

Banbury Town Council

Statement of Accounts

(Not Subject to Audit)

31 March 2014

Banbury Town Council

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Banbury Town Council

Council Information

Town Mayor

Cllr Nicholas Turner

Councillors

Cllr Andrew Beere

Cllr Ann Bonner

Cllr Mark Cherry

Cllr Colin Clarke

Cllr John Colegrave

Cllr Margaret Cullip

Cllr Surinder Dhési

Cllr John Donaldson

Cllr Tony Ilott

Cllr Diane Johnson

Cllr Nick Harrison

Cllr Shaída Hussain

Cllr Steve Kilsby

Cllr Kieron Mallon

Cllr Tony Mephám

Cllr Alastair Milne Home

Cllr Nigel Morris

Cllr George Parish

Cllr Gordon Ross

Cllr Sean Woodcock

Cllr Tina Wren

Clerk to the Council and Responsible Financial Officer

Clerk to the Council - Mark Recchia MA ACIS FILCM

Deputy Town Clerk & RFO - Mark Hassall ACMA CGMA

Auditors

BDO Stoy Hayward LLP

Banbury Town Council

Introduction to Accounting Statements

For the Year Ended 31 March 2014

The Accounting and Audit Regulations governing the production of the Council's accounts were amended on 31 March 2010. Prior to this date the Council were obliged to prepare its accounts under the 2008 FRSSE and these accounts were subject to a full code audit.

The new regulations allow the Council to adopt the Limited Assurance Audit Regime, the principal advantage being a considerable saving in audit fees and a less arduous audit regime.

The Council's statutory accounts are now produced in the form of the Annual Return. The Statements of Accounts which are not subject to audit provides background workings and explanations of the figures declared in the Annual Return.

The following items are included:

The Statement of Accounting Policies

This statement details the legislation and the accounting principles on which the financial statements are prepared.

The Statement of Responsibilities

This statement identifies the Council's responsibilities and identifies the officer who is responsible for the Council's financial affairs.

The Income and Expenditure Account (Unaudited)

This document shows the income generated and the total expenditure on the services provided by the Council for the year. This document now includes capital expenditure and the capital element of loan repayments.

The Income and Expenditure Account Reconciliation (Unaudited)

This document reconciles the figures shown in the Income and Expenditure Account to the Annual Return.

The Balance Sheet (Unaudited)

This sets out the financial position of the Council on 31 March. It shows the value of its assets, the value of its cash and bank values, how much it is owed and how much it owes and the balance of reserves at its disposal.

Notes to the Accounts

These provide further information on the amounts included in the financial statements.

Budget Comparison for the year ended 31 March 2014

The Council's policy is to estimate the total expenditure for the year, which may contain capital expenditure not financed via the precept. Any such expenditure of this type is included within the actual revenue expenditure for the year.

The budget out-turn is summarised below :

	Net Expenditure	Net Budget	Variance
SERVICES TO THE PUBLIC			
Litter and Dog Bins	(46,192)	(39,665)	(6,527)
Cemeteries	(76,970)	(107,832)	30,862
Open Spaces, Sport and Recreation	(739,900)	(731,376)	(8,524)
Cultural and Heritage	(36,870)	(42,209)	5,339
Bus Shelters and Grit Bins	(20,752)	(44,420)	23,668
Capital Costs	(7,477)	(218,000)	210,523
	(928,161)	(1,183,502)	255,341
DEMOCRATIC, CIVIC AND CENTRAL COSTS			
Civic and Events	(37,996)	(51,750)	13,754
Service Support Costs	(375,487)	(425,732)	50,245
Town Hall	(45,515)	(39,603)	(5,912)
Swimming Pool and Other Grants	(96,875)	(99,624)	2,749
Capital Costs	(299,308)	(75,300)	(224,008)
Interest and Other Income	73,015	94,328	(21,313)
	(782,166)	(597,681)	(184,485)
Council Tax Support Grant	247,358	247,358	-
Net surplus/(deficit)	(1,462,969)	(1,533,825)	70,856

It is the Council's policy to provide full information about its affairs. Interested members of the public have a statutory right to inspect the accounts before the audit is completed. The availability of the accounts for inspection is advertised on the Council's notice boards and website.

Further information about the accounts is available from The Town Hall, Bridge Street, Banbury, OX16 5QB. This is part of the Council's policy of providing full information about its affairs.

Banbury Town Council

Statement of Accounting Policies

31 March 2014

Accounting Convention

The accounts have been prepared in accordance with the Governance and Accountability for Local Councils – A Practitioners Guide (England).

These accounts have been prepared having regard to the fundamental accounting concepts of: Going Concern, Prudence, Accruals, Relevance, Consistency, Reliability, Comparability, Understandability and Materiality.

The accounts have been prepared under the historical cost convention.

Prior to 1 April 2010 the Council's accounts were prepared in line with the Financial Reporting Standard for Smaller Entities (FRSSE 2008). The change from the FRSSE has resulted in a review of accounting policies, with changes in respect of the treatment of Fixed Assets.

Fixed Assets

All expenditure on the acquisition, creation or enhancement of fixed assets above the Council de-minimus (currently £5,000) is written off to the Council's Income and Expenditure Account in the year of acquisition. Expenditure on fixed assets is then included in the Balance Sheet with a corresponding transaction shown in the Capital Financing Reserve to balance the transaction.

Depreciation is provided on all operational buildings (but not land or community assets), as well as other assets. Depreciation is not shown in the Council's Income and Expenditure account but is transferred directly to the Capital Financing Reserve.

Fixed Assets are included in the balance sheet at carrying value current on 31 March 2009 together with subsequent acquisitions and enhancements at cost.

Depreciation Policy

Buildings and leasehold land are depreciated over the shorter of 50 years or the anticipated remaining useful lives on a straight line basis.

Leasehold properties are depreciated over the lifetime of the lease on a straight line basis.

Freehold land is not depreciated.

Heritage Assets are not depreciated.

Vehicles, plant and equipment and furniture are depreciated over 4 to 10 years on a straight line basis as applicable.

Play equipment is depreciated over 10 years on a straight line basis.

Community Assets are not depreciated.

Disposals

Where an asset is disposed of at a value above the de-minimus level (currently £5,000), the proceeds of the capital receipt within the meaning of the Local Authorities (Capital Financing and Accounting) (England) Regulations 2011, are included in the Income and Expenditure Account and carried to the Useable Capital Receipts Reserve.

Grants or Contributions from Government or Related Bodies

Capital Grants

Where a fixed asset has been acquired or improved with the financing either wholly or in part by a grant or contribution from government or a related body, e.g. Sports Council, the full amount of the grant has been included in the Income and Expenditure Account to off-set the cost of purchasing the relevant asset.

Revenue Grants

Whether paid on account by instalment or in arrears grants and third party contributions are recognised as income on the date the Council receives the payment. Revenue grants are matched in revenue accounts with the service expenditure to which they relate and are shown under a separate heading in the Statutory Income and Expenditure Account.

Capital Receipts

Capital receipts arising from the disposal of fixed assets are taken to the Capital Receipts Reserve until such time as they are used to finance new capital expenditure.

Investments

Investments are not included in the balance sheet and realised gains or losses are taken into the Income and Expenditure account as realised.

Stocks and Work in Progress

Stocks where relevant are being constantly replaced and their value is not material to assessing the Council's state of affairs, as a result, stock is written off directly to revenue expenditure.

Debtors and Creditors

The revenue accounts of the Council are maintained on an accruals basis in accordance with the regulations. That is, sums due to or from the Council during the year are included whether or not the cash has actually been received or paid in the year. Exceptions to this are payment of regular quarterly and other accounts (e.g. telephones, electricity). This policy is applied consistently each year. Therefore, it will not have a material effect on the year's accounts or on the Council's annual budget.

The Council reviews the level of its commercial debtors on a regular basis and provisions are made, as required, where the likelihood of amounts proving ultimately collectable is in doubt.

Value Added Tax

Income and Expenditure excludes any amounts related to VAT, as all VAT suffered/collected is recoverable from or payable to HM Revenue and Customs. Any amounts not so recoverable are treated as a separate expense.

External Loan Repayments

Details of the Council's external borrowings are shown in the notes.

The Council shows external borrowings in its Balance Sheet. However the capital element of loan repayments is included in the Income and Expenditure Account and transferred to the Balance Sheet via the Capital Financing Account.

Leases

The Council has no commitments under finance leases. Rentals payable under operating leases are charged to revenue on an accruals basis.

Reserves

The Council maintains certain reserves to meet general and specific future expenditure. The purpose of the Council's reserves is explained in the notes.

The Capital Financing Reserve is maintained to manage the accounting processes for tangible fixed assets. It does not represent usable resources for the Council:

Capital receipts arising from the disposal of fixed assets are taken to the Useable Capital Receipts Reserve until such time as they are used to finance new capital expenditure.

Interest Income

All interest receipts are credited initially to general funds.

Interest is reallocated to certain reserves based on the level of their fund balance.

Cost of Support Services

The costs of management and administration have been apportioned to services on an appropriate and consistent basis.

Pensions

The pension costs that are charged against precept in the Council's accounts, in respect of its employees, are equal to the contributions paid to the funded pension scheme for those employees.

These contributions are determined by the fund's actuary on a triennial basis and are set to meet 100% of the liabilities of the pension fund, in accordance with relevant government regulations.

The Local Government scheme is accounted for as a defined benefit scheme.

Banbury Town Council

Statement of Responsibilities for the Accounts

31 March 2014

The Council's Responsibilities

The Council is required:

- to make arrangements for the proper administration of its financial affairs
- to secure that one of its officers has the responsibility for the administration of those affairs. At this Council, that officer is the Responsible Financial Officer (RFO).
- to manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets
- to approve the Annual Return

The Responsible Financial Officer's Responsibilities

The RFO is responsible for the preparation of the Council's statement of accounts as contained in *Governance and Accountability for Local Councils (Part 3) - A Practitioners Guide England "The Guide"*, to present a true and fair view of the financial position of the Council at 31 March 2014 and its income and expenditure for the year then ended.

In preparing the statements of accounts, the RFO has:

- selected suitable accounting policies and then applied them consistently
- made judgements and estimates that were reasonable and prudent, and complied with the guide.

The RFO has also:

- kept proper accounting records which were up to date, and
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

Responsible Financial Officer's Certificate

I hereby certify that the statement of accounts presents a true and fair view of the position of Banbury Town Council at 31 March 2014, and its income and expenditure for the year ended 31 March 2014

Signed:
Responsible Financial Officer

Date: 10/6/14

Banbury Town Council

Income and Expenditure Account

for the year ended 31 March 2014

Prior Year		2014	2014	2014
£		£	£	£
Net		Gross	Income	Net
Expenditure		Expenditure	Income	Expenditure
	SERVICES TO THE PUBLIC			
(35,995)	Litter and Dog Bins	(46,192)	-	(46,192)
(87,026)	Cemeteries	(159,247)	82,277	(76,970)
(641,053)	Open Spaces, Sport and Recreation	(855,960)	116,060	(739,900)
(37,563)	Cultural and Heritage	(49,940)	13,070	(36,870)
60,752	Bus Shelters and Grit Bins	(34,036)	13,284	(20,752)
(165,378)	Capital Costs	(137,785)	130,308	(7,477)
	DEMOCRATIC, CIVIC AND CENTRAL COSTS			
(47,535)	Civic and Events	(51,732)	13,736	(37,996)
(386,986)	Service Support Costs	(375,487)	-	(375,487)
(52,270)	Town Hall	(54,694)	9,179	(45,515)
(94,904)	Swimming Pool and Other Grants	(96,875)	-	(96,875)
(293,821)	Capital Costs	(299,308)	-	(299,308)
78,311	Interest and Other Income	-	73,015	73,015
(1,703,468)		(2,161,256)	450,929	(1,710,327)
1,792,477	Precept			1,537,171
	Council Tax Support Grant			247,358
89,009	Net Surplus/(Deficit)			74,202

Movement in		Balances at	Movement	Balances at
Prior Year	RESERVES	31 March	in Year	31 March
		2013		2014
102,455	General Fund	897,210	316,642	1,213,852
(13,446)	Earmarked Reserves	547,833	(242,440)	305,394
89,009	Total	1,445,043	74,202	1,519,245

Banbury Town Council

Income and Expenditure Account and Annual Return Reconciliation

for the year ended 31 March 2014

Annual Return Box Numbers	Income			Expenditure			
	Box 2	Box 3	Total	Box 4	Box 5	Box 6	Total
	Precept	Other Income		Staff Costs	Loans Repaid	Other Costs	
Services to the Public							
Litter and Dog Bins		-	-	-		(46,192)	(46,192)
Cemeteries		82,277	82,277	(20,134)		(139,113)	(159,247)
Open Spaces, Sport and Recreation		116,060	116,060	(173,145)		(682,815)	(855,960)
Cultural and Heritage		13,070	13,070)		(49,320)	(49,940)
Bus Shelters and Grit Bins		13,284	13,284	(620)		(34,036)	(34,036)
Capital Costs		130,308	130,308	-		(137,785)	(137,785)
))
Democratic, Management and Civic							
Civic and Events		13,736	13,736				
Service Support Costs		-	-	(2,043)		(49,689)	(51,732)
Town Hall		9,179	9,179	(295,608)		(79,879)	(375,487)
Swimming Pool and Other Grants		-	-	(12,621)))
Capital Costs		-	-	-		(42,073)	(54,694)
Interest and Other Income		73,015	73,015	-		(96,875)	(96,875)
Precept	1,537,171	-	1,537,171	-		(299,308)	(299,308)
Council Tax Support Grant		247,358		-		-	-
Totals Carried to Annual Return	1,537,171	698,287	1,988,100	(504,171)		(1,657,085)	(2,161,256)

Banbury Town Council

Balance Sheet

as at 31 March 2014

<u>Previous Year</u> £		Box	<u>2014</u> £	<u>2014</u> £
	Fixed Assets			
	Tangible fixed assets	5		
1,414,017	Land and Buildings		1,805,129	
<u>1,400,067</u>	Vehicles and Equipment		<u>2,886,883</u>	4,692,012
<u>2,814,083</u>				
	Current Assets			
	Debtors	8	103,842	
108,104	Cash at Bank and In-hand		<u>2,490,138</u>	
<u>2,547,883</u>			<u>2,593,980</u>	
2,655,987				
	Current Liabilities			
(390,698)	Creditors and accrued expenses	9	(307,975)	
<u>(820,246)</u>	Commuted Sums received in advance	11	<u>(766,759)</u>	
<u>(1,210,944)</u>			<u>(1,074,734)</u>	
1,445,043	Net Current Assets			1,519,246
	Total Assets Less Current Liabilities			<u>6,211,258</u>
<u>4,259,127</u>				
	Financed by:			
	Reserves available to the Council			
	Funds Earmarked for Future Projects	14	305,394	
547,833	General Reserve		<u>1,213,852</u>	1,519,246
<u>897,210</u>				
1,445,043				
	Reserves Not Available to Council:			
	Represents the Council's Net Investment in Fixed Assets less Outstanding Loans			
	Capital Financing Account	12		4,692,012
2,814,084				
<u>4,259,127</u>				<u>6,211,258</u>

These accounts have been approved by the Council.



Leader of the Council

Date: 10/6/14



Responsible Financial Officer

Date: 10/6/14

Banbury Town Council

Notes to the Accounts

for the year ended 31 March 2014

1 Interest and Investment Income

	2014	2013
	£	£
Interest Income - General Funds	40,940	55,414
	<u>40,940</u>	<u>55,414</u>

2 Audit Fees

Fees payable covering the year 2013/2014 for the services carried out by the Council's auditors, BDO Stoy Hayward in the year are £2,400 (2013 £2,400).

3 Employees

The average weekly number of employees during the year was as follows:

	2014	2013
	Number	Number
Full-time	11	11
Part-time	12	12
	<u>23</u>	<u>23</u>

All staff are paid within nationally agreed pay scales

Number of employees whose remuneration excluding employers pension contributions was over £50,000 in bands of £10,000 was:

Band	Number of Employees 2013/2014	Number of Employees 2012/2013
£50,000 to £59,999	1	1

4 Participation in Pension Scheme

As part of the terms and conditions of employment of its officers and other employees, the Council offers retirement benefits. Although these benefits will not actually be payable until employees retire, the Council has a commitment to make the payments that needs to be disclosed at the time that employees earn their future entitlement.

The Council participates in the Local Government Pension Scheme for civilian employees, administered locally by Oxfordshire County Council - this is a defined benefit final salary scheme, meaning that the Council and employees pay contributions into a fund, calculated at a level intended to balance the pensions liabilities with investment assets.

The cost to the Council for the year ended 31 March 2014 was £66,915.96 (2013 £62,906). There were no outstanding contributions at the balance sheet date.

Banbury Town Council

Notes to the Accounts

for the year ended 31 March 2014

5 Tangible Fixed Assets

	Freehold Land and Buildings	Leasehold Buildings	Community Sites	Other Assets	Heritage Assets	Total
Cost	£	£				£
At 31 March 2013	1,360,821	145,000		2,185,899	487,970	4,179,690
Additions	299,308	-	-	213,014	-	512,321
Disposal	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-
	<u>1,660,129</u>	<u>145,000</u>		<u>2,398,913</u>	<u>487,970</u>	<u>4,692,012</u>

Although classified as capital expenditure, certain minor equipment purchases are not included above as they are not material in overall value (subject to a £5k de-minimus).

6 Financing of Capital Expenditure

2014 **2013**
£ **£**

The following capital expenditure during the year:

Fixed Assets purchased	<u>512,321</u>	<u>433,438</u>
	<u>512,321</u>	<u>433,438</u>

was financed by:

Useable Capital Grants	130,307	-
Earmarked Projects Reserve	283,440	111,700
Precept and Revenue Income	98,575	321,738
	<u>512,321</u>	<u>433,438</u>

7 Information on Assets Held

Fixed assets owned by the Council include the following:

Operational Land and Buildings

- Town Hall Buildings
- Cemetery Buildings
- Sports Grounds and Pavilions

Banbury Town Council

Notes to the Accounts

for the year ended 31 March 2014

Vehicles and Equipment

Town Hall Furniture and Fittings
Council Offices Furniture and Fittings
Playground Equipment

Infrastructure Assets

Bus Shelters
Litter and Dog Litter Bins

Community Assets

Allotment Sites
Cemeteries
Play Areas and Open Spaces
Spiceball Country Park
Recreation grounds
Town Signs
Civic Regalia
Council Artifacts

8 Debtors	2014	2013
	£	£
Trade Debtors - amounts falling due under one year	12,534	8,459
Sundry Debtors	14,788	5,272
Prepayments	5,019	-
Less: Provision for bad and doubtful debts	-	-
	<hr/>	<hr/>
	32,341	13,731
HM Revenue & Customs (VAT recoverable)	71,500	94,372
	<hr/>	<hr/>
	103,841	108,103
	<hr/>	<hr/>
9 Creditors and Accrued Expenses	2014	2013
	£	£
Trade Creditors	(108,394)	(249,338)
Superannuation Payable		
Payroll Taxes and Social Security		
Accruals	(173,514)	(139,118)
Income in Advance	(26,067)	(2,242)
	<hr/>	<hr/>
	(307,975)	(390,698)
	<hr/>	<hr/>
10 Grants Received	2014	2013
Capital Grants		
Capital Grants	130,307	-
	<hr/>	<hr/>
	130,307	-
	<hr/>	<hr/>
11 Commuted Sums	2014	2013
	£	£
Balance at 1 April	820,246	623,747
Sums received during the year	29,367	277,582
Released to off-set revenue costs	(82,854)	(81,082)
	<hr/>	<hr/>
	766,759	820,246
	<hr/>	<hr/>

Banbury Town Council

Notes to the Accounts

for the year ended 31 March 2014

12 Capital Financing Reserve	2014	2013
	£	£
Balance as at 1 April	2,814,084	2,494,802
Transfer from Deferred Capital Grants	-	-
Financing capital expenditure in the year	-	-
- using capital grants	130,307	-
- using revenue balances	382,014	433,438
Reversal of depreciation		(114,157)
Elimination of depreciation to show assets at cost	995,663	
Fixed asset restatement	369,944	-
Loan Repayment	-	-
	<u>4,692,012</u>	<u>2,814,084</u>

The Capital Financing Reserve Account represents revenue and capital resources applied to finance capital expenditure and for the repayment of external loans. It also includes the reversal of depreciation to ensure it does not impact on the amount to be met from precept. It does not represent a reserve which the Council can use to support future expenditure.

13 Useable Capital Receipts	2014	2013
	£	£
Balance at 1 April	-	-
Used to Fund Capital projects	-	-
	<u>-</u>	<u>-</u>

14 Earmarked Reserves	Balances at 1 April 2013	Contribution to Reserves	Contribution from Reserves	Balances at 31 March 2014
Other Earmarked Reserves	547,834	41,000	283,440	305,394
	<u>547,834</u>	<u>41,000</u>	<u>283,440</u>	<u>305,394</u>

See appendix a: for a full analysis of earmarked reserves

Banbury Town Council

Notes to the Accounts

for the year ended 31 March 2014

Appendix A:

Schedule of Earmarked Reserves

	Balances at 1 April 2013	Contribution to Reserve	Contribution from Reserve	Balances at 31 March 2014
Town Hall	220,487	-	220,488	-
Microphone system	13,487	-	-	13,487
Horton View	4,773	-	-	4,773
Salt Bins	11,422	-	-	11,422
SAPA Statue	4,771	-	-	4,771
Land Purchase	16,900	-	-	16,900
Park Ranger Equipment	5,228	-	-	5,228
Memorial Stability Programme	15,142	-	-	15,142
Cemetary Concrete Beams	3,808	-	-	3,808
Park Refurb	47,126	-	-	47,126
OCC Highways related	75,236	-	62,952	12,284
Bus Shelter	14,882	-	-	14,882
Signage	5,790	-	-	5,790
Woodgreen Leisure	50,000	-	-	50,000
Football Foundation	37,000	-	-	37,000
Aboriculture+Plants	21,782	-	-	21,782
GM Contract Renewal	-	6,000	-	6,000
Ditch Works	-	15,000	-	15,000
Estate Wall Repairs - Peoples Park, Manor Road	-	15,000	-	15,000
Election	-	5,000	-	5,000
	<u>547,834</u>	<u>41,000</u>	<u>283,440</u>	<u>305,395</u>

Banbury Town Council

Notes to the Accounts

for the year ended 31 March 2014

Appendix B:

Reserves Reconciliation to Cash at Bank

		<u>Prior Year</u>	<u>Prior Year</u>	<u>2014</u>	<u>2014</u>
		<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Reserves	General	897,210		1,213,852	
	Earmarked	<u>547,833</u>		<u>305,394</u>	
			1,445,043		1,519,246
Less Debtors		(108,104)		(103,842)	
Add Liabilities	Creditors and accrued expenses	390,698		307,975	
	Commuted Sums received in advance	<u>820,246</u>		<u>766,759</u>	
			<u>1,102,840</u>		<u>970,892</u>
Total			2,547,883		2,490,138
Cash at Bank			2,547,883		2,490,138
Difference			<u><u>0</u></u>		<u><u>-1</u></u>
				<u>2014</u>	<u>2014</u>
				<u>£</u>	<u>£</u>
Bank Statement Balances					
	NAT WEST DISBURSEMENTS			79,237	
	NATWEST SALARIES			43,000	
	NATWEST SPECIAL INTEREST A/C			660,961	
	PETTY CASH			250	
	Barclays			1,013,987	
	12 Month Bond			700,000	
					2,497,435
Unpresented Payments				(7,298)	
					<u>(7,298)</u>
Closing Balance					<u><u>2,490,138</u></u>
All Cash & Bank Accounts					
	NatWest Disbursements				71,940
	NatWest Salaries				43,000
	NatWest Special Int.				660,961
	Petty Cash				250
	Barclays				1,013,987
	12 Month Bond				700,000
	30 Day Notice Acc Natwest				0
Total Bank & Cash Balances					<u><u>2,490,138</u></u>