

# **FOLKESTONE TOWN COUNCIL**

## **Statement of Accounts**

**2014 - 2015**

**Period 1 April 2014 – 31 March 2015**

## Folkestone Town Council

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# **Folkestone Town Council**

## **Council Information (2014/15)**

### **Town Mayor**

Cllr A North

### **Councillors**

Cllr E Arnold  
Cllr L Beaumont  
Cllr A Berry  
Cllr C Bones  
Cllr J Collier  
Cllr B Copping  
Cllr A Dunning  
Cllr P Gane  
Cllr P Marsh  
Cllr M Salmon  
Cllr R Theobald  
Cllr L Walker  
Cllr R Wallace  
Cllr S Wallace  
Cllr P West  
Cllr R West  
Cllr R Wheeler

### **Clerk to the Council**

Jennifer Childs

### **Auditors**

PKF Littlejohn LLP

### **Internal Auditor**

David Buckett

## **Folkestone Town Council**


### **Internal Auditor's Report to the Council on the Accounts for the Year ended 31 March 2015**

I certify that I have examined the Statement of Accounts and associated accounting notes on pages 4 to 12 of Folkestone Town Council, which have been prepared by the Responsible Financial Officer in accordance with the Accounts and Audit (England) Regulations 2011 and CIPFA Accounting Guidance Notes for Local Councils.

I have carried out an examination in accordance with relevant auditing standards, and my agreed audit programme. I have had due regard to the internal audit obligations and responsibilities as set out in the council's annual return.

The audit included examination, on a test basis, of evidence relevant to the amounts and disclosures in the Statement of Accounts, sufficient to give reasonable assurance that the financial statements are free from material misstatement.

In my opinion, the Statements of Accounts present fairly the financial position of Folkestone Town Council as at 31<sup>st</sup> March 2015 and its Income and Expenditure for the year then ended in accordance with the requirements of the Accounts and Audit (England) Regulations 2011 and CIPFA Accounting Guidance Notes for Local Councils.

Signature: 

**D.J.Buckett CPFA, DMS  
1 Champion Court Cottages  
Sharsted Hill  
Newnham  
Sittingbourne  
Kent  
ME9 OJX**

**Date: 11 May 2015**

**Income and Expenditure Account  
for the Period ended 31 March 2015**

	2014/15	Notes	2013/14
	£		£
<b>INCOME</b>			
Precept on District Council	573,640		573,640
Bank and Investment Interest	1,388		829
Allotments	8,939		7,772
Rental Receipts	18,334		16,420
Property Tax Base Grant	97,682		126,988
Funding for Museum/Heritage	11,643		83,400
Contribution to CCTV Service	150,350		0
Other	28,807		1,449
	-----		-----
	890,783		810,498
	-----		-----
 <b>EXPENDITURE</b>			
Employees/Administration	268,761	4 and 6	250,271
Democratic Costs	0	13	350
Civic and Ceremonial	17,416		17,065
Premises	84,456	3	79,412
Services	249,082	2 and 5	196,898
Fees	2,606		3,727
Museum/Heritage	15,215		0
	-----		-----
	637,536		547,723
	-----		-----

**GENERAL FUND**

	<b>2014/15</b>	<b>2013/14</b>
	<b>£</b>	<b>£</b>
Balance as at 1 April	103,295	103,295
Add: Total Income	890,783	810,498
Deduct: Total Expenditure	<u>637,536</u>	<u>547,723</u>
	356,542	366,070
Transfer (to)/from Reserves and Provisions:		
New Services Reserve	(85,147)	
Tree Planting Reserve	(195)	
Museum/Heritage Reserve	(6,789)	
Tourism Reserve	(5,000)	
Prov. for Signs & Notice Boards	(200)	
Ward Grants Reserve	209	
Town Grants Reserve	(4,318)	
FTC Elections Reserve	(10,000)	
Armed Forces' Day Reserve	(1,573)	
Prov. for Salt Bins	(700)	
Prov. for Flowerbeds & Planters	(2,500)	
Prov. for Folkestone Initiatives	(21,775)	
Prov. for Town Trail	(15,322)	
Prov. for CCTV Maintenance	(132,938)	
Prov. for Christmas Lights	18,000	(262,775)
	<u>(268,248)</u>	<u>(262,775)</u>
General Reserve Balance at 31 March	<u>88,294</u>	<u>103,295</u>

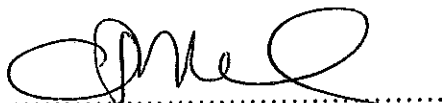
*The notes on Pages 8 to 12 form part of these accounts.*

**Balance Sheet as at 31 March 2015**

<b>Fixed Assets</b>	<b>Notes</b>	<b>2014 / 15</b>		<b>2013 / 14</b>	
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Freehold Land and Buildings		700,000		700,000	
Vehicles and Equipment	1(ii)	175,461		70,151	
Community Assets	7	335,004	1,210,465	299,504	1,069,655
			<u>1,210,465</u>		<u>1,069,655</u>
<b>Current Assets</b>					
Sundry Debtors	1(iv)	0		0	
HM Revenue & Customs - VAT		10,766		3,691	
Prepayments		0		35,453	
Current Bank Account		17,001		167,146	
Petty Cash		500		500	
Short Term Investments		650,000	678,267	300,000	506,790
			<u>603,721</u>		<u>499,781</u>
<b>Current Liabilities</b>					
Sundry Creditors	1(iv)	56,157		0	
Accruals	9	18,389	74,546	7,009	7,009
			<u>603,721</u>		<u>499,781</u>
<b>Net Current Assets</b>					
<b>Long Term Liabilities</b>					
PWLB Outstanding Loan for Office Building	1(v)	434,223	434,223	451,865	451,865
			<u>1,379,963</u>		<u>1,117,571</u>
<b>Net Assets</b>					

	Notes	2014 / 15		2013 / 14	
		£	£	£	£
<b>Represented by:</b>					
Fixed Asset Restatement Account	7		1,210,465		1,069,655
PWLB Outstanding Loan for Office Building			(434,223)		(451,865)
Capital Receipts Reserve	1(iii)		0		12,000
Earmarked Reserves:-	1(vii)				
New Services Reserve			95,717		148,266
Tile Kiln Lane Balancing Pond Maintenance			1,000		0
Tree Planting Reserve			1,728		2,487
Tourism Reserve			5,000		0
Museum/Heritage Reserve			225,684		176,440
Animal Memorial Fund			0		1,280
Ward Grants Reserve			0		8,570
Town Grants Reserve			9,865		4,580
FTC Elections Reserve			18,974		12,707
Armed Forces' Day Reserve			8,305		7,302
Provisions:-	1(vii)				
Maintenance of War Memorial			3,145		3,145
Signs & Notice Boards			4,013		3,222
Salt Bins			5,781		3,642
Flowerbeds			7,100		3,800
Anti-Litter Campaign			2,000		2,000
Litter Bins			0		2,586
Allotments (Barking, etc.)			0		1,000
Normandy Veterans' Event			120		120
PWRR Freedom March			0		621
Folkestone Initiatives			6,701		0
CCTV Maintenance			117,576		0
Outstanding Invoices			2,718		2,718
General Reserve			88,294		103,295
			<u>1,379,963</u>		<u>1,117,571</u>

The statement of accounts represents fairly the financial position of the Council as at 31 March 2015 and reflects its Income and Expenditure for the year.



**Town Mayor**

Date: 4/9/15



**Jennifer Childs MiLCM, IIMC, CiLCA  
Responsible Financial Officer**

Date: 4/9/15



## **Notes to the Accounts** **31 March 2015**

### **1. Statement of Accounting Policies**

These accounts cover the Town Council's full year of operations for the period 1<sup>st</sup> April 2014 – 31<sup>st</sup> March 2015.

#### *i) Accounting Convention*

The accounts have been prepared in accordance with the Accounting Guidance Notes for Local Councils (the Guide) issued by The Chartered Institute of Public Finance and Accountancy (CIPFA) as applicable to a medium sized local Council. As a consequence the latest accounting policies, as set out in the Guide and so far as they apply to this Council, have been adopted for the Council's Statement of Accounts.

#### *ii) Fixed Assets*

Assets in the balance sheet for 2014/15 are valued on the following basis:

Land and Buildings	purchase price (June 2011)
Furniture and Equipment	purchase price (or estimated value)
Statutory Allotments	actual cost
Civic Regalia	professional valuation 2006
Statue and Memorial	insurance valuation 2013
Folkestone Collection	insurance valuation 2013

#### *iii) 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. A payment of £12,000 was received from SEEDA in respect of Allotment Land compensation in 2005/06 and was used as a contribution towards essential works at the Tile Kiln Lane balancing pond in 2014/15.

#### *iv) Debtors and Creditors*

The revenue accounts of the Council are maintained on an accruals basis in accordance with the guide. 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.

#### *v) PWLB Loan*

In March 2011 the Council borrowed £500,000 from the Public Works Loans Board for the purchase of permanent office accommodation. Repayments of £39,301 (including interest) were made in 2014/15. The current outstanding capital amount is £434,223.

#### *vi) Leases*

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

**vii) Reserves and Provisions**

The Council has arranged for appropriate reserves and provisions as shown below:-

General Reserve	£88,294	For unforeseen expenditure and emergencies
New Services Reserve	£95,717	Sums set aside for Folkestone Town Council initiatives and transferred services from the District Council
Tile Kiln Lane Balancing Pond Maintenance	£1,000	For essential maintenance to the balancing pond at Tile Kiln Lane Allotments site
Tree Planting Reserve	£1,728	For new and replacement trees
Tourism Reserve	£5,000	For the establishment of a tourism service
Museum/Heritage Reserve	£225,684	Lottery funding, internal and external contributions towards the development of a Museum/Heritage Centre
Town Grants Reserve	£9,865	For town grants awarded by the Council
Election Reserve	£18,974	For Folkestone Town Council elections
Armed Forces' Day	£8,305	For annual Armed Forces' events
Maintenance of War Memorial	£3,145	Provision for maintaining and cleaning the War Memorial
Provision for Signs and Notice Boards	£4,013	Provision for the purchase of directional and informative signs in Folkestone
Salt Bins	£5,781	Provision for additional salt bins in Folkestone
Flowerbeds	£7,100	Provision for establishment and enhancement of flowerbeds and planters
Anti-Litter Campaign	£2,000	Provision for an Anti-Litter Educational Campaign
Normandy Veterans	£120	Provision for Normandy Veterans' event
Folkestone Initiatives	£6,701	Provision for town centre projects
CCTV Maintenance	£117,576	Provision for the maintenance of CCTV cameras and equipment
Outstanding Invoices	£2,718	Provision for works and services carried out prior to April 2014, for which invoices have not yet been received

**viii) Investment Income**

Investment income for 2014/15 was £1,388.

**2. Agency Work**

During the year, the Council undertook no agency work on behalf of other authorities.

During the year, the Council commissioned no agency work to be performed by other authorities.

**3. Tenancies**

During the year the following tenancies were held:

**Council as landlord**

Tenant	Property	Rent p.a. £	Repairing/ Non Repairing Repairing
Silver Screen Cinema	The Town Hall	17,200	

### Council as tenant

Landlord	Property	Rent p.a. £	Repairing/ Non Repairing
N/A			

#### 4. Publicity

	2014/15 £	2013/14 £
Recruitment Advertising	754	0
Publicity	0	0
Other	0	0
	<hr/>	<hr/>
	754	0
	<hr/>	<hr/>

#### 5. S.137 Expenditure

Section 137 of the Local Government Act 1972 (as amended) enables the Council to spend up to the product of £7.20 per head on the electoral roll in any one year for the benefit of the people in its area on activities or projects not specifically authorised by other powers.

	2014/15 £
The theoretical amount available for this purpose was (29,233 x £7.20)	<u>210,478</u>

The following expenditure was incurred under this power during the year:

Full Council Grant	Bradstone Association (Town Sprucer)	£10,000
Town Grant	Friends of St Mary & St Eanswythe ('Women in WW1' Project)	£2,000
Ward Grant	South Cheriton Action Group (Start-up Costs)	£250
Ward Grant	Folkestone Baptist Church (Lunch Club)	£343
<b>TOTAL</b>		<b>£12,593</b>

#### 6. Pensions

For the year of account the Council's contributions equal 18.8% of employees' pensionable pay. These contributions are likely to change in future years as a result of the Actuary's regular pension reviews and any Government changes.

The employers' pension costs are charged to the Kent Superannuation Fund accounts in respect of qualifying employees and are equal to the contributions paid to the scheme for these employees.

Contributions to the Kent Superannuation Fund are determined by the fund's actuary on a triennial basis and are set to meet 100% of the liabilities of that fund, in accordance with relevant Government regulations.

## 7. Fixed Assets

2015	2014
£	£
Value	Value

At 31 March the following assets were held:

### Freehold Land and Buildings

The Old Town Hall, Folkestone	700,000	700,000
	<hr/>	<hr/>
	700,000	700,000

### Vehicles and Equipment

Computer Equipment	9,150	9,150
Office Machinery	1,220	920
Office Furniture	34,100	29,330
Street Furniture	26,750	26,750
Speed Watch Equipment	2,251	2,251
CCTV Equipment	70,000	0
Christmas Lights	30,000	0
Other	1,990	1,750
	<hr/>	<hr/>
	175,461	70,151

### Community Assets

Allotment Land (2 sites)	2	2
Council Regalia and Artefacts	117,596	115,596
William Harvey Statue	124,833	124,833
War Memorial	59,073	59,073
The Folkestone Collection (Partial)	33,500	0
	<hr/>	<hr/>
	335,004	299,504

The basis of valuation of the above assets is set out in the Accounting Policies (Note 1). The contra-entry is reflected in a Fixed Asset Restatement Account.

## 8. Fixed Assets - Disposals

During the year there were no disposals

## 9. Creditors and accrued expenses

	2014/15
	£
Trade Creditors	56,157
Accruals and Deferred Income	18,389

## 10. Charitable Funds

	Balance at 01/04/2014	Contribution to fund	Payments	Balance at 31/03/2015
	£	£	£	£
Mayoress's Charitable Funds	4,119	12,287	10,866	5,540

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	Balance at 01/04/2014	Contribution to fund	Payments	Balance at 31/03/2015
	£	£	£	£
Mayor's Christmas Fund	4,114	8,366	8,555	3,925

The Town Mayor of Folkestone raises funds for charitable purposes during his/her term of office. The funds are held by the council in separate accounts and disbursed at the Mayor's discretion.

## 11. Capital Commitments

The Council was not committed to any capital expenditure at 31 March 2015

## 12. Contingent Liabilities

The Council is not aware of any other contingent liabilities at the date of these accounts.

## 13. Democratic Costs

Democratic costs for 2014/15 did not include any expenditure in respect of external training for Councillors.