

SMIRA Residents Formal Meeting - 26 March 2019

Treasurer's Report

This report outlines the key information for residents on;

1. Financial hand over-on 7 December 2018 and current status,
2. Outline budget submission to CMT and current status,
3. Other sources of income,
4. Outcomes and decisions required by residents.

1. Financial hand-over on 7th December 2018 and current status.

- The annual income for SMIRA in 2018/19 was £2650 from CMT plus voluntary subs of £20 plus reserves of £2172 brought forward in the Community Fund.
- Some of the reserves brought forward were already committed to expenditure outlined in prior years such as the base for the table tennis table in Shark Park.
- The Community Fund can be carried forward from year to year. Unspent CMT funds are normally returned to CMT.
- All expenditure and income up to 7 December 2018 was disclosed at the AGM and all operating costs were paid up until that date.
- Voluntary donations from the Community Fund totalling £885 were made before the AGM, but after the previous Board announced their intention to resign. These were £485 to the Youth Club and £400 to the History Group.

Following the AGM of 7 December 2018, the SMIRA bank balance handed over was £125.63. This was left to cover operating costs for almost four months for the remainder of the 2018/19 financial year, up to 31 March 2019.

The provision for operating costs after 7 December 2018 was estimated to be £102.00 by the outgoing SMIRA Board. The actual operating costs incurred up to 26 March 2019 are shown in the tables below.

Projected expenditure to 31st March 2019 - taken from statement of affairs to 7/12/18 presented at AGM	£
Webhosting	29.00
Confirmation Statement filing fee	13.00
Meeting room hire 2 x	40.00
SMICC key deposit	20.00
Total	102.00

Actual costs incurred up to 26th March 2019	£
Webhosting	28.76
Confirmation statement filing fee	13.00
Meeting room hire	38.00
Domain registration	19.32
Total	99.08

However, in addition to the actual operating costs incurred up to the 26th March 2019 the following table outlines the identified costs still to pay.

Outstanding items - still to pay from 2018/19 budget	£
SMICC key deposit - awaiting invoice	20.00
PAT Test (provisional sum)	35.00
	55.00
Current Bank Balance	26.55
Expected deficit	-28.45

The current bank balance is £26.55 and the identified costs still to pay were £55.00

This meant that SMIRA had a budget shortfall of **£-28.45** in 2018/19.

To resolve some of the budget deficit, SMIRA called upon the community via its Facebook page to provide a PAT test with appropriate certificate for full compliance for the speaker and microphones. These are owned by SMIRA but utilised by the Youth Club and SAINTARA. Steve Weston, a resident of SMI, kindly offered to undertake this task and we are pleased to announce that a PAT test and certificate have now been successfully completed and received. This eliminates the budget deficit and brings the projected bank balance into credit at £6.55

The outgoing SMIRA Board provided nothing as a contingency fund for printing, stationery or any other sundry items, even though these items were part of the budget for the whole of 2018/19. Currently these costs are being met personally by the current SMIRA Board to ensure that the work of SMIRA continues.

There is currently no money for anything other than those items provided for by the outgoing Board – we are bound by those prior decisions until we receive more funds.

2. Outline budget submission to CMT and current status.

- Every year, SMIRA is requested by CMT to provide a budget submission for operating costs. The Treasurer is required to put together a budget presentation based on prior years submissions.
- This budget was prepared without prior year paperwork as we had not achieved a handover before the submission deadline.
- In the 2019/20 budget a request was made for a laptop and associated software. The laptop will enable the Board to bring SMIRA into full compliance with GDPR requirements and to ensure that one Board member, with dyslexia, is able to participate fully in all tasks.
- The budget request for £3676 is comparable with prior years funding, as shown below.

Prior Year funding by CMT

2018/2019	£2650
2017/2018	£3612
2016/2017	£3232
2015/2016	£3000

The following is a shortened version of the full budget submission to CMT, the full submission must remain confidential until CMT allow the release of the document.

Expenditure	2019/20 Budget Totals
AGM normal & extra costs	1057
Statutory costs	13
PPS	250
Postage	100
D&O Insurance	550
Meeting room hire costs	133
Newsletter publication	250
Website hosting + domain registration	350
Hall speaker system inspection	35
Community Events	250
Laptop	450
Security software	50
Website builder program	20
Office 365 annual subscription	60
Drop Box costs	108
Survey Monkey	0
Total	3676

- Following SMIRA Board approval on 27 February 2019, the budget submission was scheduled to be presented at the CMT meeting on 1 March 2019.
- The SMIRA budget presentation was not allowed at the meeting and therefore approval by the CMT Board was not achieved.
- The current status of the SMIRA budget is that CMT have referred it back to the Finance Committee which will not be meeting until the 8 May 2019.

3. Other sources of income.

Given the current budget situation and to ensure the SMIRA Board provide residents with full transparency, SMIRA should like to advise residents of an email communication in relation to the SMIRA budget.

Cllr Habib Tejan, supported by Cllr Andrew Mackness, contacted SMIRA by email on 7 March 2019 and offered £250 from his Ward Improvement Fund with a deadline of 11 March 2019.

As SMIRA had not requested the funds and had no prior knowledge of the source of the funds, the SMIRA Chair put the following due diligence questions to Cllr Habib Tejan by email on 9 March 2019;

- Where does the money come from?
- What can the money be used for?
- Is there a deadline for using the money?
- Does SMIRA have to report exactly how the money is spent?

Councillor Tejan responded on 11 March 2019 and notified us that the monies offered had been allocated elsewhere. No further explanation was given. SMIRA was not given an opportunity to either refuse or accept the donation within the deadline timescale following the submission of the above questions.

4. Outcomes and decisions required by residents.

The financial and budget issues identified in the above sections of this report will impact on what SMIRA can do for residents and on SMIRA's current operations. If the submitted budget is not approved by CMT and there is no interim release of funds in the meantime, as of 1 April 2019 (start of the 2018/2020 Financial Year) we will be facing the following issues:

- The SMIRA website will close on 20 May 2019
- This will be the last EGM (Formal Residents Meeting) until funds are available to pay for the venue.
- There will be no insurance cover for the Easter Egg Hunt. This cover has been requested by CMT as their staff are unavailable to attend the event, so SMIRA will not be covered by CMT's Public Liability insurance.
- Work on GDPR cannot be completed and therefore email contact with residents cannot be undertaken.

Given that there are no reserves of funds and the submission of the 2019/2020 budget to CMT was not allowed as scheduled, the SMIRA Board and residents are left with difficult choices.

The depletion of the Community Fund prior to the end of the 2018/2019 Financial Year means that funds are not available to cover expenses for events such as the Children's Easter Egg Hunt and other new events in 2019/2020.

The Treasurer and Chair of SMIRA will continue to press for interim funds from CMT and aim to resolve the 2019/20 budget allocation. However, in the short term, residents will need to decide at the SMIRA Residents Meeting on 26 March, 2019 on how to move forward with the Easter Egg Hunt. The choices available to residents are;

- To crowdfund the Public Liability insurance required at a cost of £60 plus further potential funding of £250 for the excess in the case of a 3rd party property damage claim.
- For individual residents, whose children take part in the event, to sign a waiver so that no insurance is required, although this option could be refused by CMT.
- To cancel the event in its entirety.

Longer term, should the current situation continue and CMT neither approve the 2019/2020 budget nor release interim funds, this will impact upon the following areas:

- Residents' meetings
- The SMIRA website
- SMIRA's ability to email out to residents
- Future Community Events.

It is the SMIRA Board's opinion that these are the cornerstones of the resident voice that SMIRA is determined to promote.