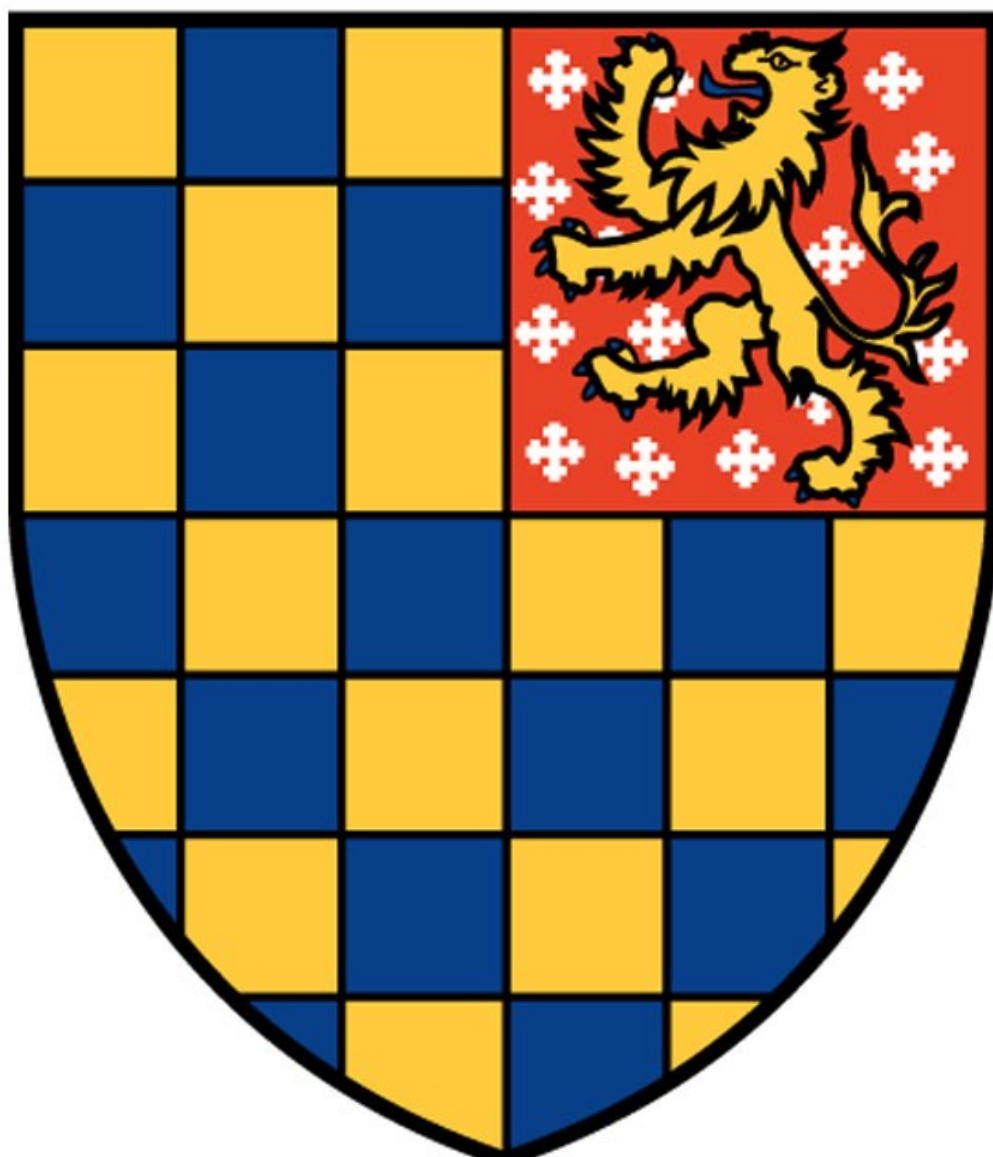


LEWES TOWN COUNCIL



FINANCIAL ACCOUNTS for the year 1st April 2016 to 31st March 2017

LEWES TOWN COUNCIL

Council Information

For the Year ended 31 March 2017

Councillors

Cllr Annabella ASHBY

Cllr Janet BAAH (*elected 2nd June 2016*)

Cllr Adam BARKER

Cllr Dr Amanda BOLT

Cllr Richard BURROWS

Cllr Michael CHARTIER

Cllr Will ELLIOTT

Cllr Huw JONES

Cllr John LAMB

Cllr Imogen MAKEPEACE

Cllr Dr Graham MAYHEW

Cllr Merlin MILNER

Cllr Roger MURRAY

Cllr Susan MURRAY

Cllr Ruth O'KEEFFE

Cllr Tony ROWELL

Cllr Esther WATTS

Cllr Stephen WISCHHUSEN (*known as CATLIN*)

Town Clerk and Responsible Finance Officer

Steve Brigden

Auditors (external)

Littlejohn LLP
Ref: SBA
2nd Floor 1 Westferry Circus
Canary Wharf
LONDON E14 4HD

Auditors (internal)

Mulberry & Co
Chartered Certified Accountants,
Registered Auditors & Chartered
Tax Advisers
9 Pound Lane
GODALMING
Surrey GU7 1BX

LEWES TOWN COUNCIL

Explanatory Foreword

For the Year ended 31 March 2017

The Council's statements of accounts for the year ended 31 March 2017 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 2017, 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, and the financial administration of the Council, 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). Other aspects of the Council's financial operations are published during the year on the website, and may be obtained on request.

LEWES TOWN COUNCIL

Responsibilities for the Statement of Accounts

Year ended 31st March 2017

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 Finance 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 2017 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 Finance Officer's Certificate

I hereby certify that the statements of accounts for the year ended 31st March 2017 required by the Accounts and Audit Regulations 2015 (SI2015/234) 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 2017, and its income & expenditure for the year ended 31st March 2017.

Signed:.....

Date:.....

Steven Brigden

Town Clerk and Responsible Finance Officer

LEWES TOWN COUNCIL

Statement of Internal Control

Year ended 31st March 2017

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:

- Establish and monitor the achievements of the Council’s objectives
- Facilitate policy and decision making
- Ensure compliance with established policies, procedures, laws and regulations
- Identify, assess and manage 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 completed by:

- The work of officers within the Council
- Routine oversight by our Audit & Governance Panel
- The work of the internal auditor
- 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 guidance issued in this regard by the Joint Panel on Accounting Guidance (JPAG). JPAG is responsible for issuing proper practices in relation to the accounts of “smaller authorities” as defined in the Accounts and Audit Regulations. Membership consists of sector representatives from the Society of Local Council Clerks, the National Association of Local Councils and the Association of Drainage Authorities, together with stakeholder partners representing the Department of Communities and Local Government, the Department of Environment, Food and Rural Affairs, the Chartered Institute of Public Finance and Accountancy, the National Audit Office, and a representative of the external audit firms appointed to smaller authorities.

We are satisfied on all counts that our arrangements are effective and meet expected standards.

Signed
Cllr Michael Chartier
Mayor of Lewes 2017/18

Signed
Steve Brigden
Town Clerk & Responsible Financial Officer

Date

Date

Lewes Town Council
Income and Expenditure Account
for the Year ended 31st March 2017

2016 Nett Expenditure	Cost Centres	Notes	2017 Gross Expenditure	2017 Gross Income	2017 Nett Expenditure
93,443	Corporate Admin		97,195	1,581	95,614
118,927	Civic Admin		104,428	8,329	96,099
47,114	Mayoralty		55,767	8,077	47,690
371,127	Town Hall	17	421,352	94,516	326,836
85,641	All Saints		160,714	58,634	102,080
7,138	Malling Community Centre	18	39,809	18,736	21,074
41,402	Pells		39,925	186	39,739
93,282	Open Spaces		121,845	1,077	120,768
26,523	Allotments		32,332	4,391	27,941
16,400	Election Expenses		11,484		11,484
35,104	Section 137 Expenditure	5	35,122		35,122
-34,519	Other Grants and Sponsorship	16	40,312	53,128	(12,816)
<hr/>			<hr/>	<hr/>	<hr/>
901,582	COST OF SERVICES		1,160,285	248,655	911,629
(780,496)	Precept Received			860,072	(860,072)
(226)	Interest and Investment Income			226	(226)
10,056	Loan Repayment		10,056		10,056
30,528	VAT Unclaimable	14	30,948		30,948
<hr/>			<hr/>	<hr/>	<hr/>
161,444			1,201,289	1,108,953	92,336
(986,556)	Balance Brought Forward				(825,112)
<hr/>					<hr/>
(825,112)	Balance Carried Forward				(732,776)
<hr/>					<hr/>
702,236	Earmarked Reserve Balance B/F	20		586,409	
180,130	Transferred from General Fund			201,330	
295,957	Transferred to General Fund			189,027	
	Earmarked Reserve Balance C/F				598,712
284,320	General Fund Balance Brought Forward			238,703	
(45,617)	Surplus/(Deficit) for the Year			(104,639)	
	General Fund Balance C/F				134,064
<hr/>					<hr/>
825,112	Balance Carried Forward				732,776
<hr/>					<hr/>

NOTE: Totals may be affected by "rounding" convention

Lewes Town Council
Balance Sheet
as at 31st March 2017

Year Ended 31 March 2016	Notes	Year Ended 31 March 2017
£		£
	CURRENT ASSETS	
4,563	Stock 8	5,905
9,557	Debtors 9	12,723
	Payment in Advance	
52,071	VAT Recoverable 14	38,439
784,052	Cash in Hand	781,728
850,243	TOTAL ASSETS	838,794
	 CURRENT LIABILITIES	
23,309	Creditors 10	10,019
1,821	Receipts in Advance 10	30,999
	Accruals 10	65,000
0	VAT Payable	
25,130	TOTAL LIABILITIES	106,018
	 NETT ASSETS	
825,112		732,776
	 Represented by:	
238,703	General Fund 20	134,064
586,409	Earmarked funds	598,712
825,112		732,776

.....
Cllr Michael Chartier
Mayor 2017/18

Date:.....

.....
Steve Brigden
Responsible Finance Officer

Date:.....

Lewes Town Council**Notes to the Accounts****Year Ended 31 March 2017****1. 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 income and expenditure 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.

2. Interest and Investment Income	2016	2017
	£	£
Interest Income – General Funds	226	226

3. 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.

4. 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:

	2016	2017
	£	£
Recruitment Advertising	0	0
Marketing Advertising	447	200
Other Publicity	1,945	1,850
Community Cinema operating advertisements	1,410	1,520
TOTAL	3,802	3,570

Lewes Town Council**Notes to the Accounts****Year Ended 31 March 2017****5. S.137 Expenditure**

Section 137 of the Local Government Act 1972 (as amended) enables the Council to spend up to £7.42 per head (2016:£7.36) 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 2016/17 for the following purposes:

	2016	2017
	£	£
Grants to		
Lewes Town Partnership	7,000	3,500
East Sussex Youthbank	4,000	4,000
Malling Tenants & Residents Association	0	610
Kent; Sussex & Surrey Air Ambulance Trust	0	250
Now! Charity Group	0	1,350
Circles Network	0	750
PATINA	2,000	1,250
iContact	0	1,200
St John's Sub-Castro	0	600
RELATE counselling	0	750
St Peter & St James Hospice	0	1,000
Kingston Rd & Cranedown Residents Association	4,000	0
Chapel Café & foodbank	850	0
Sussex Community Development Association	1,000	0
Youth Focus for Lewes	960	0
TOTAL	19,810	15,260

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

General Power of Competence

Minute extract: Council meeting of 21st May 2015

Ref **FC2015/14.1** "Lewes Town Council declares that it meets the conditions, prescribed in Article 2 paragraph 2 of The Parish Councils (General Power of Competence) (Prescribed Conditions) Order 2012 (SI2012/965), and hereby resolves to adopt the General Power of Competence as provided in the Localism Act 2011 ss1-8."

This declaration has effect until the Council's Annual Meeting 2019.

6. Employees and Members

The average weekly number of full-time equivalent employees during the year was ELEVEN. The establishment is 14 (8 full-time; 6 part-time).

The government's Code of Recommended Practice for Local Authorities on Data Transparency promotes the following statement of senior employees' remuneration:

	2016	2017
	£	£
Chief Executive Officer/Head of Paid Service (Town Clerk)		
Gross salary received	62,827	63,933
Employer's contribution to LGPS	12,942	13,387
This represents a multiple of 2.89 compared with the median of all salaries		
Members' Allowances paid in the year	4,060	3,310

Lewes Town Council**Notes to the Accounts****Year Ended 31 March 2017****7. Auditors remuneration**

Fees due to Littlejohn LLP, external auditors, were	£2,000	(2016: £2,000).
Fees paid to Mulberry & Co, internal auditors, were	£425	(2016: £907)

8. Stock

	2016	2017
	£	£
Resale & civic items; protective clothing; materials	2,441	2,291
Town Hall consumable stores	472	451
All Saints consumable stores	461	741
All saints resale stock	206	157
Stationery	*983	*2,265
TOTAL	4,563	5,905

* includes stock pre-printed items, at valuation

9. Debtors

	2016	2017
	£	£
Trade debtors (No debts were more than 3 months old)	9,557	12,723
VAT (see Note 16)	52,071	38,439
TOTAL	61,628	51,162

10. Creditors and Accrued Expenses

	2016	2017
	£	£
Creditors	23,309	10,019
Receipts in Advance ¹	1,821	30,999
Accruals ²	0	65,000
TOTAL	25,130	106,018

1 includes £28,000 balance of grant received from Heritage Lottery Fund ('Our Pictures' project)

2 provides for £40,000 committed to Lewes District Council pending completion of devolved ownership of Malling Recreation Ground (*iro LDC Special Expenses charge not levied 2016/17*) and £25,000 committed to ESCC *iro* pedestrian crossing, Church Lane, Malling

11. Operating Lease Commitments

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

	2016	2017
	£	£
Photocopier and doormats	2,271	2,344

12. Loans

	2016	2017
	£	£
Public Works Loan Board (1999 – 2023)	66,933	59,810

This loan was taken out on 18th January 1999 for works to the Town Hall, in the sum of £150,000 at fixed interest rate of 4.5%pa, with instalments payable half-yearly over 25 years (terms as PWLB Circular No116).

Lewes Town Council

Notes to the Accounts

Year Ended 31 March 2017

13. Pensions

For the year ended 31 March 2017 the Council's contributions equalled 21.1% of employees' pensionable pay (2015/2016 20.6%). Local Government Pension Scheme administrators have notified employer contribution rates for the following year as: 2017/18: 17.4% + £14,000 (*revised valuation principle by fund actuaries*).

14. 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. These values are unchanged since 1992.

15. Contingent Liabilities

The Council is not aware of any contingent liabilities at the date of these accounts. It has accounted-for accrued commitments (*see note 10*).

16. Council Tax Reduction Support Grant

Government changes have given Principal councils freedoms to remove/alter existing exemptions and discounts from council tax.

The Government decided that Parish tax bases would be lowered to reflect new local council tax support scheme discounts.

The funding provided to Billing Authorities includes a specified amount attributable to parish areas. The Government has made it clear that this has been provided with the expectation that they will work with local parishes and use this to mitigate the inflationary effect of the tax base reduction on their notional Band 'D' equivalent charge. Not all Billing Authorities in England have done this, but it is expected that the indicative funding that Lewes District Council will receive for passing-on to parishes will be transferred as a Council Tax Reduction Support Grant (CTRSG).

Lewes District Council has made/committed the following payments of this grant:

2013/14: £89,271 2014/15: £73,534 2015/16: £62,504 **2016/17: £53,128** 2017/18 £45,158

The programmed reduction in the amount of CTRSG will increase the calculated Band'D' equivalent value, regardless of any change in Lewes Town Council's budget requirement.

17. Town Hall

In 2015/16 the Council commissioned a major repair/conservation programme for the Town Hall; a heritage-listed building (Grade 2), commencing with the South elevation - the High Street façade. This entailed substantial repairs to ornamental brickwork and terracotta mouldings; stone work; window frames and other woodwork, and re-laying of roof coverings. This work continues as the roof coverings of both the assembly Room and Corn Exchange are replaced. Works are funded from accrued balances in Earmarked Reserves (*see note 20*) and the General Fund.

Lewes Town Council

Notes to the Accounts

Year Ended 31 March 2017

18. Malling Community Centre

Lewes Town Council intends to regenerate the Malling (Bridgeview) Community Centre and create a new mixed use community space. This will involve major alteration and refurbishment works. The newly renovated building will offer a vibrant community space, with links to outdoor facilities, spaces for public hire, sports changing rooms, and social area/café. Architects are preparing design outlines, taking account of the many comments and responses to earlier consultations from current and prospective users. When these designs are presented we hope that many of those stakeholders will be able to assist Councillors in making their choice.

Only when a design is selected will we be able to assess what grants may be available to assist in enhancing particular elements of the scheme and to plan the final stages of the programme. We will then invite tenders from building contractors and the actual timing of the works will depend upon the successful bidder (who will no doubt need to take account of other commitments), and the progress of an application for planning consent. Works are expected cost in the order of £430,000, which will be funded from accrued balances in Earmarked Reserves (*see note 19*) and will be supplemented by appropriate grant applications and/or approved borrowing.

Lewes Town Council
Notes to the Accounts
31 March 2017

19 Information on Assets Held

	31/03/2016	Movement in the Year Acquisition s	31/03/2017	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 site	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	0	30,000	****
	3,236,060	0	3,236,060	

* Valued at open market value less depreciation prior to 31/3/05 (depreciation not charged subsequently, due to change in local councils' statutory accounting regime)

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

*** Nominal value/community asset

**** Valuation for insurance purposes

Assets are insured at replacement cost values, except the Priory and War Memorial, which are insured on a first-loss basis.

Lewes Town Council
Notes to the Accounts
31 March 2017

20 Movement in reserves

	Opening Balance	Transfer from General Fund	Transfer to General Fund	Total
	£	£	£	£
Earmarked Reserves				
R1 Town Hall	0	79,000	79,000	0
R2 All Saints Centre	44,800		10,000	34,800
R3 Open Spaces	0	3,000	0	3,000
R4 Lewes Priory	3,192	280	0	3,472
R5 Pells Lake	11,929	0	0	11,929
R6 The Pells	100,639	0	0	100,639
R7 Commemorations Fund	14,005	2,000	4,477	11,528
R8 Environment Enhancement Fund	23,355	2,000	0	25,355
R9 Town Clocks	2,100	300	0	2,400
R10 Malling Community Centre	233,000	30,000	200	262,800
R11 <i>Placeholder for future projects</i>	0	0	0	0
R12 Neighbourhood road-salt bin grants fund	2,583	0	0	2,583
R13 Election costs reserve	0	6,500	6,500	0
R14 Devolution process	87,455	38,200	45,000	80,655
R15 ICT Replacement	5,000	750		5,750
Projects committed or in progress				
P1 Our Pictures Project	0	9,000	1,750	7,250
P2 Historic plaques programme (with FoL)	960	300	1,110	150
P3 Magic Circle (with FoL)	7,000	0	0	7,000
P4 <i>Placeholder for future projects</i>	0	0	0	0
P5 Neighbourhood Plan	12,891	5,000	10,490	7,401
P6 <i>Placeholder for future projects</i>	0	0	0	0
P7 <i>Placeholder for future projects</i>	0	0	0	0
P8 Allotments improvements	10,000	0	5,500	4,500
P9 Pedestrian crossings (contribn to ESCC)	27,500	25,000	25,000	27,500
	586,409	201,330	189,027	598,712

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	238,703	(104,639)	134,064

* 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.

** Accounts marked have no further purpose, and balances have been re-appropriated to the General Fund.