

FOLKESTONE TOWN COUNCIL

Statement of Accounts

2017 - 2018

Period 1 April 2017 – 31 March 2018

Folkestone Town Council

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Folkestone Town Council

Council Information (2017/18)

Town Mayor

Cllr R West

Councillors

Cllr E Arnold
Cllr A Berry
Cllr D Brook
Cllr J Collier
Cllr P Gane
Cllr C Jeffrey
Cllr M Lawes
Cllr N Jones
Cllr J Meade
Cllr D Monk
Cllr C Sacre
Cllr M Salmon
Cllr R Theobald
Cllr R Wallace
Cllr S Wallace
Cllr P 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 2018

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 31st March 2018 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: 1 May 2018

**Income and Expenditure Account
for the Period ended 31 March 2018**

	2017 / 18	Notes	2016 / 17
INCOME	£		£
Precept on District Council	764,750		666,735
Bank and Investment Interest	354		486
Allotments	9,423		9,893
Rental Receipts	16,070		16,040
Property Tax Base Grant	0		29,193
Funding for Museum/Heritage	344,084		1,173,081
Museum/Heritage Sales	3,033		0
Other	18,656		16,272
	-----		-----
	1,156,370		1,911,700
	-----		-----
 EXPENDITURE			
Employees/Administration	361,541	4 and 6	309,132
Democratic Costs	12,081	13	0
Civic and Ceremonial	30,144		40,597
Premises	89,109	3	82,751
Services	255,608	2 and 5	287,539
Fees	3,545		10,677
Museum/Heritage	407,261		1,282,718
	-----		-----
	1,159,289		2,013,414
	-----		-----

GENERAL FUND

	2017 / 18		2016 / 17
	£		£
Balance as at 1 April	119,908		82,619
Add: Total Income	1,156,370		1,911,700
Deduct: Total Expenditure	1,159,289		2,013,414
	<u>116,989</u>		<u>(19,095)</u>
Transfer (to)/from Reserves and Provisions:			
New Services	772	3,733	
TKL Balancing Pond Maintenance	960		
Museum/Heritage	(7,000)	96,032	
Tourism		(550)	
Folk. Community Coastal Team		5,000	
War Memorial Maint.		2,935	
Ward Grants	(5,781)	(3,774)	
Town Grants	4,216	8,483	
FTC Elections	1,566	(10,200)	
Armed Forces' Day	(6,813)	4,936	
Salt Bins		(182)	
Flowerbeds & Planters	5,000	2,276	
CCTV Maintenance	18,129	32,610	
Christmas Events	2,046	(2,046)	
Outstanding Invoices	13,095	(250)	139,003
	<u>130,084</u>		<u>119,908</u>
General Reserve Balance at 31 March			

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

Balance Sheet as at 31 March 2018

Fixed Assets	Notes	2017 / 18		2016 / 17	
		£	£	£	£
Freehold Land and Buildings		700,000		700,000	
Vehicles and Equipment	1(ii)	201,901		190,051	
Community Assets	7	2,305,904	3,207,805	2,301,504	3,191,555
			<u>3,207,805</u>		<u>3,191,555</u>
 Current Assets					
Sundry Debtors	1(iv)	0		0	
HM Revenue & Customs - VAT		25,162		98,048	
Prepayments		20,521		24,549	
Stock Balance (Museum Merchandise)		1,922		0	
Current Bank Account		143,184		149,057	
Deposit Bank Account		400,308		300,000	
Receipts Account		2,653		0	
Petty Cash		500		500	
Museum Shop Float		100		0	
Corporate Credit Card		1,500	595,850	1,500	573,654
			<u>595,850</u>		<u>573,654</u>
 Current Liabilities					
Sundry Creditors	1(iv)	20,156		5,872	
Receipts in Advance	9	5,545		726	
Accruals	9	19,397	45,098	13,385	19,983
			<u>45,098</u>		<u>19,983</u>
Net Current Assets			<u>550,752</u>		<u>553,671</u>
 Long Term Liabilities					
PWLB Outstanding Loan for Office Building	1(v)	375,940	375,940	396,304	396,304
			<u>375,940</u>		<u>396,304</u>
Net Assets			<u>3,382,617</u>		<u>3,348,922</u>

	Notes	2017 / 18 £	2016 / 17 £
Represented by:			
Fixed Asset Restatement Account	7	3,207,805	3,191,555
PWLB Outstanding Loan for Office Building		(375,940)	(396,304)
Capital Receipts Reserve	1(iii)	0	0
Earmarked Reserves and Provisions:-	1(vii)		
New Services		104,721	105,492
Tile Kiln Lane Balancing Pond Maintenance		40	1,000
Tree Planting		273	273
Tourism		4,735	4,735
Museum/Heritage		204,013	197,013
Ward Grants		16,480	10,699
Town Grants		0	4,216
FTC Elections		8,634	10,200
Armed Forces' Day		6,813	0
Salt Bins		6,313	6,313
Flowerbeds		49	5,049
Anti-Litter Campaign		2,000	2,000
CCTV Maintenance		60,127	78,257
Christmas Lights/Events		0	2,046
Outstanding Invoices		6,470	6,470
General Reserve		130,084	119,908
		<u>3,382,617</u>	<u>3,348,922</u>

The statement of accounts represents fairly the financial position of the Council as at 31 March 2018 and reflects its Income and Expenditure for the year.

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Town Mayor

Date: 14/06/18

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Jennifer Childs MLCM, IIMC, CiLCA
Responsible Financial Officer

Date: 14/06/18

Notes to the Accounts **31 March 2018**

1. Statement of Accounting Policies

These accounts cover the Town Council's full year of operations for the period 1st April 2017 – 31st March 2018.

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 2017/18 are valued on the following basis:

Town Hall	purchase price (June 2011)
Statutory Allotments	actual cost
Civic Regalia	professional valuation 2006
Statue and Memorial	insurance valuation 2013
Folkestone Collection	insurance valuation 2013
Other	purchase price where known (or estimated value)

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.

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 2017/18. The current outstanding capital amount is £375,940.

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	£130,084	For unforeseen expenditure and emergencies
New Services	£104,721	Sums set aside for Folkestone Town Council initiatives and services transferred from the District Council
Tile Kiln Lane Balancing Pond Maintenance	£40	For essential maintenance to the balancing pond at Tile Kiln Lane Allotments site
Tree Planting	£273	For new and replacement trees
Tourism	£4,735	For the establishment of a tourism service
Museum/Heritage	£204,013	Lottery funding, internal and external contributions towards the development of a Museum/Heritage Centre
Ward Grants	£16,480	For ward grants awarded by individual Councillors
FTC Elections	£8,634	For fees relating to Town Council elections
Armed Forces' Day	£6,813	For the annual Armed Forces' Day events
Salt Bins	£6,313	For additional salt bins in Folkestone
Leas Flowerbeds	£49	For the establishment and enhancement of flowerbeds and planters in and around The Leas
Anti-Litter Campaign	£2,000	For an Anti-Litter Educational Campaign
CCTV Maintenance	£60,127	For the maintenance of CCTV cameras and equipment
Outstanding Invoices	£6,470	Provision for late invoices relating to works and services carried out prior to April 2017

viii) Investment Income

Investment income/bank interest for 2017/18 was £354.

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
Silver Screen Cinema	The Town Hall	£12,000	Non-Repairing

Council as tenant

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

4. Publicity

	2017/18	2016/17
	£	£
Recruitment Advertising	1,069	1,832
Publicity	5,844	0
Other	0	0
	<hr/>	<hr/>
	6,913	1,832
	<hr/> <hr/>	<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 £7.57 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.

	2017/18
	£
The theoretical amount available for this purpose was (30,992 x £7.57)	<u>234,609</u>

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

Ward Grant	Memorial Bench for Cllr Paul Marsh	£1,484
Ward Grant	Sunflower House (Graffiti Remover)	£250
Ward Grant	Royal British Legion (Remembrance Service)	£200
TOTAL		£1,934

6. Pensions

For the year of account, the Council's contributions equal 17.4% 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 and are set to meet 100% of the liabilities of that fund, in accordance with relevant Government regulations.

7. Fixed Assets

	2018	2017
	£	£
	Value	Value
At 31 March the following assets were held:		
<u>Freehold Land and Buildings</u>		
The Old Town Hall, Folkestone	700,000	700,000
	<hr/>	<hr/>
	700,000	700,000
<u>Vehicles and Equipment</u>		
Computer Equipment	13,950	11,650
Office Machinery	1,520	1,520
Office Furniture	39,740	38,590
Street Furniture	26,750	26,750
Speed Watch Equipment	2,251	2,251
CCTV Equipment	78,000	70,000
Christmas Lights	30,000	30,000
Other	9,690	9,290
	<hr/>	<hr/>
	201,901	190,051
<u>Community Assets</u>		
Allotment Land (2 sites)	2	2
Council Regalia and Artefacts	117,596	117,596
William Harvey Statue	124,833	124,833
War Memorial	59,073	59,073
Power Columns x 11 (Cheriton High Street)	4,400	0
The Folkestone Collection (Museum/Heritage)	2,000,000	2,000,000
	<hr/>	<hr/>
	2,305,904	2,301,504

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 of fixed assets

9. Creditors and accrued expenses	2017/18
	£
Trade Creditors	20,156
Deferred Income	5,545
Accruals	19,397

10. Charitable Funds

	Balance at 01/04/2017	Contribution to fund	Payments	Balance at 31/03/2018
	£	£	£	£
Mayoress's Charitable Funds	3,393	6,701	4,687	5,407
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	Balance at 01/04/2017	Contribution to fund	Payments	Balance at 31/03/2018
	£	£	£	£
Mayor's Christmas Fund	3,968	19,700	6,480	17,188*

*Includes £12,000 to be reserved for use over the next four years

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 2018

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 2017/18 included £285 in respect of external training for Councillors.