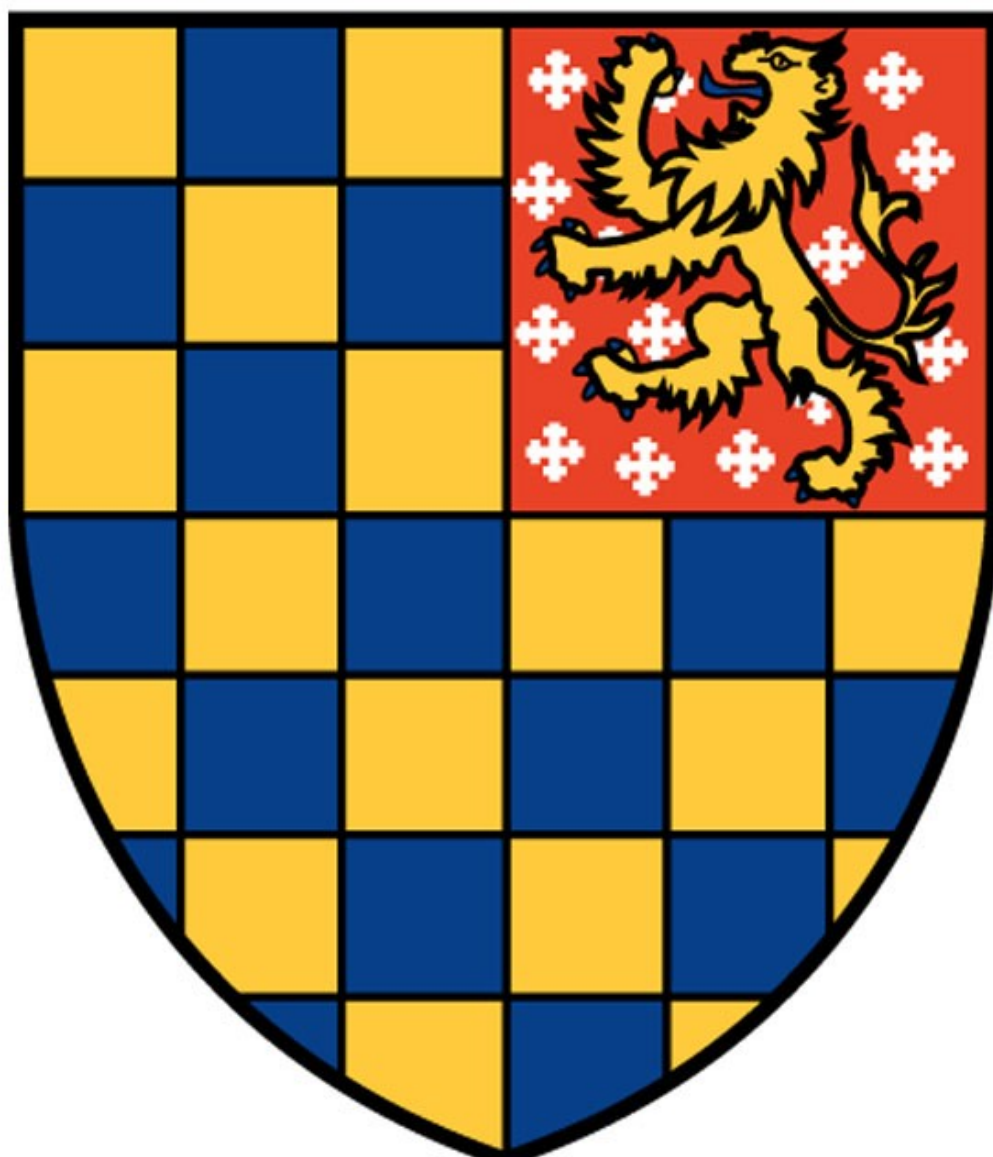
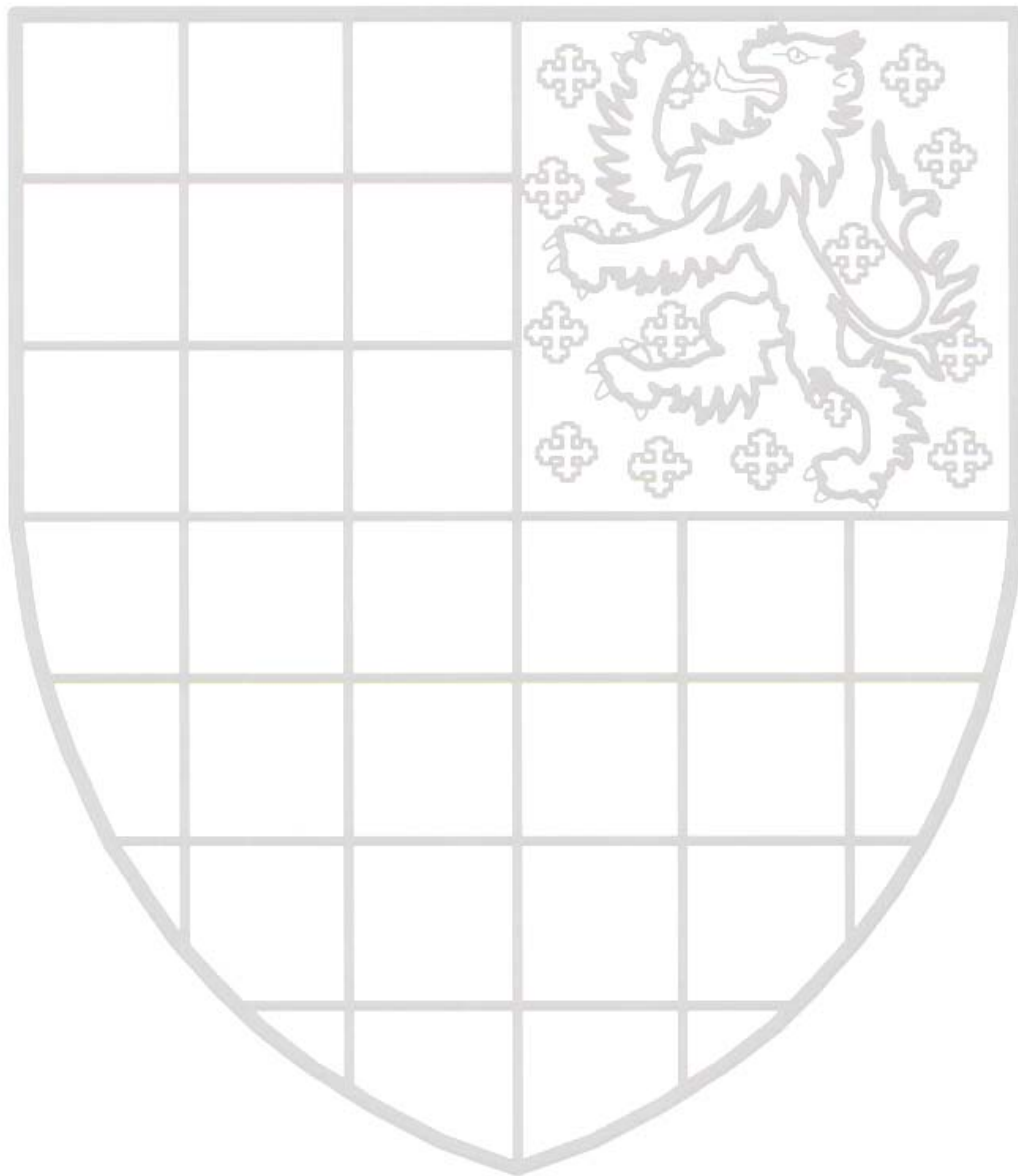


LEWES TOWN COUNCIL



FINANCIAL ACCOUNTS
for the year
1st April 2010 to 31st March 2011

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LEWES TOWN COUNCIL

Council Information

For the Year ended 31 March 2011

Councillors

Cllr Adam BARKER

Cllr Carol BOROWSKI

Cllr Michael CHARTIER

Cllr Jim DALY

Cllr Amanda DEAN

Cllr Jonathan FREEMAN

Cllr David GRAY

Cllr Leung Fuk LI

Cllr Nicola McGILLIGAN

Cllr Merlin MILNER

Cllr Roger MURRAY

Cllr Susan MURRAY

Cllr Ruth O'KEEFFE

Cllr Barbara RIDDIHOUGH

Cllr Jim SINCLAIR

Cllr John STOCKDALE (*wef July 2010*)

Cllr Mike TURNER

Cllr Jeremy WAINWRIGHT

Town Clerk Steve Brigden

Auditors

Mazars LLP
Chartered Accountants and Registered Auditors
Regency House
3 Grosvenor Square
Southampton SO15 2BE

LEWES TOWN COUNCIL

Explanatory Foreword

For the Year ended 31 March 2011

The Council's statements of accounts for the year ended 31 March 2011 are set out on the following pages. They consist of the following statements:

The Income and Expenditure Account

The Council's revenue account, covering income and expenditure on all services.

The Balance Sheet

This sets out the financial position of the Council at 31 March 2011, i.e. its assets and liabilities at that date.

Statement of Total Movement in Reserves

This summarises the total gains and losses of the Council and their effect on the Council's reserves during the year.

Notes to the Accounts

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

This foreword provides a brief explanation of the financial aspects of the Council's activities and draws attention to the main characteristics of the financial position.

Further Information

Further information about the accounts is available from The Town Hall, High Street, Lewes BN7 2QS. This 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 on the notice board outside the Council Offices, and on the Council's website (www.lewes-tc.gov.uk).

LEWES TOWN COUNCIL

Responsibilities for the Statement of Accounts

Year ended 31st March 2011

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 Town Clerk
- to manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.

The "Responsible Financial Officer" Responsibilities

The R.F.O. is responsible for the preparation of the Council's statement of accounts in accordance with the 'Code of Practice on Local Authority Accounting in Great Britain' (the code), so far as it is applicable to this Council, to present fairly the financial position of the Council at 31st March 2011 and its income and expenditure for the year then ended.

In preparing the statements of accounts, the R.F.O. has:

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

The R.F.O. 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 statements of accounts for the year ended 31st March 2011 required by the Accounts and Audit Regulations 2011 (SI2011/817) are set out in the following pages.

I further certify that the statements of accounts present fairly the financial position of Lewes Town Council at 31st March 2011, and its income & expenditure for the year ended 31st March 2011.

Signed:.....

Date:.....

Steven Brigden

Town Clerk and Responsible Financial Officer

LEWES TOWN COUNCIL

Statement of Internal Control

Year ended 31st March 2011

Scope and Responsibility

Lewes Town Council (hereafter called “the Council”) is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

In discharging this overall responsibility, the Council is also responsible for ensuring that there is a sound system of internal control which facilitates the effective exercise of the Council’s functions and which includes arrangements for the management of risk.

Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risks of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council’s policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them effectively and economically.

The Internal Control Environment

The Council already has or is putting into place systems which:

- Establishes and monitors the achievements of the Council’s objectives
- Facilitates policy and decision making
- Ensures compliance with established policies, procedures, laws and regulations
- Identifies, assesses and manages the risks to the Council, including how risk management is embedded in the activity of the Council, how leadership is given to the risk management process, and how staff are trained or equipped to manage risk in a way appropriate to their role
- Control the financial management of the Council and the reporting of financial information

LEWES TOWN COUNCIL

Review of Effectiveness

The Council has responsibility for conducting, at least annually, a review of the effectiveness of the system of internal control, and of its arrangements for internal audit.

The review of the effectiveness of the system of internal control is informed by the work of the internal auditor and the executive officers within the Council who have responsibility for the development and maintenance of the internal control environment, and also any comments made by the external auditor or other review agencies and inspectorates.

Our review of the effectiveness of the system of internal control is informed by:

- o The work of officers within the Council
- o The work of the internal auditor
- o The external auditors in their annual audit report

We have been advised on the implications of the result of the review of the effectiveness of the system of internal control by the executive officers, and plan to address any weaknesses and strive for continuous improvement of the systems in place.

We have reviewed the effectiveness of our Internal Audit operations, and have taken account of the guidance issued in this regard by the Audit Commission. We are satisfied on all counts that our arrangements are effective and meet expected standards.

Signed.....
Cllr J Stockdale
Mayor of Lewes 2011/12

Signed.....
Steve Brigden
Responsible Financial Officer

Date:.....

Date:.....

**Lewes Town Council
Balance Sheet
as at 31st March 2011**

Year Ended 31 March 2010	Notes	Year Ended 31 March 2011
£		£
	CURRENT ASSETS	
2,266	Stock 9	6,372
10,378	Debtors 10	13,332
0	Payment in advance	0
18,495	VAT Recoverable 16	18,452
553,052	Cash in Hand	691,040
584,191	TOTAL ASSETS	729,196
	CURRENT LIABILITIES	
7,634	Creditors 11	7,576
2,409	Receipts in Advance	3,342
0	VAT Payable	0
10,043	TOTAL LIABILITIES	10,918
	NET ASSETS	
574,147		718,279
	Represented by:	
334,368	General Fund 14	392,260
239,779	Earmarked funds	326,019
574,147		718,279

.....
Cllr J Stockdale
Mayor 2011/12

.....
Steve Brigden
Responsible Financial Officer

Date:.....

Date:.....

**Lewes Town Council
Income and Expenditure Account
for the Year ended 31st March 2011**

2010 Nett Expenditure	Cost Centres	Notes	2011 Gross Expenditure	2011 Income	2011 Nett Expenditure
108,506	Corporate Admin		110,327	625	109,701
65,333	Civic Admin		61,252	71	61,181
39,340	Mayoralty		37,555	3,237	34,319
147,231	Town Hall		221,995	86,075	135,920
69,456	All Saints		109,929	34,366	75,563
49,151	Pells		40,777	291	40,486
114,451	Open Spaces		74,305	6,568	67,736
23,594	Allotments		32,905	2,876	30,029
0	Election expenses		4,808	0	4,808
10,517	Section 137 Expenditure	6	13,704		13,704
56,629	Other Grants and Sponsorship		44,706		44,706
684,209	COST OF SERVICES		752,263	134,110	618,153
(763,000)	Precept received			782,000	(782,000)
(3,545)	Interest and Investment Income	3		994	(994)
10,056	Loan repayment		10,056		10,056
	VAT Unclaimable	16	10,653		10,653
(72,280)			772,972	917,104	(144,132)
(501,867)	Balance brought forward				(574,147)
(574,147)	Balance Carried Forward				(718,279)
211,929	Earmarked Reserve Balance B/I	14		239,779	
113,600	Transferred from General Fund			102,600	
85,750	Transferred to general fund			16,360	
					326,019
289,938	General Reserve Balance Brought Forward			334,368	
44,430	Surplus/(Deficit) for the Year			57,892	
					392,260
574,147	Balance Carried Forward				718,279

Lewes Town Council
Notes to the Accounts
31 March 2011

1 Information on Assets Held

	31/03/2010	Movement in the Year Acquisition s	31/03/2011	Method of Valuation
	£	£	£	
Operational Land and Buildings				
Lewes Town Hall	1,925,926	0	1,925,926	*
All Saints Centre	362,727	0	362,727	*
Pells Swimming Pool	131,250	0	131,250	*
Non-Operational Land and Buildings				
Malling Community Centre	85,000	0	85,000	**
Equipment				
Computer Equipment	10,948	0	10,948	*
Franking Machine	472	0	472	*
Infrastructure Assets				
Bus Shelters	42,193	0	42,193	*
Town Seats and Benches	21,707	0	21,707	*
Waste Bins	3,027	0	3,027	*
Town Signs	5,877	0	5,877	*
Community Assets				
Lewes Priory Land	24,000	0	24,000	**
The Pells Land	15,000	0	15,000	**
Allotments	26,500	0	26,500	**
The Town Plate	237,790	0	237,790	**
Works of Art	252,500	0	252,500	**
St. Michael's Town Clock	21,000	0	21,000	**
Civic Robes	35,670	0	35,670	**
Antique House Clock	2,370	0	2,370	**
Antique Books	2,100	0	2,100	**
War Memorial	1	0	1	***
Land at Landport Bottom (50% share with Lewes District Council)	1	0	1	***
Love Lane Tree Belt	1	0	1	***
Tom Paine Statue, Library terrace [private gift to town]		30,000	30,000	****
	3,206,060	30,000	3,236,060	

* Valued at open market value less depreciation prior to 31/3/05

** Valued at open market value at 1/4/2004

*** Nominal value/community asset

**** Valuation for insurance purposes

The above assets are insured at replacement cost values

Lewes Town Council**Notes to the Accounts****31 March 2011****2. Principal Accounting Policies****Accounting Convention**

The accounts have been prepared in accordance with The Code of Practice on Local Authority Accounting in Great Britain (the Code), which is recognised by statute as representing proper accounting practices.

Debtors and Creditors

The revenue accounts of the Council are maintained on an accruals basis in accordance with the Code. 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 insurance premiums and regular quarterly accounts (e.g. telephones, electricity). This policy is applied consistently each year, and therefore, it will not have a material effect on the year's accounts or on the Council's annual budget.

Leases

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

Earmarked Reserves

Earmarked Reserves are a means of building up funds to meet known or predicted liabilities in the coming years.

3. Interest and Investment Income	2010	2011
Interest Income – General Funds	£3,545	£994

4. Agency Work

During the year the Council did not undertake any agency work on behalf of other authorities or commission any agency work to be performed by other authorities.

Lewes Town Council**Notes to the Accounts****31 March 2011****5. Publicity**

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

	2010	2011
	£	£
Recruitment Advertising	0	394
Marketing Advertising	891	363
Other Publicity (incl. newsletter)	<u>704</u>	<u>1,043</u>
	1,595	1,800

6. S.137 Expenditure

Section 137 of the Local Government Act 1972 (as amended) enables the Council to spend up to £6.15 per head on the electoral roll in this year for the benefit of people in its area on activities or projects *not specifically authorised by other powers*.

Expenditure was made under this power in 2010/11 for the following purposes:

Grants to	£
Pippa's Group	2,000
Lewes Town Partnership	7,104
St Peter & St James' Hospice	250
Nevill Residents Association	200
Lewes Wireless Broadband	1,900
South Downs Joint Committee (DED fund)	2,250
TOTAL	13,704

Grants to bodies such as the Citizens Advice Bureau are made under other specific legal powers and so are not included in the above figures.

7. Employees and Members

The average weekly number of full time equivalent employees during the year was ELEVEN

Members' Allowances paid in the year YE2010 £3,854 YE2011 £3,419

Lewes Town Council**Notes to the Accounts****31 March 2011****8. Auditor's remuneration**

Audit fees due for the year to Mazars LLP, auditors, were £2,500 (2010: £2,500)

9. Stock

	2010	2011
	£	£
Resale & civic items; protective clothing, materials	1,282	3,744
Town Hall consumable stores	418	388
All Saints consumable stores	190	136
Stationery	376	2,104*
TOTAL	2,266	6,372

* includes estimates four years' stock pre-printed items

10. Debtors

	2010	2011
	£	£
Trade debtors (No debts were more than 3 months old)	10,378	13,332
VAT	18,495	18,452
Prepayment	0	0

11. Creditors and Accrued Expenses

	2010	2011
	£	£
Creditors	7,634	7,546
Receipts in Advance	2,409	3,342
TOTAL	10,043	10,918

12. Operating Lease Commitments

The Council had the following annual commitments under operating leases at 31 March.

	2010	2011
	£	£
Photocopier and doormats	1,669	2,047

13. Loans

	2010	2011
	£	£
Public Works Loan Board		
Amount outstanding	103,611	98,157

Lewes Town Council
Notes to the Accounts
31 March 2011

14. Movement in Reserves

	Opening Balance	Transfer from General Fund	Transfer to General Fund	Total
	£	£	£	£
Earmarked Reserves				
R1 Town Hall	15,000	15,000	1,600	28,400
R2 All Saints Centre	6,500	12,000	12,000	6,500
R3 Open Spaces	10,000	1,000	0	11,000
R4 Lewes Priory	3,000	300	1,380	1,920
R5 Pells Lake	11,929	0	0	11,929
R6 The Pells	68,300	11,700	0	80,000
R7 Commemorations Fund	14,500	2,500	0	17,000
R8 Environment Enhancement Fund	11,500	2,500	0	14,000
R9 Town Clocks	300	300	0	600
R10 Malling Community Centre	16,000	20,000	0	36,000
R11 Castle floodlights termination agreement	0	0	0	0
Projects committed or in progress				
P1 Baxter Prints	2,000	0	0	2,000
P2 Historic plaques programme (with FoL)	300	300	0	600
P3 Magic Circle (with FoL)	17,000	0	0	17,000
P4 Tom Paine commemoration	5,750	0	1,380	4,370
P5 Office ICT	12,000	3,000	0	15,000
P6 Town Hall access programme	10,000	10,000	0	20,000
P7 Ouse gauge board	700	0	0	700
P8 Allotments improvements	20,000	9,000	0	29,000
P9 Pedestrian crossings (contribution to ESCC)	15,000	15,000	0	30,000
	239,779	102,600	16,360	326,019

Movements this year relate to:

Budgeted contributions from income to reserve funds, and use of those reserves for their defined purpose.

General Fund*

	Opening Balance	Surplus /Deficit	Closing Balance
	£	£	£
Brought Forward	334,368	57,892	392,260

* The "General Fund" is the amount not committed to projects or earmarked reserves, which permits day-to-day liquidity and prudent allowance for unforeseeable demands.

It is maintained at a target level roughly equal to 50% of gross annual expenditure, although may fluctuate.

Lewes Town Council**Notes to the Accounts****31 March 2011****15. Pensions**

For the year ended 31 March 2011 the Council's contributions equalled 18.6% of employees' superannuable pay. Local Government Pension Scheme administrators have notified employer contribution rates for the following three years as:

2011/12	18.9%
2012/13	19.3%
2013/14	19.6%

16. Value Added Tax (VAT)

Subject to certain conditions, local councils may treat as "non-business" for purposes of VAT some activities that would normally be "business", even when charges are made (*Value Added Tax Act 1994 s33*). It is possible to agree a "partial-exemption" formula, whereby a proportion of an activity can be defined as "non-business" eg a building containing both public halls and the council's own offices may be agreed to offer a percentage of its floor area as space available for exempt uses, and the rest defined as its business base. Expenditure and VAT paid on operation of the building can then be apportioned.

VAT paid (input tax) in relation to exempt activities can be reclaimed provided that the total amount does not exceed £7,500 for the year (average £625 per month), AND represents less than 5% of the total VAT paid on *all* goods/services in the year.

17. Contingent Liabilities

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