

FOLKESTONE TOWN COUNCIL

Statement of Accounts

2019 - 2020

Period 1 April 2019 – 31 March 2020

Folkestone Town Council

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Folkestone Town Council

Council Information (2019/20)

Town Mayor

Cllr J Meade

Councillors

Cllr A Akuffo-Kelly

Cllr P Bingham

Cllr A Berry

Cllr D Brook

Cllr R Field

Cllr P Gane

Cllr J Graham

Cllr D Horton

Cllr D Jeffrey

Cllr N Keen

Cllr M Keutenius

Cllr M Lawes

Cllr C McConville

Cllr T Prater

Cllr B Walker

Cllr R Wallace

Cllr R West

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 2020

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 2020 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: 7th May 2020

**Income and Expenditure Account
for the Period ended 31 March 2020**

	2019 / 20	Notes	2018 / 19
INCOME	£		£
Precept on District Council	807,860		786,950
Bank and Investment Interest	2,477		2,170
Allotments	9,800		9,736
Rental Receipts	16,522		15,765
Funding for Museum/Heritage	105,802		80,127
Museum/Heritage Sales	1,751		3,229
Other	46,797		44,890
	-----		-----
	991,009		942,867
	-----		-----
 EXPENDITURE			
Employees/Administration	418,546	4 and 6	404,097
Democratic Costs	40,255	13	0
Civic and Ceremonial	19,532		49,815
Premises	103,483	3	99,438
Services	344,923	2 and 5	285,778
Fees	34,567		7,677
Museum/Heritage	99,636		81,287
	-----		-----
	1,060,942		928,092
	-----		-----

GENERAL FUND

	2019 / 20		2018 / 19
	£		£
Balance as at 1 April	130,081		130,084
Add: Total Income	991,009		942,867
Deduct: Total Expenditure	1,060,942		928,092
	<u>60,148</u>		<u>144,859</u>
 Transfer (to)/from Reserves and Provisions:			
New Services	23,538	(18,058)	
TKL Balancing Pond Maintenance	40	0	
Tree Planting	7,391	(7,117)	
Museum/Heritage	(30,220)	13,669	
Bus Shelters	(9,000)	0	
Ward Grants	(8,406)	15,094	
Town Grants	1,604	(2,700)	
FTC Elections	18,834	(10,200)	
Armed Forces' Day/Air Show	12,035	(5,222)	
Flowerbeds & Planters	4	(4)	
Leas Flowerbeds	2,549	(2,500)	
CCTV Maintenance	33,813	6,657	
Christmas Events	1,364	(4,731)	
Outstanding Invoices	970	54,516	334 (14,778)
General Reserve Balance at 31 March	<u>114,664</u>		<u>130,081</u>

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

Balance Sheet as at 31 March 2020

Fixed Assets	Notes	2019 / 20		2018 / 19	
		£	£	£	£
Freehold Land and Buildings		700,000		700,000	
Vehicles and Equipment	1(ii)	330,151		299,701	
Community Assets	7	2,335,904	3,366,055	2,335,904	3,335,605
			<u>3,366,055</u>		<u>3,335,605</u>
 Current Assets					
Sundry Debtors	1(iv)	0		0	
HM Revenue & Customs - VAT		27,172		26,308	
Prepayments		0		0	
Stock Balance (Museum Merchandise)		942		2,224	
Current Bank Account		11,368		80,110	
Deposit Bank Account		0		0	
Short Term Investments		500,000		500,000	
Receipts Account		1,000		270	
Petty Cash		500		500	
Museum Shop Float		100		100	
Corporate Credit Card		1,500	542,582	1,500	611,012
			<u>495,594</u>		<u>565,527</u>
 Current Liabilities					
Sundry Creditors	1(iv)	22,420		3,101	
Receipts in Advance	9	4,419		3,150	
Accruals	9	20,149	46,988	39,234	45,485
			<u>495,594</u>		<u>565,527</u>
 Net Current Assets					
			<u>495,594</u>		<u>565,527</u>
 Long Term Liabilities					
PWLB Outstanding Loan for Office Building	1(v)	332,171	332,171	354,579	354,579
			<u>3,529,478</u>		<u>3,546,553</u>
 Net Assets					
			<u>3,529,478</u>		<u>3,546,553</u>

	Notes	2019 / 20 £	2018 / 19 £
Represented by:			
Fixed Asset Restatement Account	7	3,366,055	3,335,605
PWLB Outstanding Loan for Office Building		(332,171)	(354,579)
Capital Receipts Reserve	I(iii)	0	0
Earmarked Reserves and Provisions: -			
New Services		99,240	122,778
Tile Kiln Lane Balancing Pond Maintenance		0	40
Tree Planting		0	7,391
Tourism		4,735	4,735
Bus Shelters		9,000	0
Museum/Heritage		220,564	190,344
Ward Grants		9,792	1,386
Town Grants		1,096	2,700
FTC Elections		0	18,834
Armed Forces' Day/Air Show		0	12,035
Salt Bins		6,313	6,313
Flowerbeds & Planters		0	4
Leas Flowerbeds		0	2,549
Anti-Litter Campaign		2,000	2,000
CCTV Maintenance		19,657	53,470
Christmas Events		3,367	4,731
Outstanding Invoices		5,166	6,136
General Reserve		114,664	130,081
		<u>3,529,478</u>	<u>3,546,553</u>

The statement of accounts represents fairly the financial position of the Council as at 31 March 2020 and reflects its Income and Expenditure for the year.



Town Mayor

Date: 12/5/2020



**Jennifer Childs MLCM, IIMC, CILCA
Responsible Financial Officer**

Date: 12/05/2020

Notes to the Accounts 31 March 2020

1. Statement of Accounting Policies

These accounts cover the Town Council's full year of operations for the period 1st April 2019 – 31st March 2020.

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. Consequently, 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 2019/20 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 £39,302 (including interest) were made in 2019/20. The current outstanding capital amount is £332,171.

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	£114,664	For unforeseen expenditure and emergencies
New Services	£99,240	Sums set aside for Folkestone Town Council initiatives and services transferred from the District Council
Tourism	£4,735	For the development of a tourism service
Bus Shelters	£9,000	For the provision of bus shelters
Museum/Heritage	£220,564	Lottery funding, internal and external contributions towards the development of a Museum/Heritage Centre
Ward Grants	£9,792	For ward grants awarded by individual Councillors
Town Grants	£1,096	For town grants awarded by the Grants Committee
Salt Bins	£6,313	For additional salt bins in Folkestone
Anti-Litter Campaign	£2,000	For an Anti-Litter Educational Campaign
CCTV Maintenance	£19,657	For the maintenance of CCTV cameras and equipment
Christmas Events	£3,367	For the provision of Christmas events in Cheriton
Outstanding Invoices	£5,166	Provision for late invoices relating to works and services carried out prior to April 2019

viii) Investment Income

Investment income/bank interest for 2019/20 was £2,477.

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			

Publicity	2019/20	2018/19
	£	£
Recruitment Advertising	648	526
Publicity	1,241	96
Other	0	0
	1,889	622
	1,889	622

4. S.137 Expenditure

Section 137 of the Local Government Act 1972 (as amended) enables the Council to spend up to the product of £8.12 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.

	2019/20
	£
The theoretical amount available for this purpose was (35,003 x £8.12)	<u>284,224</u>

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

Ward Grant	The Beacon School (Duke of Edinburgh Award Scheme)	£400
Ward Grant	Sunflower House (Town Sprucer)	£550
Ward Grant	MHA Live At Home (Chair exercise scheme)	£350
Ward Grant	A:dress (Women, Fashion & ECO Action)	£500
Town Grant	A:dress (Women, Fashion & ECO Action)	£1,800
Ward Grant	Little Acorns (Outside classroom)	£300
Ward Grant	S.Shaw (Replace stolen charity money)	£300
Town Grant	Hi Kent (Lip-reading classes)	£1,000
Ward Grant	Bayle Residents' Association (Community pot)	£150
Ward Grant	Folkestone Rainbow Centre (Foodbank)	£300
Town Grant	Folkestone Rainbow Centre (Winter Shelter)	£2,500
Ward Grant	Future Skills CIC (The Junction Project)	£50
Town Grant	Future Skills CIC (The Junction Project)	£2,000
Ward Grant	99 Squadron Air Cadets (Gazebo)	£200
TOTAL		£10,400

5. 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.

6. Fixed Assets

At 31 March the following assets were held:

	2020		2019	
	£		£	
<u>Freehold Land and Buildings</u>				
The Old Town Hall, Folkestone	<u>700,000</u>	700,000	<u>700,000</u>	700,000
<u>Vehicles and Equipment</u>				
Computer Equipment	19,540		19,540	
Office Machinery	1,595		1,595	
Office Furniture	48,925		48,805	
Furniture (Council Chambers)	28,300		28,300	
Screen/Sound Equipment (Council Chambers)	24,900		24,900	
Street Furniture	26,750		26,750	
Bus Shelters	9,000		0	
Speed Watch Equipment	2,251		2,251	
CCTV Equipment	99,250		78,000	
Christmas Lights	58,870		58,870	
Other	<u>10,770</u>	330,151	<u>10,690</u>	299,701
<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	
Gurkha Memorial	30,000		30,000	
Power Columns x 11 (Cheriton High Street)	4,400		4,400	
The Folkestone Collection (Museum/Heritage)	<u>2,000,000</u>	<u>2,335,904</u>	<u>2,000,000</u>	<u>2,335,904</u>
TOTAL FIXED ASSETS		3,366,055		3,335,605

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.

7. Fixed Assets - Disposals

During the year there were no disposals of fixed assets.

8. Creditors and accrued expenses

	2019/20
	£
Trade Creditors	22,420
Deferred Income	4,419
Accruals	20,149

9. Charitable Funds

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.

	Balance at 01/04/2019	Contribution to fund	Payments	Balance at 31/03/2020
	£	£	£	£
Mayoress's Charitable Funds	3,835	10,315	12,504	1,646
<hr/>				
	Balance at 01/04/2019	Contribution to fund	Payments	Balance at 31/03/2020
	£	£	£	£
Mayor's Christmas Fund	17,504	6,352	5,915	17,941*

*Includes £6,000 to be reserved for use over the next two years

10. Capital Commitments

The Council was not committed to any capital expenditure at 31 March 2020.

11. Contingent Liabilities

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

12. Democratic Costs

Democratic costs for 2019/20 included £590 in respect of external training for Councillors.