



CIRENCESTER TOWN COUNCIL

STATEMENT OF ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2010

Cirencester Town Council

Council Information

Mayor

G T Adams

Councillors

A Lichnowski (Deputy Mayor)

Mrs S A Alexander

Mrs C Braidwood

P A Braidwood

A N Curry

H G C Gray

W Helm

Mrs J L Hincks

R Hughes

D J Nash

Mrs S A le Noury

Mrs B A Potter

Mrs M S Rickman

G Selwyn

Town Clerk

A. D.Tubb

Deputy Town Clerk & Responsible Finance Officer

C Sherwood

Auditors

Moore Stephens, 30 Gay Street, Bath BA1 2PA

Cirencester Town Council

Explanatory Foreword

31st March 2010

The Council's Statement of Accounts for the year ended 31st March 2010 is set out on the following pages.

They consist of the following statements: -

The Income and Expenditure Account

This summary covers income and expenditure on all services.

The Balance Sheet

This sets out the financial position of the Council at 31st March 2010, i.e. its assets and liabilities at that date.

Notes to the Accounts

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

The Council's overall financial position remains at an acceptable level and unallocated sums are transferred to the general fund.

Staff efficiency savings at the Kingshill Sports Field enabled the Youth project, now known as "The Ozone", to be brought in early. The partnership arrangements with Fosseway Living in providing the Youth Liaison Officer and the location of New Brewery Arts are both proving to be successful.

The Council has made a commitment in principle to contribute as much as £150,000 to improvements to the Market Place.

Cirencester Town Council

Statement of Responsibilities for the Statement of Accounts

31st March 2010

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 (R.F.O.) has the responsibility for the administration of those affairs, and
to manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.

The Responsible Financial Officer's Responsibilities

The R.F.O. is responsible for the preparation of the council's statements of accounts.

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

selected suitable accounting policies and then applied them consistently
made judgments and estimates that were reasonable and prudent.

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 31 March 2010 required by the Accounts and Audit Regulations 2003 are set out in the following pages.

I further certify that the statements of accounts present fairly the financial position of Cirencester Town Council at 31 March 2010, and its income and expenditure for the year ended 31 March 2010.



Signed:

Responsible Financial Officer

Date: 23rd June 2010

Cirencester Town Council

Statement of Internal Control Relating to Cirencester Town Council

Scope of Responsibility

Cirencester Town 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.

The Council also seeks, in the interest of good governance, to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

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.

The 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 risk 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 efficiently, effectively and economically.

A system of internal control has been in place at Cirencester Town Council for the year ended 31st March 2010 and up to the date of the approval of the annual report and accounts.

The Internal Control Environment

The system of internal control is based on a framework of codes of conduct, internal regulations (including but not limited to financial regulations) and administrative procedures. It is further enhanced by the regular provision of management and financial information, provided as appropriate to fit the Council's policy of delegation and responsibility. The system is constantly monitored by Members as well as Officers within the Council.

The system incorporates:

- Standing orders relating to financial matters
- Quarterly budget reports
- Monthly reconciliations
- Authorisation of transactions

Review of Effectiveness

Cirencester Town Council has responsibility for conducting, at least annually, a review of the effectiveness of the system of internal control. The review of the effectiveness of the system of internal control is informed by the control exercised by Members and the work of the internal auditor and the executive managers within the Council who have responsibility for the development and maintenance of the internal control environment. It is further enhanced by reports and comments made by the external auditors and other review agencies and inspectorates.

Cirencester Town Council

Statement of Internal Control

31st March 2010

Significant Internal Control Issues

To-date, no significant internal control issues have been identified. As such issues arise, effective steps will be taken to ensure that matters are addressed, weaknesses eradicated and revised systems implemented at the earliest possible opportunity.

Approval of Statement

Mayor: 

Town Clerk: 

Date: 23rd June 2010

Cirencester Town Council

Summary of Income and Expenditure 2009/10

| Income & Expenditure 2008/09 | | |
|---|-----------------------------------|---------------|
| £ | Income | £ |
| 591,385 | Precept | 643505 |
| 32,298 | Agency Services | 34061 |
| 31,994 | Interest on Investments | 35120 |
| 1,318 | Administration | 5765 |
| 392 | Allotments | 590 |
| 10,500 | Christmas Lighting | 8363 |
| 241 | Civic | |
| 1,230 | Environment | 1528 |
| 3,000 | Mop Fair | 3000 |
| 1,545 | Norman Arch Cottage | 7000 |
| 11,981 | Parks & Playing Fields | 8258 |
| 84 | Rents & Wayleaves | 87 |
| | Sale of Land | 35195 |
| 50,111 | Street Market | 43161 |
| 5,658 | Kingshill Lane Sports Development | 10861 |
| 13,285 | OFC | 18069 |
| 755,022 | | 854563 |
| | Expenditure | |
| 314,838 | Administration | 302708 |
| 430 | S.137 Payments | 334 |
| 157,711 | Capital | 48561 |
| 7,500 | CCTV | 7500 |
| 19,790 | Christmas Lighting | 11238 |
| 279 | Church Floodlighting | 184 |
| 7,344 | Civic Purposes | 8271 |
| 13,292 | Environment | 9547 |
| 31,764 | Grants | 15965 |
| 801 | Loan Repayments – Principal | 12816 |
| 611 | Loan Repayments – Interest | 32 |
| 1,990 | Mop Fair | 2445 |
| 777 | Norman Arch Cottage | 1221 |
| 48,290 | OFC | 23829 |
| 280,966 | Parks & Playing Fields | 255398 |
| 5,020 | Publicity (inc Newsletter) | 6078 |
| 30,894 | Street Market | 23252 |
| | Kingshill Sports Development | 11352 |
| | Youth Services | 2980 |
| 922,297 | | 743711 |
| | Funds | |
| 846,324 | Balance at 31.3.2009 | 679049 |
| 755,022 | Add Total Income | 854563 |
| 922,297 | Less Total Expenditure | 743711 |
| 679,049 | Balance at 31.3.2010 | 789901 |

Cirencester Town Council

Notes to the Accounts

31st March 2010

1 Principal Accounting Policies

Debtors and Creditors

The revenue accounts of the Council are maintained on an accruals basis. 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. Therefore, it will not have a material effect on the year's accounts or on the Council's annual budget.

External Loan Repayments

The Council currently has no external borrowings.

Leases

Details of the Council's obligations under operating leases are shown at note 16.

Reserves

The Council maintains certain reserves to meet general and specific future expenditure.

Interest Income

Interest receipts are normally credited to general funds and the Reserve account held for the future development of the Kingshill Sports Field.

Investments

The cash balances of the Council are held in different accounts to enable the best return of interest. These are the Bank of Scotland Guaranteed Fixed Deposit Account and the Reserve Account, both giving a higher rate of interest, the Bank of Scotland Business Cheque Account with a lesser rate of interest and the Lloyds TSB Current Account. There is a separate account for the payment of Salaries.

In the course of normal business, the reserves and precept are held in the Guaranteed Fixed Deposit and Reserve Accounts and funds transferred between accounts as necessary.

Pensions

The Town Council is in membership of the Gloucestershire County Council Superannuation Scheme which is a defined benefit scheme operated by the County Council for all relevant accepted bodies in the area.

It is not currently possible to identify separately on a consistent basis for the purposes of FRS17, the assets and liabilities relating to those bodies participating in a large group for the purposes of setting a common contribution rate. This is because the common contribution rate necessarily gives rise to cross-subsidy with the bodies concerned.

The contribution rate payable by the employer throughout the year was at 20.4% of the gross pensionable salary payable to the employee.

Cirencester Town Council

Notes to the Accounts

31st March 2010

2 Agency Work

During the year the Council incurred expenditure for the following agency work, this expenditure was reclaimed in full.

| | 2010 | 2009 |
|---|---------------|---------------|
| Commissioning Authority and Nature of Work | £ | £ |
| Bingham Library Trust – Administration of the Trust | 20,226 | 19,106 |
| - Tasks Officer recharge | 13,835 | 13,192 |
| | <u>34,061</u> | <u>32,298</u> |

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

3 Audit Fees

| | 2010 | 2009 |
|--|-------|-------|
| | £ | £ |
| The Council is required to report and disclose the cost of services provided by its external auditors. These may be summarised as follows: | | |
| Fees for statutory Audit Services | 3,220 | 3,810 |

4 S.137 Expenditure

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

The present number of electors is 14,946 equal to £91,918

| | 2010 | 2009 |
|--|------------|------------|
| | £ | £ |
| Expenditure was incurred for the following purposes: | | |
| Grant Aid to Vitalise | 184 | 280 |
| Grant Aid to Sue Ryder | 150 | 0 |
| Grant Aid to Gloucestershire Chest Fund | <u>0</u> | <u>150</u> |
| | <u>334</u> | <u>430</u> |

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 | 2009 |
|-------------------------|--------------|--------------|
| | £ | £ |
| Recruitment Advertising | | |
| Charter Market | 215 | 150 |
| Town Map | 250 | |
| OFC | 90 | |
| Newsletter | <u>5,523</u> | <u>4,870</u> |
| | <u>6,078</u> | <u>5,020</u> |

Cirencester Town Council

Notes to the Accounts

31st March 2010

6 Charter Street Market

This operates as a Monday and Friday market under a charter. The Council rents space to market traders for each day and contracts a Manager to oversee the operation. The net income is used to offset the Council Tax.

| | 2010 | 2009 |
|----------------|----------------------|----------------------|
| | £ | £ |
| Turnover | 43,161 | 50,111 |
| Manager's Fees | -20,081 | -28,020 |
| Business Rates | -3,007 | -2,864 |
| Skip Hire | 0 | 0 |
| Other Costs | <u>-164</u> | <u>-160</u> |
| Profit | <u>23,252</u> | <u>19,067</u> |

7 Interest and Investment Income

| | 2010 | 2009 |
|-----------------|---------------|---------------|
| | £ | £ |
| Interest Income | 35,120 | 31,994 |

8 Related Party Transactions

During the year all members were Trustees of the Bingham Library Trust. The Council administers the Trust on an Agency basis at a cost of £20,226 and The Trust pays the Council 50% of the costs for the Tasks Officer which amounted to rents its offices from the Trust for £20,975 per annum. Through the year, five members were Cotswold District Councillors. The Council paid subsidies to the Cotswold District Council in the sum of £7,500 towards CCTV.

9 Employees

The average weekly number of employees during the year was as follows:

| | |
|-----------|-----------|
| Full-time | 13 |
| Part-time | <u>4</u> |
| | <u>17</u> |

All staff are paid in accordance with nationally agreed pay scales.

10 Pension Costs

The Council participates in the Gloucestershire County Council Pension Fund. The Gloucestershire County Council Pension Fund is a defined benefit scheme, but the Council is unable to identify its share of the underlying assets and liabilities because all the town and parish councils in the scheme pay a common contribution rate.

In 2009/2010 the Council paid employer's contributions of £60,873 into the Gloucestershire County Council Pension Fund (2008/09 - £61,337) at the rate of 20.4% of the Employees superannuable pay.

11 Fixed Asset Valuation

The freehold and leasehold properties that comprise the Council's property have been valued as at 31st March 2010 at insurance values.

Cirencester Town Council

Notes to the Accounts

31st March 2010

| | | | |
|-----------|--|---------------|----------------|
| 12 | Finance of Capital Expenditure | 2010 | 2009 |
| | The following capital expenditure was incurred during the year | £ | £ |
| | Fixed Assets purchased | 48,561 | 157,711 |
| | Financed by: | | |
| | Capital Fund | 19,850 | 37,031 |
| | Earmarked Reserves | 13,218 | 120,680 |
| | Revenue | 15,493 | |
| | | 48,561 | 157,711 |
| 13 | Information on Assets Held | | |
| | Fixed Assets owned by the Council include the following: - | | |
| | Operational Land and Buildings | | |
| | Abbey Grounds Depot | | |
| | Abbey Grounds Public Conveniences | | |
| | Norman Arch Cottage | | |
| | Kingshill Lane Changing Rooms | | |
| | Open Air Swimming Pool | | |
| | St Michael's Park Office | | |
| | Scout Hut – Chesterton | | |
| | Vehicles and Equipment | | |
| | Light Vans – 4 | | |
| | Tractors – 2 | | |
| | Sundry Grounds Maintenance Equipment | | |
| | Sundry Office Equipment | | |
| | Infrastructure Assets | | |
| | Bus Shelters | | |
| | Street Furniture | | |
| | Community Assets | | |
| | Recreational and Amenity Areas – 14 | | |
| | Allotment Sites – 2 | | |
| 14 | Debtors | 2010 | 2009 |
| | | £ | £ |
| | Long Term Debtors | 26,615 | 10,113 |
| | Other Debtors | 5,176 | 4,887 |
| | VAT Recoverable | 7,534 | 9,828 |
| | | 39,325 | 24,828 |

| | | | |
|-----------|---------------------------------------|---------------|---------------|
| 15 | Creditors and Accrued expenses | 2010 | 2009 |
| | | £ | £ |
| | Loans repayable within one year | | 1,412 |
| | Other creditors – sundry creditors | 10,081 | 14,739 |
| | | 10,081 | 16,151 |

16 Financial Commitments under Operating Leases

| | | | |
|--|--|--------------|--------------|
| | | 2010 | 2009 |
| | | £ | £ |
| | The current operating leases are as follows: | | |
| | Obligations expiring within one year | 1,704 | 1,704 |
| | Obligations expiring between two to five years | 3,908 | 2,488 |
| | Obligations expiring after five years | - | - |
| | | 5,612 | 4,192 |

17 Long Term Liabilities

| | | | |
|--|---------------------------|-------------|---------------|
| | | 2010 | 2009 |
| | | £ | £ |
| | Cotswold District Council | 0 | 12,816 |
| | | 0 | 12,816 |

The above loans are repayable as follows:

| | | | |
|--|------------------------------|----------|---------------|
| | Within one year | 0 | 801 |
| | Between two and five years | 0 | 3,204 |
| | Between five and ten years | 0 | 4,005 |
| | Over ten years | 0 | 4,806 |
| | Total loan commitment | 0 | 12,816 |

18 Capital Reserve

| | | |
|--|---------------------------------|----------------|
| | Balance at 31 March 2009 | 433,810 |
| | Interest on Deposit | 25,332 |
| | Expenditure on Capital Projects | 11,352 |
| | Balance at 31 March 2010 | 447,790 |

The Capital Reserve is the reserve arising from the sale of the London Road Playing Field less the expenses to date on the development of the Kingshill Lane Sports Development Site.

Cirencester Town Council

Notes to the Accounts

31st March 2010

19 Earmarked Reserves

| | Balance at 1/4/2009 | Contribution to reserve | Contribution from reserve | Balance at 31/3/2010 |
|--------------------------------|--------------------------------|------------------------------------|--------------------------------------|---------------------------------|
| | £ | £ | £ | £ |
| Abbey Grounds | 0 | 5,000 | 4,000 | 1,000 |
| Abbey Grounds Paths | 6,000 | 0 | 3,700 | 2,300 |
| Abbey Loan | 12,816 | 0 | 12,816 | 0 |
| Advent Festival | 2,210 | 11,500 | 2,875 | 10,835 |
| Environmental Improvements | 4,178 | | 433 | 3,745 |
| Equipment | 8,920 | 15,000 | 4,000 | 19,920 |
| General Care of Parish | 1,662 | 0 | 1,662 | 0 |
| Market Place | | 48,000 | | 48,000 |
| Our Future Cirencester | | 9,000 | 0 | 9,000 |
| Norman Arch | 30,700 | 0 | 3,265 | 27,435 |
| Reception | | 5,000 | | 5,000 |
| Recreation Areas | 0 | 7,500 | 0 | 7,500 |
| Skatepark | 15,350 | 0 | 0 | 15,350 |
| Staffing | 6,700 | 0 | | 6,700 |
| St. Michael's Park Floodlights | 3,000 | 0 | | 3,000 |
| Ward Grants | | 3,903 | 730 | 3,173 |
| Website | 1,000 | 1,000 | 2,000 | 0 |
| WC's in the Abbey Grounds | 24,410 | | 24,410 | 0 |
| Youth Services | | 12,000 | 2,980 | 9,020 |
| Total | 116,946 | 117,903 | 62,871 | 171,978 |

The Earmarked Reserves are credited with amounts set aside from revenue to fund specific known commitments of the Council.

20 Capital Commitments

There are no capital commitments at present.

21 Contingent Liabilities

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

22 Movement in Cash

| | £ |
|---|----------------------|
| Balances at 1st April 2009 | |
| Cash at bank | 670,372 |
| Balances at 31st March 2010 | |
| Cash at bank | 760,657 |
| Net Cash | <u>90,285</u> |