

Banbury Town Council

2018

2017

Banbury Town Council

Statement of Accounts

(Not Subject to Audit)

31 March 2018

Banbury Town Council

Index

Page No(s).

1	Council Information
3	Budget Comparison
4	Statement of Accounting Policies
7	Statement of Responsibilities for the Accounts
8	Income and Expenditure Account
9	Income And Expenditure Account and Annual Return Reconciliation
10	Balance Sheet
11 to 14	Notes to the Accounts
Appendix A	Earmarked Reserves Summary
Appendix B	Reserves Reconciliation Summary

Banbury Town Council

Council Information

Town Mayor

Cllr Colin Clarke

Councillors

Cllr Hannah Banfield
Cllr Andrew Beere
Cllr Claire Bell
Cllr Mark Cherry
Cllr John Colegrave
Cllr Surinder Dhesi
Cllr Lucy Donaldson
Cllr John Donaldson
Cllr Arash Fatemian
Cllr Tony Ilott
Cllr Nick Harrison
Cllr Shaida Hussain
Cllr Steve Kilsby
Cllr Kieron Mallon
Cllr Alastair Milne Home
Cllr Barry Richards
Cllr Gordon Ross
Cllr Sean Woodcock
Cllr Nicholas Turner
Cllr Tina Wren

Clerk to the Council and Responsible Financial Officer

Clerk to the Council - Mark Recchia MA FCIS FSLCC
Deputy Town Clerk & RFO - Mark Hassall ACMA CGMA

Auditors

Moore Stephens

Banbury Town Council

Introduction to Accounting Statements

For the Year Ended 31 March 2018

The Accounting and Audit Regulations governing the production of the Council's accounts were amended on 31 March 2012. 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 2018

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	(126,055)	(127,400)	1,345
Cemeteries	(77,353)	(87,590)	10,237
Open Spaces, Sport and Recreation	(686,724)	(728,854)	42,130
Cultural and Heritage	(6,424)	(6,216)	(208)
Bus Shelters and Grit Bins	(8,660)	(36,960)	28,300
Capital Costs	(480,628)	(347,173)	(133,455)
	(1,385,844)	(1,334,193)	(51,651)
DEMOCRATIC, CIVIC AND CENTRAL COSTS			
Civic and Events	(72,218)	(82,150)	9,932
Service Support Costs	(355,433)	(399,330)	43,897
Town Hall	(41,673)	(57,862)	16,189
Swimming Pool and Other Grants	(92,358)	(104,447)	12,089
Capital Costs	(52,158)	(5,700)	(46,458)
Interest and Other Income	51,902	47,138	4,764
	(561,938)	(602,351)	40,413
Council Tax Support Grant	223,396	223,396	0
Net surplus/(deficit)	(1,724,386)	(1,713,148)	(11,238)

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 2018

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 2012 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 2018

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 2018 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 2018, and its income and expenditure for the year ended 31 March 2018

Signed:
Responsible Financial Officer

Date:

Banbury Town Council

Income and Expenditure Account

for the year ended 31 March 2018

<u>Prior Year</u> £ Net <u>Expenditure</u>		2018 £ Gross <u>Expenditure</u>	2018 £ Income	2018 £ Net <u>Expenditure</u>
SERVICES TO THE PUBLIC				
(122,491)	Litter and Dog Bins	(126,055)		(126,055)
(58,840)	Cemeteries	(164,825)	87,472	(77,353)
(623,587)	Open Spaces, Sport and Recreation	(736,531)	49,807	(686,724)
(6,841)	Cultural and Heritage	(6,424)		(6,424)
(8,798)	Bus Shelters and Grit Bins	(8,660)		(8,660)
(136,171)	Capital Costs	(481,378)	750	(480,628)
DEMOCRATIC, CIVIC AND CENTRAL COSTS				
(87,306)	Civic and Events	(98,856)	26,638	(72,218)
(359,165)	Service Support Costs	(355,433)	-	(355,433)
(32,533)	Town Hall	(63,766)	22,093	(41,673)
(127,481)	Swimming Pool and Other Grants	(92,358)	-	(92,358)
(119,448)	Capital Costs	(52,158)	-	(52,158)
100,040	Interest and Other Income	-	51,902	51,902
<u>(1,582,621)</u>		<u>(2,186,444)</u>	<u>238,662</u>	<u>(1,947,782)</u>
1,666,853	Precept			1,737,780
223,396	Council Tax Support Grant			223,396
<u>307,628</u>	Net Surplus/(Deficit)			<u>13,394</u>

Movement in Prior Year	RESERVES	Balances at 31 March 2017	Movement in Year	Balances at 31 March 2018
284,074	General Fund	1,528,285	(12,731)	1,515,554
101,029	Earmarked Reserves	1,304,782	102,888	1,407,670
(77,475)	Land transfer maintenance	524,091	(76,763)	447,328
	Capital Receipts Reserve	618,485	-	618,485
<u>307,628</u>	Total	<u>3,975,643</u>	<u>13,394</u>	<u>3,989,037</u>

Banbury Town Council

Income and Expenditure Account and Annual Return Reconciliation

for the year ended 31 March 2018

Annual Return Box Numbers	Income			Expenditure			
	Box 2	Box 3		Box 4	Box 5	Box 6	
	Precept	Other Income	Total	Staff Costs	Loans Repaid	Other Costs	Total
Services to the Public							
Litter and Dog Bins		-	-	-		(126,055)	(126,055)
Cemeteries		87,472	87,472	(22,911)		(141,914)	(164,825)
Open Spaces, Sport and Recreation		49,807	49,807	(201,459)		(535,072)	(736,531)
Cultural and Heritage		-	-	-		(6,424)	(6,424)
Bus Shelters and Grit Bins		-	-	-		(8,660)	(8,660)
Capital Costs		750	750	-		(481,378)	(481,378)
Democratic, Management and Civic							
Civic and Events		26,638	26,638	(1,103)		(97,753)	(98,856)
Service Support Costs		-	-	(261,033)		(94,400)	(355,433)
Town Hall		22,093	22,093	(12,686)		(51,080)	(63,766)
Swimming Pool and Other Grants		-	-	-		(92,358)	(92,358)
Capital Costs		-	-	-		(52,158)	(52,158)
Interest and Other Income		51,902	51,902	-		-	-
Precept	1,737,780	-	1,737,780	-		-	-
Council Tax Support Grant		223,396	223,396				
Sale of Capital Assets			-				
Totals Carried to Annual Return	1,737,780	462,058	2,199,838	(499,192)	-	(1,687,252)	(2,186,444)

Banbury Town Council

Balance Sheet

as at 31 March 2018

Previous Year £		Box	2018 £	2018 £
	Fixed Assets			
	Tangible fixed assets	5		
1,805,129	Land and Buildings		1,805,129	
<u>2,913,128</u>	Vehicles and Equipment		<u>3,042,039</u>	
<u>4,718,257</u>				4,847,168
	Current Assets			
133,566	Debtors	8	123,522	
<u>4,002,985</u>	Cash at Bank and In-hand		<u>4,104,322</u>	
<u>4,136,551</u>			<u>4,227,844</u>	
	Current Liabilities			
(160,908)	Creditors and accrued expenses	9	(238,805)	
<u>0</u>	Commuted Sums received in advance	11	<u>0</u>	
<u>(160,908)</u>			<u>(238,805)</u>	
<u>3,975,643</u>	Net Current Assets			<u>3,989,039</u>
<u><u>8,693,901</u></u>	Total Assets Less Current Liabilities			<u><u>8,836,207</u></u>
	Financed by:			
	Reserves available to the Council			
1,528,284	General Reserve		1,515,554	
	Earmarked Reserve	14		
1,304,783	- Future Projects		1,407,671	
524,091	- Land transfer maintenance		447,328	
<u>618,485</u>	Capital Receipts Reserve		<u>618,485</u>	
<u>3,975,643</u>				<u>3,989,038</u>
	Reserves Not Available to Council: Represents the Council's Net Investment in Fixed Assets less Outstanding Loans			
4,718,258	Capital Financing Account	12		4,847,169
<u><u>8,693,901</u></u>				<u><u>8,836,207</u></u>

These accounts have been approved by the Council.

Leader of the Council

Date:

.....
Responsible Financial Officer

Date:

Banbury Town Council

Notes to the Accounts

for the year ended 31 March 2018

1 Interest and Investment Income	2018	2017
	£	£
Interest Income - General Funds	24,345	
	<hr/>	
	24,345	
	<hr/> <hr/>	

2 Audit Fees

Fees payable covering the year 2016/2017 for the services carried out by the Council's auditors, Moore Stephens LLP in the year are £2,400 (2016 £2,400).

3 Employees

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

	2018	2017
	Number	Number
Full-time	11	11
Part-time	12	12
	<hr/>	<hr/>
	23	23
	<hr/> <hr/>	<hr/> <hr/>

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 2018/2017	Number of Employees 2017/2016
£50,000 to £59,999	2	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.

Banbury Town Council

Notes to the Accounts

for the year ended 31 March 2018

5 Tangible Fixed Assets

	Freehold Land and Buildings	Leasehold Buildings	Community Sites	Other Assets	Heritage Assets	Total
Cost	£	£				£
At 31 March 2017	1,660,129	145,000		2,425,158	487,970	4,718,257
Additions	-	-		128,910	1	128,911
Disposal	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-
	<u>1,660,129</u>	<u>145,000</u>		<u>2,554,068</u>	<u>487,971</u>	<u>4,847,168</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

2018

2017

£

£

The following capital expenditure during the year:

Fixed Assets purchased

128,911

-

128,911

-

was financed by:

Useable Capital Grants

-

-

Earmarked Projects Reserve

-

-

Precept and Revenue Income

128,911

-

128,911

-

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 2018

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 & Accrued Income	2018	2017
	£	£
Trade Debtors - amounts falling due under one year	15,014	41,804
Accrued Income	837	837
Prepayments	899	5,099
Less: Provision for bad and doubtful debts	-	-
	<u>16,750</u>	<u>47,739</u>
HM Revenue & Customs (VAT recoverable)	106,772	85,826
	<u><u>123,522</u></u>	<u><u>133,565</u></u>
9 Creditors and Accrued Expenses	2018	2017
	£	£
Trade Creditors	(125,257)	(69,278)
Superannuation Payable		
Payroll Taxes and Social Security		
Accruals	(100,595)	(82,858)
Income in Advance	(12,953)	(8,772)
	<u>(238,805)</u>	<u>(160,908)</u>
10 Grants Received	2018	2017
Capital Grants		
Capital Grants	-	-
	<u>-</u>	<u>-</u>
11 Commuted Sums	2018	2017
	£	£
Balance at 1 April	-	-
Sums received during the year	-	-
	<u>-</u>	<u>-</u>

Banbury Town Council

Notes to the Accounts

for the year ended 31 March 2018

	849613		
12 Capital Financing Reserve		2018	2017
		£	£
Balance as at 1 April		4,718,258	4,718,258
Transfer from Deferred Capital Grants		-	-
Financing capital expenditure in the year			
- using capital grants		-	-
- using revenue balances		128,911	-
Reversal of depreciation			
Elimination of depreciation to show assets at cost		-	-
Fixed asset restatement		-	-
Loan Repayment		-	-
		<u>4,847,169</u>	<u>4,718,258</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		2018	2017
		£	£
Balance at 1 April		-	-
Used to Fund Capital projects		-	-
Receipts		-	-
		<u>-</u>	<u>-</u>

14 Earmarked Reserves				
	Balances at	Contribution	Contribution	Balances at
	1 April	to	from	31 March
	2017	Reserves	Reserves	2018
Other Earmarked Reserves	2,447,359	272,888	246,763	2,473,484
	<u>2,447,359</u>	<u>272,888</u>	<u>246,763</u>	<u>2,473,484</u>

See appendix a: for a full analysis of earmarked reserves

Banbury Town Council

Notes to the Accounts

for the year ended 31 March 2018

Appendix A:

Schedule of Earmarked Reserves

	Balances at 1 April 2017	Reallocate Reserves	Contribution to Reserve	Contribution from Reserve	Balances at 31 March 2018
Estate Wall Repairs & Ditch works	26,000	-	17,000	-	43,000
Hardwick Hill Cemetery Extension	605,058	836,210	27,000		1,468,268
Park Improvements (incl Easington)	472,000	(302,000)	101,888	170,000	101,888
Sports Capacity Investment	330,000	(180,000)			150,000
Town Hall Improvements	330,638	(220,638)			110,000
Allotment Site Improvements	159,572	(133,572)			26,000
Vehicle Replacement Fund	-		27,000		27,000
Town Centre Initiative	-		100,000		100,000
Section 106 Agreements	524,091			76,763	447,328
	<u>2,447,359</u>	<u>-</u>	<u>272,888</u>	<u>246,763</u>	<u>2,473,484</u>

Capital Receipts Reserve

	Balances at 1 April 2017	Contribution to Reserve	Contribution from Reserve	Balances at 31 March 2018
Sale of Land - Spital Parm	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Banbury Town Council

Notes to the Accounts

for the year ended 31 March 2018

Appendix B:

Reserves Reconciliation to Cash at Bank

		Prior Year £	Prior Year £	2018 £	2018 £
Reserves	General	1,528,284		1,515,554	
	Earmarked	1,304,783		1,407,671	
	- Land transfer maintenanc	524,091		447,328	
	Capital Receipts Reserve	<u>618,485</u>		<u>618,485</u>	
			3,975,643		3,989,038
Less Debtors		(133,566)		(123,522)	
Add Liabilities	Creditors and accrued expenses	160,908		238,805	
	Commuted Sums received in advance	<u>0</u>		<u>0</u>	
			<u>27,342</u>		<u>115,283</u>
Total			4,002,985		4,104,321
Cash at Bank			4,002,985		4,104,322
Difference			<u><u>0</u></u>		<u><u>0</u></u>

	2018 £	2018 £
Bank Statement Balances		
NAT WEST DISBURSEMENTS	179,621	
NATWEST SALARIES	(3,662)	
NATWEST SPECIAL INTEREST A/C	28,888	
BARCLAYS	114	
PETTY CASH	250	
30 Day Notice	2,400,000	
12 Month Bond	1,500,000	
		4,105,210
Unpresented Payments		(49,601)
Unbanked Receipts		48,713
Closing Balance		<u><u>4,104,322</u></u>

All Cash & Bank Accounts

NatWest Disbursements	130,164
NatWest Salaries	44,906
NatWest Special Int.	28,888
Barclays	114
Petty Cash	250
Barclays	
12 Month Bond	1,500,000
30 Day Notice Acc Natwest	<u>2,400,000</u>
Total Bank & Cash Balances	<u><u>4,104,322</u></u>