



**Meeting:** Full Council

**Date:** 11<sup>th</sup> February 2025

**Author:** Finance Officer

**Item For Consideration:** To upgrade the RBS Alpha finance package to run on an Income and Expenditure basis.

### **1.0 Purpose of the report**

1.1 To consider and agree to the upgrade of the current RBS (Rialtas Business Solutions) Alpha Software to record its financial accounts in an Income and Expenditure format rather than Receipts and Payments, as required by councils with Income and Expenditure over £200,000.

### **2.0 Background Information**

2.1 For councils under the £6.5million income threshold there are two approaches that can be taken when completing the Accounting Statements section of the AGAR - Receipts & Payments or Income & Expenditure.

2.2 Receipts & Payments is a simple form of accounting, sometimes known as cash accounting, which records receipts and payments at the point they are received or paid. This is regardless of when they relate to.

2.3 Income & Expenditure is sometimes known as accruals accounting and records transactions on the date to which they relate, rather than when they were received/paid.

2.4 Councils are required to work on an Income & Expenditure basis when their gross income, or gross expenditure, exceeds £200,000 for 3 consecutive years. Kingswood Town Council will be entering their second year of gross income exceeding £200,000 in 2025/2026.

### **3.0 Upgrade process and timeline**

3.1 The Alpha system currently used is Receipts & Payments: an upgrade to Income & Expenditure would need to be done before the end of the financial year. The year end accounts process would run as normal as at the end of March 2025.

### **4.0 Financial Considerations**

4.1 Upgrade from R&P to I&E. This would be a one-off consultancy cost of **£599**.

4.2 Other costs for running the finance software (same as 24/25):  
£277 (Annual software licence for 2 users)  
£660 (Annual Cloud storage & backup services)

4.3 The cost of the upgrade can be offset by unspent funds from the current financial year.

### **5.0 Recommendations**

5.1 That the RBS accounting system is upgraded from RBS Alpha Receipts & Payments to RBS Alpha Income & Expenditure as proposed and delegate authority to the town clerk to make the order.