

HUNTINGDON TOWN COUNCIL



**ANNUAL REPORT
AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31st March 2014**

**Presented to the Finance Committee on
19th June 2014**

PREPARED IN ACCORDANCE WITH THE ACCOUNTS & AUDIT REGULATIONS 2011

By Freelance Business Services

*Town Hall
Market Hill
Huntingdon
PE29 3PJ*

13th June 2014

*Philip Peacock
Town Clerk*

EXPLANATORY FOREWORD

The Statement of Accounts brings together on the following pages the major financial statements of the Council and consists of:-

Page	2 to 4	The Statement of Accounting Policies, which sets out the basis on which the accounts have been compiled.
Page	5	The Income and Expenditure Account. Summarising revenue expenditure and income for the year on all services, compiled in accordance with generally accepted accounting practice.
Page	6	The Balance Sheet. Which sets out the financial position of the Council at the 31st March with the balances and reserves available for future use.
Page	7 to 13	Notes to the Statement of Accounts

Budget Comparison for the year ended 2014

The following shows a comparison of the budget and outturn figures

	Budget £	Actual £	Variance £
Interest on Investments	33% (£ 10,975)	(£ 7,325)	(£ 3,650)
Highways, Footpaths & Lighting	-3% £ 3,592	£ 3,713	(£ 121)
Grants and Donations	-1% £ 121,840	£ 123,273	(£ 1,433)
Sports Facilities & Community Development	-32% £ 37,252	£ 49,353 *	(£ 12,101)
Community Halls	17% £ 81,749	£ 67,922	13,827
Amenity Areas	-27% £ 141,081	£ 179,753 *	(£ 38,672)
Democratic Representation & Management	-5% £ 145,067	£ 152,796	(£ 7,729)
Corporate Management	-13% £ 71,364	£ 80,758	(£ 9,394)
Capital Projects inc Deferred Charges	-12% £ 286,000	£ 321,276 *	(£ 35,276)
	£ 876,970	£ 971,519	(£ 94,549)
Precept	(£ 791,572)	(£ 791,572)	£ -
Grant Funding HDC	(£ 83,265)	(£ 83,265)	£ -
Net Costs of Services Less Precept & Grant	2,133	96,682	(£ 94,549)
Movement within the reserves			
Net Transfer to Capital Reserve Reserve	(£ 7,111)	(£ 7,111)	£ -
Net Transfer to Earmarked Reserve	3,759	3,759	£ -
Transfer to Repairs & Renewals Reserve	(£ 18,358)	(£ 11,910)	(£ 6,448)
Increase in the General Fund Balance for the year	(£ 19,577)	81,420	(£ 100,997)

This years variance shows an over spend against budget of £94,549 the main variance being marked with an *.

A brief explanation is shown below.

	Budget	Actual	Variance
Sports Facilities & Community Development			
Olympic Gymnasium	£ 4,539	£ 4,061	£ 478
Jubilee Park	£ 5,859	£ 4,794	£ 1,065
King George V Playing Field & I.B. Hall	(£ 16,085)	(£ 10,623)	(£ 5,462)
Community Development	£ 42,939	£ 51,121	(£ 8,182)
			<u>(£ 12,101)</u>
Amenity Areas			
Allotments Pay Allocation	£ 24,948	£ 28,678	(£ 3,730)
Cemeteries Increase in Income	£ 60,994	£ 55,003	£ 5,991
Closed Churchyards Skate Park	£ 34,161	£ 28,359	£ 5,802
Children's Play Area's Sundry income	(£ 72,409)	(£ 12,301)	(£ 60,108)
War Memorials	£ 1,699	£ 2,256	(£ 557)
Other Amenity Area's	£ 91,688	£ 77,758	£ 13,930
			<u>(£ 38,672)</u>
Capital Projects			
Various Capital Projects	£ 106,000	£ 79,631	£ 26,369
Town Hall refurbishment	£ 180,000	£ 241,645	(£ 61,645)
			<u>(£ 35,276)</u>

HUNTINGDON TOWN COUNCIL
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2014

2013		2014		
<u>Net</u> <u>Expenditure</u> £		<u>Gross</u> <u>Expenditure</u> £	<u>Income</u> £	<u>Net</u> <u>Expenditure</u> £
	Finance			
(821,965)	Precept	-	(874,837)	(874,837)
(7,398)	Interest on Investments	-	(7,325)	(7,325)
2,720	Highways, Footpaths and Lighting	3,713	-	3,713
	Grants and Donations			
	Commemoration Hall Charity	27,251	(27,251)	-
100,769	Grants, Donations and S137	103,885	-	103,885
5,000	Partnership Schemes	-	-	-
8,571	Twining - Grants etc.	12,110	(532)	11,578
5,753	Youth Town Council	7,810	-	7,810
	Sports Facilities & Community Development			
7,032	Clayton's Way and Olympic Gymnasium	12,141	(8,080)	4,061
5,317	Jubilee Park	6,976	(2,182)	4,794
(27,919)	King George V Playing Field & I.B. Hall	12,684	(23,307)	(10,623)
46,126	Community Development	61,208	(10,087)	51,121
	Community Halls			
74,123	Medway Centre	104,085	(36,163)	67,922
	Amenity Area's			
27,131	Allotments	32,992	(4,314)	28,678
55,964	Cemeteries	81,823	(26,820)	55,003
29,878	Closed Churchyards	28,359	-	28,359
39,733	Children's Play Area's	40,686	(52,987)	(12,301)
1,424	War Memorials	2,256	-	2,256
88,732	Other Amenity Area's	80,573	(2,815)	77,758
	Democratic Representation & Management			
33,060	Civic	41,978	(74)	41,904
(21)	Conferences	-	-	-
11,799	Elections	4,025	-	4,025
1,266	Meeting Room Hire	943	-	943
21,406	Newsletter & Website Hosting	22,398	-	22,398
2,028	Subscriptions	2,463	-	2,463
1,007	Printing & Postage	934	-	934
2,560	Training	3,216	-	3,216
44,163	Salaries - Democratic Rep. and Management	47,550	-	47,550
20,776	Establishment Costs (Share)	29,363	-	29,363
	Corporate Management			
9,509	Audit Inc Professional Fees	8,455	-	8,455
49,321	Salaries - Corporate Management	52,986	-	52,986
13,669	Establishment Costs (Share)	19,317	-	19,317
(148,466)	Net Costs of Services	852,180	(1,076,774)	(224,594)
179,509	Capital Projects	321,276	-	321,276
31,043	(Increase) / Decrease in Funds	1,173,456	(1,076,774)	96,682
	Transfers within Reserves	Out	In	Net
-	Capital Receipts Reserve	(7,111)	-	(7,111)
(156,059)	Earmarked Reserve	(11,241)	15,000	3,759
16,050	Repairs & Renewals Reserve (Net)	(61,910)	50,000	(11,910)
(108,966)	Deficit / (Increase) in the General Fund Balance for the year			81,420

HUNTINGDON TOWN COUNCIL
BALANCE SHEET
AS AT 31ST MARCH 2014

<u>2013</u>			<u>2014</u>		
£	<u>Notes</u>		£	£	£
		Current Assets			
49,434	16	Debtors and Prepayments	67,592		
350,000	17	Investments (Short Term)	-		
<u>297,500</u>		Cash and Bank	<u>602,445</u>		
696,934					670,037
		Current Liabilities			
(43,822)	18	Creditors & Accruals			(113,607)
653,112		TOTAL CURRENT ASSETS LESS LIABILITIES			556,430
<u><u>653,112</u></u>		TOTAL ASSETS LESS LIABILITIES			<u><u>556,430</u></u>

Represented By;

449,414	20	General Fund Balance	367,994
145,004	19	Capital Receipts Reserve	137,893
26,240	21	Earmarked Reserve	29,999
32,454	22	Repairs and Renewals Reserve	<u>20,544</u>
<u><u>653,112</u></u>			<u><u>556,430</u></u>

I hereby certify that the statement of accounts for the year ended 31st March 2014 required by the Accounts and Audit Regulations 2011 (and amended), are a fair and true reflection of the Councils finances at the 31st March 2014.

Signed..... Town Clerk

Approved..... Chairman

Date.....2014

NOTES TO THE ACCOUNTS

1 Fixed Assets

Movements in fixed assets during the year were:

	Land & Buildings £	Vehicles & Plant / Equip £	Fixtures & Fittings £	Play Equipment & Infrastructure £	Total £
Value at 1st April	2,344,179	52,870	386,892	128,185	2,912,126
Additions	-	-	1,290	-	1,290
Value as at 31st March	<u>2,344,179</u>	<u>52,870</u>	<u>388,182</u>	<u>128,185</u>	<u>2,913,416</u>

Recognition

All expenditure on the acquisition, creation or enhancement of fixed assets is capitalised on an accruals basis in the notes to the accounts. Expenditure on fixed assets is capitalised, provided that the fixed asset yields benefits to the authority and the services it provides, for a period of more than one year. A de minimis value of £500 for capitalisation of fixed assets applies.

Measurement

Fixed assets are valued on the basis recommended by CIPFA and in accordance with the statements of asset valuation principles and guidance notes issued by the Royal Institution of Chartered Surveyors (RICS). The closing balances are stated on the following basis:

1. Under Financial Reporting Standard for Smaller Entities (FRSSE) land, properties and other operational assets should be included in the notes at historical cost. The conversion of this has been considered to produce inaccurate values and to be unnecessarily time consuming. The Council decided to bring forward the cost of the Land and Properties at the 2010 net book value; and thereafter are shown at historical cost.

FRSSE requires no further revaluations be carried out.

The Council's policy is to carry out a maintenance programme so that, as far as possible, its fixed assets' useful life remains the same.

Fixed assets acquired in any year must be added to the asset register for management purposes. For accounting purposes, however, acquisitions and disposals of fixed assets must be treated as any other purchase or sale and recorded as part of annual expenditure or income.

Assets Purchased during the year	£
Equipment	
3 x New Computers	1,290
Capital Improvements	£
Bloomfield Park	3,350
Cemeteries	7,130
Cricket Pavilion KGV Field	22,739
Gym Club	28,410
Indoor/Outdoor Bowls	8,585
Medway Centre Refurbishment	2,424
Play Equipment	4,006
Town Hall Refurbishment	241,645
Town Play Park	1,697
	<u>319,986</u>
	<u><u>321,276</u></u>

Capital Improvements would not normally increase the value of the asset and therefore have not been shown as additions to the assets.

NOTES TO THE ACCOUNTS

1a Financing of Capital Expenditure

Expenditure during the year was financed as follows:

	£		£
Section 106 Receipts	-	Bloomfield Park	3,350
General Reserve	241,014	Cemeteries	7,130
Earmarked Reserves	11,241	Cricket Pavilion KGV Field	22,739
Capital Reserves	7,111	Gym Club	28,410
Repairs & Renewals	61,910	Indoor/Outdoor Bowls	8,585
		Medway Centre Refurbishment	2,424
		Play Equipment	4,006
		Office Equipment	1,290
		Town Hall Refurbishment	241,645
		Town Play Park	1,697
	<u>321,276</u>		<u>321,276</u>

1b Assets Held Under Finance Lease

	2013	2014
	£	£
ING Lease (UK) Ltd	<u>5,075</u>	<u>4,691</u>

Payments made during the year were £4,691 inclusive of the annual fee of £35. (2013 £5,075)

In April 2009 an agreement was entered into with ING Lease (UK) Limited, for the purchase of a Ransome Mower to the value of £22,000. The term of the agreement is for 5 years and includes a fixed rate finance charge of £3,300 including acceptance fee.

2 Information on Assets Held

Fixed Asset Valuation

The freehold properties which comprise the authority's property portfolio were valued at the 29th October 2012 by Barker Storey Mathews. Copies of the valuations are held on file at the Town Hall, Market Hill, Huntingdon, Cambs PE29 3PJ

Fixed Assets owned by the Council include the following:

	BSM 2012	Accounts
	Valuation	Values
Freehold Buildings		
Operational		
Cemetery Chapel, Priory Road	£ 105,000	£ 141,630
Council depot, St Peters Road	£ 85,000	£ 100,000
Cricket Pavilion, St Peters Road	£ 15,000	£ 15,000
Indoor Bowls Club, St Peters Road	£ 330,000	£ 501,072
Medway Community Centre, Building	£ 295,000	£ 351,523
Old Mortuary, Priory Road	£ 20,000	£ 25,000
Olympic Gymnastics Hall, Clayton Way	£ 100,000	£ 156,627
Outdoor Bowls Pavilion & Rink, St Peters Road	£ 40,000	£ 50,000
Non Operational		
1 Commemoration Hall, High Street (Custodian Trustees)	£ -	£ 650,000
2 Huntingdon Leisure Centre, St Peters Road	£ -	£ -
Leasehold Buildings		
3 Town Hall, Market Square (Leasehold)	£ 255,000	£ -
Freehold Land		
4 Castle Hills	£ -	£ -
Jubilee Park, Kings Ripton	£ 340,000	£ 353,327
5 Tower Field (Land Adjoining)	£ -	£ -
	<u>£1,585,000</u>	<u>£ 2,344,179</u>

- 1 The Council is Custodian of the Commemoration Hall and therefore it has no intrinsic value to the Council.
- 2 The Huntingdon Leisure Centre is on lease to the Huntingdon District Council for a peppercorn rent. No value is recorded since the value of the property in their own assets schedule.
- 3 No valuation was recorded in 2010 because the Town Council's assignment of the lease of the Town Hall was acquired at no cost.
- 4 Castle Hill is a scheduled ancient monument and therefore has no intrinsic value to the Council.
- 5 This is a small area of land that has never been valued, it was retained at the time of sale for redevelopment

NOTES TO THE ACCOUNTS

Freehold Land continued

Community Assets

<u>Allotments:</u>	Sallowbush Road North Street Hartford Road Primrose Lane
<u>Cemeteries:</u>	Priory Road Primrose Lane North Street
<u>Parks & Opens Spaces:</u>	Bloomfield Park KGV Field St Peters KGV Field Clayton Way KGV Sapley Road Victoria Square Gardens Hartford Garden of Rest
<u>Play Areas:</u>	Nursery Road Beacon Close Whinfield Close Dartmoor Drive Snowdonia Way

Leasehold Land

Land at Medway Community Centre,

<u>Play Areas</u>	Devoke Close Great Northern Street
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Fixtures and Fittings

Medway Community Centre
Town Park Bandstand
Town Hall Fixtures and Fittings
Town Hall Civic Property

Play Equipment, Infrastructure and Community Assets

Play Area Equipment
War Memorials

Vehicles, Plant and Equipment

KGV Vehicles and Equipment
Staging
Town Hall Equipment

When the Council was a treated as a Large Council, previous methods of accounting for assets meant that some of the assets still held and in use by the council have been fully depreciated and are therefore not counted in the Councils Financial Statements. A full list of the assets held by the Council is available from the Town Clerk at Town Hall, Market Hill, Huntingdon. PE29 3PJ

NOTES TO THE ACCOUNTS

3 Interest and Investment Income

The interest figure arises principally from the investment of capital receipts and revenue balances including reserves and provisions. Any interest on Capital Receipts is transferred to General Reserves.

	<u>2013</u>	<u>2014</u>
	£	£
Bank Interest Received	<u>9,374</u>	<u>7,325</u>

4 Section 137 Expenditure

Section 137 of the Local Government Act 1972(as amended) enables the Council to spend up to the product of £6.80 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. The total amount available for this purpose in 2014 was £108,331 Expenditure was incurred for the following purposes:

	<u>2013</u>	<u>2014</u>
	£	£
Huntingdon Town Partnership	5,000	-
Grants – Local Voluntary Bodies	17,287	17,511
CCTV Huntingdon District Council	39,710	40,504
Huntingdon Commemoration Hall Charity	37,000	37,000
Twinning	8,571	11,578
	<u>107,568</u>	<u>106,593</u>

It should be noted that grants to bodies such as Sports and Entertainment orientated organisations are made under other specific legal powers.

5 Publicity

Section 5 of the Local Government Act 1986 requires the Council to disclose expenditure on publicity. Details are shown under broad categories:

	<u>2013</u>	<u>2014</u>
	£	£
Recruitment Advertising	703	2,591
Other promotional advertising	-	106
	<u>703</u>	<u>2,697</u>

6 Pension Costs

In 2013/14 the Council paid an employer's contribution of £67,206 representing 29% of employees pensionable pay into Cambridgeshire County Council's pension fund, which provides members with defined benefits related to pay and service. The contribution rate is determined by the fund's actuary based on triennial actuarial valuations, the last review being in 2010. Under pensions regulations, contribution rates are set to meet 100% of the overall liabilities of the fund, and the increase stemming from the 2010 valuation is being phased in over a three year period.

Further information can be found in the Cambridgeshire County Council's Superannuation Fund Annual Report which is available on request from Shire Hall, Cambridge.

NOTES TO THE ACCOUNTS

7 Staffing

During 2013-14 the Council employed an average 24 of permanent staff (14 full and 10 part-time). All administrative, professional, technical & clerical (APT&C) are paid on nationally agreed pay scales.

The number of employees whose salary was £50,000 or more in bands of £10,000 were:

Band	2013 <u>Qty</u>	2014 <u>Qty</u>
£50,000 - £59,999	1	1

8 Leases

On Lease to the Huntingdon Town Council			Annual Rent Payable £	Year of Expiry
Lessor	Purpose			
Huntingdonshire DC.	Stukeley Meadows Play Area		Peppercorn	2047
Huntingdonshire DC.	Land, Medway Centre.		Peppercorn	2020
Huntingdonshire DC.	Town Hall		Peppercorn	2939
On Lease from the Huntingdon Town Council			Annual Rent Payable	Year of Expiry
Lessee	Location	Purpose		
Sport Huntingdon	Jubilee Park	Pitches / Rent (Rowdies) Rent (H.T.FC)	£ 1,200	2102
Jolly Archers of H. & Wyton	Jubilee Park	Archers	£ 380	2102
H'don Olympic Gymnastic Club	Claytons Way	Olympic Gym Club	£ 4,000	2108
H'don, P'boro & Cambs MS Centre.	Claytons Way	M.S. Therapy Centre	£ 927	2051
St John Ambulance	Claytons Way	St John Ambulance	£ 608	2107
H'don Bowls Club	St Peters Rd	Indoor Bowls Hall	£ 25,500	2037
H'don District Cricket Club	St Peters Rd	Cricket Pavilion	£ 100	2020
H'don Bowls Club	St Peters Rd	Bowls Green/Pavilion	£ 500	2028
H'don Tennis Club	St Peters Rd	Indoor/Outdoor Tennis	£ 900	2103
Huntingdonshire DC.	St Peters Rd	Leisure Centre,	Peppercorn	2017
Citizens Advice Bureau	Town Hall	Office & Meeting Rooms	£ 10,500	2016

9 Tenancies

Council as Tenant Landlord	Property	Rent p.a.	Year of Expiry
Huntingdon District Council	Town Hall Cloisters & Land	£ 60	3011

10 Local Authority (Goods and Services) Act 1970

The Council is empowered by this Act to provide goods and services to other public bodies. In the years 2012/13 and 2013/14 the Council did not provide any goods or services.

11 Members' Allowances

No allowances are paid to members.

NOTES TO THE ACCOUNTS

12 Related Party Transactions

During the year transactions with related parties arose as follows:-

		<u>2013</u>	<u>2014</u>
		<u>£</u>	<u>£</u>
Receipts			
Huntingdonshire District Council	Precept	821,965	791,572
Huntingdonshire District Council	Grant	-	83,265
		<u>821,965</u>	<u>874,837</u>
Payments			
Cambridgeshire County Council	Pension Fund	<u>66,491</u>	<u>67,206</u>
This payment represents employer's contributions to the fund in respect of employees.			

13 Audit Costs

In 2013/14 Huntingdon Town Council incurred the following fees relating to external audit and inspection

	<u>2013</u>	<u>2014</u>
	<u>£</u>	<u>£</u>
Fees payable to external audit Huntingdon Town Council with regard to external audit services carried out by the appointed auditor	2,030	2,000

14 Further Information

Further information about the accounts is available from the Council Offices, Town Hall, Market Hill, Huntingdon, Cambs, PE29 3PJ. It is part of the Council's policy of providing 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 locally.

15 Stocks

The Council held no Stocks

	<u>2013</u>	<u>2014</u>
	<u>£</u>	<u>£</u>
16 Debtors		
Other Local Authorities	-	-
Medway Centre	6,546	6,244
Commemoration Hall	4,385	4,967
Town Hall	246	5,922
Jubilee Park, KGV Field & Claytons Way	-	1,210
Indoor Bowls Hall Rent	6,240	-
Sundry Debtors	4,117	7,753
Interest Accrued	5,488	-
Customs & Excise	19,561	12,764
Payments in Advance	2,851	28,732
	<u>49,434</u>	<u>67,592</u>

NOTES TO THE ACCOUNTS

17 Investments

The investments are short term in nature (i.e. repayable within one year) and are placed with recognised financial institutions

	<u>2013</u>	<u>2014</u>
	<u>£</u>	<u>£</u>
Santander - Bond	350,000	-
	<u>350,000</u>	<u>-</u>

18 Creditors

	<u>2013</u>	<u>2014</u>
	<u>£</u>	<u>£</u>
Other Local Authorities	-	-
Inland Revenue	18,223	15,970
Sundry Creditors and Accruals	25,599	97,637
	<u>43,822</u>	<u>113,607</u>

19 Capital Receipts Reserve

	<u>2013</u>	<u>2014</u>
	<u>£</u>	<u>£</u>
Balance as at 1st April	145,004	145,004
Amount used to finance Capital Expenditure	-	(7,111)
Balance as at 31st March	<u>145,004</u>	<u>137,893</u>

The capital receipts reserve represents capital receipts available to finance capital expenditure in future years.

20 General Fund Balance

	<u>2013</u>	<u>2014</u>
	<u>£</u>	<u>£</u>
Balance as at 1st April	340,448	449,414
Increase / (Deficit) in the General Fund Balance	108,966	(81,420)
Balance as at 31st March	<u>449,414</u>	<u>367,994</u>

21 Earmarked Reserve

	<u>2013</u>	<u>2014</u>
	<u>£</u>	<u>£</u>
Balance as at 1st April	182,299	26,240
Transferred from General Reserve	-	15,000
Amount used to finance expenditure		
Town Hall Project	(156,059)	(11,241)
Balance as at 31st March	<u>26,240</u>	<u>29,999</u>

22 Repairs and Renewals Fund

	<u>2013</u>	<u>2014</u>
	<u>£</u>	<u>£</u>
Balance as at 1st April	16,404	32,454
Transferred from General Reserve	39,500	50,000
Amount used to finance expenditure	(23,450)	(61,910)
Net Transfer from General Reserve	16,050	(11,910)
Balance as at 31st March	<u>32,454</u>	<u>20,544</u>