet future costs. They are not all spare money. There are two types

1. General Reserves are the Council's financial cushion. They help keep services running, meet unexpected costs and cover periods when bills must be paid before income arrives.

2. Earmarked Reserves are money set aside for a named purpose. They should be kept separate from the general reserve.

Earmarked Reserves

We currently have earmarked reserves for Cae Bodfach Development, Car Park Maintenance and Llwyn Woods.

Bodfach Development: The Bodfach reserve started the year at £10,794.12. It was set up to fund development work generally. This year's development budget is £10,300. This was set aside to cover fencing, paths and other items such as new signage.

Car Park: The Council has set aside £5,000 for future Car Park resurfacing and maintenance. No Car Park spending is planned for 2026/27, so this money should remain in the reserve unless Council decide differently.

Llwyn Woods: The remaining £267.22 for Llwyn Woods is grant money held for that project and remains available for that purpose, it cannot be repurposed.

General Reserves

The Welsh practitioners' guide recommends that Council keep general reserves of between 3-12 months of gross expenditure. The appropriate amount depends on the Council's responsibilities, financial risks and the timing of its income and payments. It should be reviewed and agreed by Council.

Period covered	Based on the £95,996 annual budget
Three months	£23,999
Six months	£47,998
Twelve months	£95,996

These figures provide context for considering the Council's reserve policy. Six months would mean holding £47,998 in general reserves, separate from earmarked reserves and restricted grant money. The general reserve target will be considered alongside the budget, with recommendations brought to Council at that stage.

Grant Projects

Transforming Towns

The Council administers the Transforming Towns grant, receiving the funding and making payments for approved project work. Between April and September, the Council received £16,826.90 which has also been paid out. Further claims are currently being processed. Grant status is as follows:

Grant position	Amount
Total grant allocation	£86,572.28
Claimed to date	£58,791.18
Allocation not yet claimed	£27,781.10

Claims submitted represent 67.9% of the grant allocation. The remaining grant can only be claimed for eligible work under the grant conditions. Claims to date cover the project as a whole and are different from the grant receipts shown for April to September. Grant needs to be fully spent by the end of December 2026.

Pride in Place

The grant allocation is £83,000: £50,000 for the Activity Park and £33,000 for toilet refurbishment. The Council's £7,000 match funding contribution brings the overall funding to £90,000. Matching funding can be against either project.

The Cae Bodfach Development Reserve will be used to fund the drainage work.

Pride in Place requires significant expenditure before the grant can be reclaimed. For the Activity Park alone, the Council would need to make a £60,000 payment, including £10,000 VAT. Although the VAT is reclaimable, the Council must cover it until the refund is received.

Discussions are taking place with Powys County Council about payment arrangements, including advance funding where needed as sustaining this temporary £60,000 cash outlay would be difficult even for a short period.

Supporting Reports

Net Position Report

This report compares the Council's annual budget with the money received and paid between 1 April and 30 September 2026.

Each row shows a budget code, such as the Library, insurance or grounds maintenance. These are grouped under headings, with a subtotal for each group.

- Balance brought forward - money carried into the year for a particular fund or project, where shown.
- Receipts Budget - income expected for the whole financial year.
- Receipts Actual - money received by 30 September.
- Payments Budget - spending allowed for the whole financial year.
- Payments Actual - Money paid by 30 September.
- Current Balance - A calculation showing the position against budget, including any balance brought forward. It is not the bank balance or money available to spend.

For spending lines, a positive current balance usually means some budget remains unspent. For income lines, a negative balance usually means some expected income has not yet arrived.

Where a code contains both income and expenditure, such as the Library, the current balance combines both. The receipts and payments columns should therefore be read separately.

The report shows payments already made, rather than every cost still to come. Unpaid bills, orders and future salary costs must also be considered before deciding whether there is an underspend.

Transforming Towns receipts and payments are grant money administered for approved project work. They appear in the accounts but are not available for general Council spending.

This version excludes the Earmarked Reserves cost centre. It should be read alongside the separate reserves report and the list of remaining commitments.

The report is a check on progress against the budget, not a statement of spare cash.

Reserves Balance

This report shows money the Council has kept aside, what it is for and how the balances have changed during the year.

Reserves are not all spare money. Some funds are allocated to particular projects, while others provide a financial cushion for the Council.

- Opening Balance - money held in each reserve at the start of the financial year.
- Transfers - money moved into or out of a reserve. Moving money between general and earmarked reserves does not increase the Council's total funds.
- Spend - payments already charged to the reserve.
- Receipts - money received and added directly to the reserve, where applicable.
- Current Balance- money remaining in the reserve at the report date, before any unpaid commitments or future spending.

Llanfyllin Town Council

Net Position by Cost Centre and Code (Between 01/04/2026 and 30/09/2026) - Cost Centre Group - All Except Earmarked reserves

Cost Centre Name

Income			Receipts		Payments		Current Balance
Code	Title	Bal. B/Fwd.	Budget	Actual	Budget	Actual	Budget
100	Precept		79,640.00	53,094.00			-26,546.00
120	Events						
130	Allotments		630.00	195.00			-435.00
140	Charter Market						
150	HMRC (VAT)						
160	Bank Interest		700.00	438.81			-261.19
170	Other Income			50.00			50.00
			80,970.00	**£53,777.81**			**-27,192.19**

Administration			Receipts		Payments		Current Balance
Code	Title	Bal. B/Fwd.	Budget	Actual	Budget	Actual	Budget
200	Audit				1,550.00	201.27	1,348.73
205	Subscriptions				480.00		480.00
210	Legal & Statutory				3,575.00	874.00	2,701.00
215	Councillor Allowances				2,420.00	708.00	1,712.00
216	Councillor Training				600.00	68.00	532.00
217	Staff Training				450.00		450.00
220	Insurance			222.60	1,500.00		1,722.60
230	IT Services				2,085.00	377.74	1,707.26
240	Office Supplies & Equipmer				2,100.00	333.30	1,766.70
250	Room Hire & Storage				1,300.00	500.00	800.00
260	Advertising & Translation				700.00	102.68	597.32
270	Bank Fees				120.00	9.63	110.37
				£222.60	**16,880.00**	**£3,174.62**	**13,927.98**

Staff Costs			Receipts		Payments		Current Balance
Code	Title	Bal. B/Fwd.	Budget	Actual	Budget	Actual	Budget
					17,136.00	**£3,817.76**	**13,318.24**

Services & Events			Receipts		Payments		Current Balance
Code	Title	Bal. B/Fwd.	Budget	Actual	Budget	Actual	Budget
400	Library		6,718.00	6,028.00	15,000.00	5,000.00	9,310.00
410	Charter Market					126.89	-126.89
420	Christmas Events				4,650.00		4,650.00
430	Other Events				4,000.00	250.51	3,749.49
440	Other Services				3,000.00		3,000.00
			6,718.00	**£6,028.00**	**26,650.00**	**£5,377.40**	**20,582.60**

Town & Street Cleaning			Receipts		Payments		Current Balance
Code	Title	Bal. B/Fwd.	Budget	Actual	Budget	Actual	Budget
500	Dog Management				800.00	317.70	482.30
510	Street Cleaning				1,000.00		1,000.00
520	Public Toilets (Refurbishme						
530	Public Toilets (Waste)				400.00	121.13	278.87
540	Public Toilets (Utilities)				840.00	117.25	722.75
550	Public Toilets				300.00	241.05	58.95
					3,340.00	**£797.13**	**2,542.87**

Grounds & Maintenance			Receipts		Payments		Current Balance
Code	Title	Bal. B/Fwd.	Budget	Actual	Budget	Actual	Budget
600	Allotments				3,500.00	585.74	2,914.26
610	Cae Bodfach - General Mai				2,000.00	384.44	1,615.56
615	Cae Bodfach - Developmer				10,300.00		10,300.00
620	Wetlands				1,750.00	192.00	1,558.00
630	Car Park						
640	Play Park						

Current Balance = Balance B/Fwd - (Receipt Budget - Actual Receipt) + (Payment Budget - Actual Payments)

Llanfyllin Town Council

Net Position by Cost Centre and Code (Between 01/04/2026 and 30/09/2026) - Cost Centre Group - All Except Earmarked reserves

Cost Centre Name				
650 Town Square		153.30		-153.30
660 Grass & Flowers	7,500.00	2,735.50		4,764.50
	25,050.00	**£4,050.98**		**20,999.02**

Grants & Donations		Receipts		Payments		Current Balance
Code Title	Bal. B/Fwd.	Budget	Actual	Budget	Actual	Budget
700 137 Grants				4,440.00	2,165.00	2,275.00
710 Llanfyllin Lunch Club				1,500.00		1,500.00
720 Other Donations				1,000.00		1,000.00
730 Mayor Charity Collections			111.00			111.00
740 Transforming Towns - R62(			16,826.90		16,826.89	0.01
			£16,937.90	**6,940.00**	**£18,991.89**	**4,886.01**

Special Projects		Receipts		Payments		Current Balance
Code Title	Bal. B/Fwd.	Budget	Actual	Budget	Actual	Budget
900 Llwyn Woods	3,797.30				3,530.08	267.22
901 Pride in Place Grant						
	£3,797.30				**£3,530.08**	**267.22**

NET TOTAL	**£3,797.30**	**87,688.00**	**£76,966.31**	**95,996.00**	**£39,739.86**	**49,331.75**

Current Balance = Balance B/Fwd - (Receipt Budget - Actual Receipt) + (Payment Budget - Actual Payments)

Llanfyllin Town Council
Reserves Balance
2026-2027

Reserve	OpeningBalance	Transfers	Spend	Receipts	CurrentBalance
Earmarked					
Bodfach Development	10,794.12				10,794.12
Llwyn Woods	3,797.30		3,530.08		267.22
Car Park		5,000.00			5,000.00
Total Earmarked	**14,591.42**	**5,000.00**	**3,530.08**		**16,061.34**
TOTAL RESERVE	**14,591.42**	**5,000.00**	**3,530.08**		**16,061.34**
GENERAL FUND					65,745.79
TOTAL FUNDS					81,807.13