

Tavistock Town Council

Unaudited Financial Statements

For the year ended 31 March 2018

Tavistock Town Council

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31 March 2018

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Tavistock Town Council

Council Information

31 March 2018

(Information current at 26th June 2018)

Town Mayor

Cllr P. Ward

Councillors

Cllr Mrs A. Johnson (Deputy Town Mayor)

Cllr Ms L. Crawford

Cllr Mrs M. V. L. Ewings

Cllr A. Hutton

Cllr A. Lewis

Cllr J. Moody

Cllr P. Palfrey

Cllr Mrs L. Roberts

Cllr E. D. Sanders

Cllr J. Sheldon

Cllr P. Squire

Cllr A. Venning

Cllr Mrs J Whitcomb

Cllr P. Williamson

Town Clerk

Mr C. P. Hearn FCIS CiLCA

Auditors

PKF Littlejohn LLP

SBA Team

1 Westferry Circus

Canary Wharf

London

E14 4HD

Internal Auditors

Internal Audit & Consultancy Ltd

70 Boundary Walk

Trowbridge

Wiltshire

BA14 0LZ

Tavistock Town Council
Statement of Responsibilities
31 March 2018

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. At this council that officer is the Town Clerk, 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 Unaudited Financial Statements in accordance with Part 4 of the "Governance and Accountability for Local Councils – A Practitioners Guide (England) (as amended)" (the guide), so far as is applicable to this council, to present a true and fair view of the financial position of the council at 31 March 2018 and its income and expenditure for the year then ended.

In preparing the Unaudited Financial Statements, 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 guide.

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 further certify that the Unaudited Financial Statements present a true and fair view of the financial position of Tavistock Town Council at 31 March 2018, and its income and expenditure for the year ended 31 March 2018.

Signed:

Mr C. P. Hearn FCIS CiLCA- Town Clerk

Date:

Tavistock Town Council
Statement of Accounting Policies

31 March 2018

Auditors

The name and address of the External Auditors is provided for information only.

These Statements are not subject to audit and the External Auditors have no responsibility for them.

Accounting Convention

The accounts have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) (FRSSE) issued by the Accounting Standards Board, as applied to Local Councils by part 4 of Governance and Accountability for Local Councils – A Practitioners Guide (England) (the guide). Comparative figures have been restated to conform to the revised formats where appropriate. Certain requirements have been omitted for clarity and simplicity as these statements are not subject to audit. They are produced in support of the council's audited Statement of Accounts contained within the Annual Return Statement of Accounts.

These accounts have been prepared having regard to the fundamental accounting concepts of: Going Concern, Prudence, Accruals, Relevance, Consistency, Reliability, Comparability, Understandability and Materiality.

The accounts have been prepared under the historical cost convention.

Fixed Assets

All expenditure in excess of £1000 (on any one item or group of similar items) on the acquisition, creation or enhancement of fixed assets is capitalised on an accruals basis in 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. Fixed assets are valued on the basis recommended by the Chartered Institute of Public Finance and Accountancy (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:

land and buildings are included in the balance sheet at Depreciated Replacement Cost (DRC). The DRC basis of valuation requires an estimate of the value of the land in its existing use, together with the current replacement cost of the building and its external works, from which appropriate deductions have been made to reflect the age, condition, economic, functional and environmental obsolescence and other locational factors which might result in the existing building being worth less than a new replacement building,

non-operational (i.e. investment) properties are included at market value,

all other assets are included in the balance sheet at the lower of cost (estimated where not known) less depreciation, or estimated realisable value, except that,

certain community assets are the subject of restrictive covenants as to their use and/or future disposal. Such assets are therefore considered to have no appreciable realisable value and are included at nominal value only.

The surplus or deficit arising on periodic revaluations of fixed assets has been credited or debited to the Revaluation Reserve. Subsequent revaluations of fixed assets are planned at five yearly intervals, although material changes to asset valuations will be adjusted in the interim period, should they occur.

In accordance with Financial Reporting Standard (FRS) 15, depreciation is provided on all operational buildings (but not land), as well as other assets.

Tavistock Town Council
Statement of Accounting Policies
31 March 2018

Depreciation Policy

Buildings and leasehold land are depreciated over the shorter of 50 years or the anticipated remaining useful lives on a straight line basis.

Freehold land is not depreciated.

Non Operational Assets (including Investment Properties) are not depreciated.

Vehicles, plant, equipment and furniture are depreciated over 5 to 10 years on a straight line basis.

New play equipment is depreciated over 10 years at 10% per annum straight line.

Infrastructure assets are depreciated over 5 years at 20% per annum straight line.

Meadows Footbridge is depreciated over 20 years at 5% per annum straight line.

Community assets are not depreciated, because they are of either intrinsic or purely nominal value.

Depreciation is accounted for as a Balance Sheet movement only, not through the Income and Expenditure Account.

Grants or Contributions from Government or Related Bodies

Capital Grants

Where a fixed asset has been acquired or improved with the financing either wholly or in part by a grant or contribution from government or a related body, e.g. Sports Council, the amount of the grant has been credited to Deferred Grants Account and carried forward. Grants so credited are released back to revenue over the life of the asset to match, and thereby offset wholly or in part, depreciation charged.

Revenue Grants

Revenue grants are credited to income when conditions attached thereto have been fulfilled and/or equivalent expenditure has been incurred. Grants received in respect of which the conditions have not been fulfilled, or expenditure incurred, are carried forward as deferred revenue grants.

Investments

Investments are included in the balance sheet at historic cost and realised gains or losses are taken into the income and expenditure account as realised. Details are given at notes 13 and 14.

Stocks and Work in Progress

Stocks held for resale, where significant (generally in excess of £1,000), are valued at the lower of cost or net realisable value. Consumable stocks have been treated as an expense when purchased because their value was not material.

Debtors and Creditors

The revenue accounts of the council are maintained on an accruals basis in accordance with the regulations. 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 regular quarterly and other 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.

The council reviews the level of its commercial debtors on a regular basis and provisions are made, as required, where the likelihood of amounts proving ultimately collectable is in doubt.

Tavistock Town Council
Statement of Accounting Policies
31 March 2018

Value Added Tax

Income and Expenditure excludes any amounts related to VAT, as all VAT suffered/collected is recoverable from or payable to HM Revenue and Customs. Any amounts not so recoverable are treated as a separate expense.

External Loan Repayments

The council accounts for loans on an accruals basis. Details of the council's external borrowings are shown at note 18.

Leases

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

Reserves

The council maintains certain reserves to meet general and specific future expenditure. The purpose of the council's reserves is explained in notes 21 to 22.

Certain reserves are maintained to manage the accounting processes for tangible fixed assets, available for sale investments and retirement benefits. They do not represent usable resources for the council:

- Revaluation Reserves – hold balances representing unrealised gains on the appropriate asset since 1st April 2007.

- Capital Financing Account – represent the council's investment of resources in such assets already made.

Interest Income

All interest receipts are credited initially to general funds.

Cost of Support Services

The costs of management and administration have been apportioned to services on an appropriate and consistent basis.

Pensions

The pension costs that are charged against precept in the council's accounts, in respect of its employees, are equal to the contributions paid to the funded pension scheme for those employees.

These contributions are determined by the fund's actuary on a triennial basis and are set to meet 100% of the liabilities of the pension fund, in accordance with relevant government regulations.

The next actuarial valuation is due at 31st March 2019 and any change in contribution rates as a result of that valuation will take effect from 1st April 2020.

Tavistock Town Council
Income and Expenditure Account
31 March 2018

| | Notes | 2018 £ | 2017 £ |
|--|-------|--------------------|--------------------|
| Income | | | |
| Precept on Borough Council | | 539,547 | 513,258 |
| Grants Receivable | | 686,562 | 496,933 |
| Rents Receivable, Interest & Investment Income | | 411,314 | 406,908 |
| Charges made for Services | | 665,897 | 756,687 |
| Other Income | | 20,402 | 17,930 |
| Total Income | | 2,323,722 | 2,191,716 |
| Expenditure | | | |
| Direct Service Costs: | | | |
| Salaries & Wages | | (553,098) | (521,910) |
| Grant-aid Expenditure | | (27,987) | (45,115) |
| Other Costs | 1 | (1,705,446) | (984,410) |
| Democratic, Management & Civic Costs: | | | |
| Salaries & Wages | | (195,364) | (191,648) |
| Other Costs | 1 | (200,042) | (188,759) |
| Total Expenditure | | (2,681,937) | (1,931,842) |
| Excess of (Expenditure over Income)/Income over Expenditure for the year. | | (358,215) | 259,874 |
| Exceptional Items | | | |
| Profit/(Loss) on the disposal of fixed assets | | 846 | - |
| Net Operating (Deficit)/Surplus for Year | | (357,369) | 259,874 |
| STATUTORY CHARGES & REVERSALS | | | |
| Statutory Charge for Capital (i.e. Loan Capital Repaid) | | (54,314) | (61,297) |
| Revenue Expenditure funded from Capital | | - | 500,000 |
| Capital Expenditure charged to revenue | 11 | (431,566) | (9,440) |
| Reverse profit on asset disposals | | (846) | - |
| Transfer from/(to) Earmarked Reserves | 22 | 843,287 | (689,339) |
| Surplus/(Deficit) for the Year to/(from) General Fund | | 38 | (202) |
| Net (Deficit) for the Year | | (843,249) | 689,137 |
| The above (Deficit) for the Year has been (funded) for the Year (from) as follows: | | | |
| Transfer from/(to) Earmarked Reserves | 22 | (843,287) | 689,339 |
| Surplus/(Deficit) for the Year to/(from) General Fund | | 38 | (202) |
| | | (843,249) | 689,137 |

The council had no other recognisable gains and/or losses during the year.

The notes on pages 12 to 22 form part of these unaudited statements.

Tavistock Town Council
Statement of Movement in Reserves
31 March 2018

| Reserve | Purpose of Reserve | Notes | 2018 £ | Net Movement in Year £ | 2017 £ |
|---------------------------|--|-------|-------------------|---------------------------------|-------------------|
| Asset Revaluation Reserve | Store of gains on revaluation of fixed assets | 20 | 1,191,451 | - | 1,191,451 |
| Capital Financing Account | Store of capital resources set aside to purchase fixed assets | 21 | 7,652,369 | 404,293 | 7,248,076 |
| Earmarked Reserves | Amounts set aside from revenue to meet general and specific future expenditure | 22 | 1,467,744 | (843,287) | 2,311,031 |
| General Fund | Resources available to meet future running costs | | 474,327 | 38 | 474,289 |
| Total | | | 10,785,891 | (438,956) | 11,224,847 |

The notes on pages 12 to 22 form part of these unaudited statements.

Tavistock Town Council

Balance Sheet

31 March 2018

| | Notes | 2018 £ | 2018 £ | 2017 £ |
|--|-------|------------------|-------------------|-------------------|
| Fixed Assets | | | | |
| Tangible Fixed Assets | 10 | | 9,431,268 | 9,093,935 |
| Long Term Assets | | | | |
| Investments Other Than Loans | 13 | | 240 | 240 |
| Current Assets | | | | |
| Stock | 15 | 3,839 | | 3,068 |
| Debtors and prepayments | 16 | 326,425 | | 255,681 |
| Investments | 14 | - | | 128,389 |
| Cash at bank and in hand | | <u>2,027,240</u> | | <u>2,600,412</u> |
| | | 2,357,504 | | 2,987,550 |
| Current Liabilities | | | | |
| Current Portion of Long Term Borrowings | | (40,333) | | (54,314) |
| Creditors and income in advance | 17 | <u>(415,673)</u> | | <u>(202,470)</u> |
| Net Current Assets | | | <u>1,901,498</u> | <u>2,730,766</u> |
| Total Assets Less Current Liabilities | | | 11,333,006 | 11,824,941 |
| Long Term Liabilities | | | | |
| Long-term borrowing | 18 | | (518,194) | (558,527) |
| Deferred Grants | 19 | | (28,921) | (41,567) |
| Total Assets Less Liabilities | | | <u>10,785,891</u> | <u>11,224,847</u> |
| Capital and Reserves | | | | |
| Revaluation Reserve | 20 | | 1,191,451 | 1,191,451 |
| Capital Financing Reserve | 21 | | 7,652,369 | 7,248,076 |
| Earmarked Reserves | 22 | | 1,467,744 | 2,311,031 |
| General Reserve | | | <u>474,327</u> | <u>474,289</u> |
| | | | <u>10,785,891</u> | <u>11,224,847</u> |

The Unaudited Financial Statements represent a true and fair view of the financial position of the Council as at 31 March 2018, and of its Income and Expenditure for the year.

These accounts were approved by the Council on 26th June 2018 .

Signed:

CLlr P. Ward
Town Mayor

.....

Mr C. P. Hearn FCIS CILCA
Responsible Financial Officer

Date:

.....

The notes on pages 12 to 22 form part of these unaudited statements.

Tavistock Town Council

Cash Flow Statement

31 March 2018

| | Notes | 2018 £ | 2018 £ | 2017 £ |
|--|-------|-------------|-------------|-------------|
| REVENUE ACTIVITIES | | | | |
| <i>Cash outflows</i> | | | | |
| Paid to and on behalf of employees | | (747,130) | | (712,088) |
| Other operating payments | | (1,707,199) | | (1,206,184) |
| | | | (2,454,329) | (1,918,272) |
| <i>Cash inflows</i> | | | | |
| Precept on Borough Council | | 539,547 | | 513,258 |
| Cash received for services | | 1,039,492 | | 1,202,698 |
| Revenue grants received | | 657,351 | | 417,815 |
| | | | 2,236,390 | 2,133,771 |
| Net cash (outflow)/inflow from Revenue Activities | 25 | | (217,939) | 215,499 |
| SERVICING OF FINANCE | | | | |
| <i>Cash outflows</i> | | | | |
| Interest paid | | (20,348) | | (24,260) |
| <i>Cash inflows</i> | | | | |
| Interest received | | 5,391 | | 11,030 |
| Net cash (outflow) from Servicing of Finance | | | (14,957) | (13,230) |
| CAPITAL ACTIVITIES | | | | |
| <i>Cash outflows</i> | | | | |
| Purchase of fixed assets | | (415,199) | | (11,440) |
| <i>Cash inflows</i> | | | | |
| Sale of fixed assets | | 848 | | (110,000) |
| Capital grant received | | - | | 2,000 |
| Net cash (outflow) from Capital Activities | | | (414,351) | (119,440) |
| Net cash (outflow)/inflow before Financing | | | (647,247) | 82,829 |
| FINANCING AND LIQUID RESOURCES | | | | |
| Decrease/(Increase) in money on call | | | 128,389 | (1,514) |
| <i>Cash outflows</i> | | | | |
| Loan repayments made | | | (54,314) | (61,297) |
| Net cash inflow/(outflow) from financing and liquid resources | | | 74,075 | (62,811) |
| (Decrease)/Increase in cash | 26 | | (573,172) | 20,018 |

The notes on pages 12 to 22 form part of these unaudited statements.

Tavistock Town Council

Notes to the Accounts

31 March 2018

1 Other Costs Analysis

Other Costs reported in the council's Income and Expenditure Account comprise the following:

Direct Service Costs

| | 2018 | 2017 |
|--|------------------|----------------|
| | £ | £ |
| Heritage | 93,830 | 198,972 |
| Museums & Galleries | 12,202 | 13,054 |
| Theatres & Public Entertainment | 31,371 | 30,580 |
| Community Centres | 64,218 | 62,360 |
| Outdoor Sports & Recreation Facilities | 146,329 | 117,803 |
| Community Parks & Open Spaces | 7,728 | 19,881 |
| Cemeteries | 14,942 | 13,205 |
| Public Conveniences | 11,042 | 11,984 |
| Market Undertakings | 461,857 | 143,840 |
| Community Development | 21,612 | 28,562 |
| Street Lighting | 11,077 | 13,318 |
| Off-street Parking | 8,509 | 11,508 |
| Townscape Heritage Initiative Projects | 677,277 | 333,910 |
| Investment Properties | 171,439 | 30,548 |
| Less: Grant-aid Expenditure | (27,987) | (45,115) |
| Total | 1,705,446 | 984,410 |

Democratic, Management & Civic Costs

| | 2018 | 2017 |
|--|----------------|----------------|
| | £ | £ |
| Corporate Management | 155,882 | 148,309 |
| Democratic Representation & Management | 7,658 | 4,745 |
| Civic Expenses | 9,320 | 5,051 |
| Mayors Allowance | 2,000 | 2,000 |
| Members' Allowances | 5,679 | 5,554 |
| Interest Payable | 19,503 | 23,100 |
| Total | 200,042 | 188,759 |

As reported in the Statement of Accounting Policies, apportionment of central costs is not reflected in the above analysis.

2 Interest Payable and Similar Charges

| | 2018 | 2017 |
|-----------------------------------|---------------|---------------|
| | £ | £ |
| External Interest Charges - Loans | 19,503 | 23,100 |
| | 19,503 | 23,100 |

Tavistock Town Council

Notes to the Accounts

31 March 2018

3 Interest and Investment Income

| | 2018 | 2017 |
|---------------------------------|--------------|---------------|
| | £ | £ |
| Interest Income - General Funds | 5,182 | 11,079 |
| | <u>5,182</u> | <u>11,079</u> |

4 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.

5 Related Party Transactions

The council is required to disclose material transactions with related parties – bodies that have the potential to control or influence the council or to be controlled or influenced by the council. Disclosure of these transactions allows readers to assess the extent to which the council might have been constrained in its ability to operate independently or might have secured the ability to limit another party's freedom to bargain with the council at arms length.

Related parties include:

Central Government

The council's operations are controlled by statutes passed by Central Government. All transactions with Central Government arise as a result of some of those statutes but do not, in the opinion of the council, require to be disclosed here.

Principal Authorities

The District/Borough Council collects this council's Precept and remits the same to the council under statutory provisions. The Precept is disclosed separately elsewhere in these accounts.

The County Council administers the Pension Fund of which certain of the council's staff are members. Details of amounts payable to the fund are disclosed at note 9.

Agency arrangements with other authorities are disclosed at note 4.

The council has the following funding arrangements in place with other authorities to secure the continued operation of certain services:

| Organisation | Service Provided | 2018 | 2017 |
|----------------------------|----------------------------|-------------|-------------|
| | | £ | £ |
| West Devon Borough Council | Cleaning of Public Toilets | 6,497 | 6,313 |
| Tavistock Museum | Rent Support Grant | 11,300 | 11,300 |

Members of the council

Members have direct control over the council's financial and operating policies. During the year no members have undertaken any declarable, material transactions with the council, nor the council with any member. Details of such transactions (if any) are recorded in the Register of Members' Interests, open to public inspection at the council's offices.

Members represent the council on various organisations. Appointments are reviewed annually, unless a specific termination date applies to the term of office. None of these appointments places a Member in a position to exert undue influence or control.

Officers of the Council

Other than their contracts of employment, no material transactions have been made during the year between the council and any officer.

Other Organisations

The council awards grants to support a number of voluntary or charitable bodies. It does not attempt to exert control or

Tavistock Town Council

Notes to the Accounts

31 March 2018

influence as a result of such grants.

6 Audit Fees

The council is required to report and disclose the cost of services provided by its external auditors.

These may be summarised as follows:

| | 2018 | 2017 |
|-----------------------------------|--------------|--------------|
| | £ | £ |
| Fees for statutory audit services | 2,400 | 2,400 |
| Total fees | <u>2,400</u> | <u>2,400</u> |

7 Members' Allowances

| | 2018 | 2017 |
|--|--------------|--------------|
| | £ | £ |
| Members of Council have been paid the following allowances for the year: | | |
| Mayors Allowance | 2,000 | 2,000 |
| Members Allowances | 5,679 | 5,554 |
| | <u>7,679</u> | <u>7,554</u> |

Other than the Town Mayor 11 of the total of 15 elected members claimed allowances to which they were entitled. Co-opted members are not entitled to claim allowances.

8 Employees

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

| | 2018 | 2017 |
|-----------|---------------|---------------|
| | Number | Number |
| Full-time | 24 | 22 |
| Part-time | 4 | 4 |
| Temporary | 16 | 16 |
| | <u>44</u> | <u>42</u> |

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

9 Pension Costs

The council participates in the Devon County Council L G P S. The Devon County Council L G P S is a defined benefit scheme, but the council is unable to identify its share of the underlying assets and liabilities because all town and parish councils in the scheme pay a common contribution rate.

The cost to the council for the year ended 31 March 2018 was £113,386 (31 March 2017 - £105,483).

The most recent actuarial valuation was carried out as at 31st March 2016, and the council's contribution rate is confirmed as being 21.20% of employees' pensionable pay with effect from 1st April 2018 (year ended 31 March 2018 – 21.20%).

Financial Reporting Standard 17 (FRS17): "Retirement Benefits" sets out accounting requirements for pension costs. For schemes such as Devon County Council L G P S, paragraph 9(b) of FRS17 requires the council to account for pension costs on the basis of contributions actually payable to the scheme during the year.

Tavistock Town Council

Notes to the Accounts

31 March 2018

10 Tangible Fixed Assets

| | Operational Freehold Land and Buildings | Investment Properties | Vehicles and Equipment | Infra-structure Assets | Community Assets | Total |
|------------------------|--|----------------------------------|-----------------------------------|-----------------------------------|-----------------------------|--------------|
| Cost | £ | £ | £ | £ | £ | £ |
| At 31 March 2017 | 2,254,912 | 6,688,635 | 891,594 | 194,398 | 233,021 | 10,262,560 |
| Additions | 369,380 | 2 | 2,260 | 59,926 | - | 431,568 |
| Disposals | - | - | (17,295) | - | - | (17,295) |
| At 31 March 2018 | 2,624,292 | 6,688,637 | 876,559 | 254,324 | 233,021 | 10,676,833 |
| Depreciation | | | | | | |
| At 31 March 2017 | (310,914) | - | (724,847) | (132,864) | - | (1,168,625) |
| Charged for the year | (49,069) | - | (30,872) | (14,294) | - | (94,235) |
| Eliminated on disposal | - | - | 17,295 | - | - | 17,295 |
| At 31 March 2018 | (359,983) | - | (738,424) | (147,158) | - | (1,245,565) |
| Net Book Value | | | | | | |
| At 31 March 2018 | 2,264,309 | 6,688,637 | 138,135 | 107,166 | 233,021 | 9,431,268 |
| At 31 March 2017 | 1,943,998 | 6,688,635 | 166,747 | 61,534 | 233,021 | 9,093,935 |

Although classified as capital expenditure, certain minor equipment purchases are not included in the above as they are not material in overall value.

Fixed Asset Valuation

The freehold and leasehold properties that comprise the council's properties have been valued as at 31st March 2009 by external independent valuers, Messrs Drew Pearce. Valuations have been made on the basis set out in the Statement of Accounting Policies, except that not all properties were inspected. This was neither practical nor considered by the valuer to be necessary for the purpose of valuation. Plant and machinery that form fixtures to the building are included in the valuation of the building.

Assets Held under Finance Agreements

The council holds no such assets

Tavistock Town Council

Notes to the Accounts

31 March 2018

11 Financing of Capital Expenditure

| | 2018 | 2017 |
|--|----------------|---------------|
| | £ | £ |
| The following capital expenditure during the year: | | |
| Fixed Assets Purchased | 431,568 | 11,440 |
| | <u>431,568</u> | <u>11,440</u> |
| was financed by: | | |
| Capital Grants | 2 | 2,000 |
| Revenue: | | |
| Capital Projects Reserve | 431,566 | - |
| Equipment Replacement Reserve | - | 2,995 |
| Precept and Revenue Income | - | 6,445 |
| | <u>431,568</u> | <u>11,440</u> |

12 Information on Assets Held

Fixed assets owned by the council include the following:

Operational Land and Buildings

Council Offices
Town Hall
Guildhall
Pannier Market
Works Depot (the former Molly Owen Centre)
Pavilion at Plymouth Road recreation ground
Public Toilets
Cemetery, Chapel, lodge and store
Court Gate
Land at Pixon Lane

Vehicles and Equipment

Light Vans – 1
Trucks (2) and Tractor (1)
Mini-Excavator
Play Equipment at 7 sites
Sundry grounds maintenance equipment
Sundry office equipment

Tavistock Town Council

Notes to the Accounts

31 March 2018

12 Information on Assets Held (cont'd)

Fixed assets owned by the council include the following:

Infrastructure Assets

Street lights (66)
Market Road Lighting Scheme
Bus shelters (6)
The Meadows Bridge
Cemetery Soakaway
Other street furniture

Community Assets

Abbey Chapel
Betsy Grimal's Tower
Whitchurch Down – Common Land
Allotments
Recreation grounds and playing field
Children's play areas (4)
Council Artefacts & Regalia

Investment Properties

Duke Street & Pannier Market Shops
Market Road Properties
West Street Properties
Corn & Cattle Markets

13 Investments

| | Investments Other Than Loans £ |
|-----------------------|---|
| Cost | |
| At 01 April 2017 | 240 |
| At 31 March 2018 | <u>240</u> |
| Net Book Value | |
| At 31 March 2018 | <u>240</u> |
| | <u>240</u> |
| At 01 April 2017 | <u>240</u> |
| | <u>240</u> |

Tavistock Town Council

Notes to the Accounts

31 March 2018

14 Current Asset Investments

| | 2018 | 2017 |
|---|-------------|-------------|
| | £ | £ |
| Co-Op Bank Ltd 12 months Fixed Rate Deposit | - | 128,389 |
| | - | 128,389 |

15 Stocks

| | 2018 | 2017 |
|---------------|-------------|-------------|
| | £ | £ |
| Town Hall Bar | 3,839 | 3,068 |
| | 3,839 | 3,068 |

16 Debtors

| | 2018 | 2017 |
|------------------------------|-------------|-------------|
| | £ | £ |
| Trade Debtors | 32,149 | 22,170 |
| Rent Debtors | 157,930 | 116,896 |
| Bookings Debtors | 2,864 | 4,423 |
| Provision for Doubtful Debts | (20,175) | (20,175) |
| Trade Debtors | 172,768 | 123,314 |
| Revenue Grant Debtors | 153,238 | 124,027 |
| Prepayments | 419 | 8,131 |
| Accrued Interest Income | - | 209 |
| | 326,425 | 255,681 |

17 Creditors and Accrued Expenses

| | 2018 | 2017 |
|-----------------------------------|-------------|-------------|
| | £ | £ |
| Trade Creditors | 228,165 | 39,387 |
| Other Creditors | 3,477 | 3,276 |
| Superannuation Payable | 12,662 | 11,443 |
| V A T Payable | 8,830 | (3,461) |
| Payroll Taxes and Social Security | 11,326 | 11,215 |
| Accruals | 17,697 | 19,133 |
| Accrued Interest Payable | 2,475 | 3,320 |
| Income in Advance | 114,672 | 118,157 |
| Capital Creditors | 16,369 | - |
| | 415,673 | 202,470 |

Tavistock Town Council

Notes to the Accounts

31 March 2018

18 Long Term Liabilities

| | 2018 | 2017 |
|-------------------------|---------------|---------------|
| | £ | £ |
| Public Works Loan Board | 558,527 | 612,841 |
| | <hr/> 558,527 | <hr/> 612,841 |

| | 2018 | 2017 |
|---|-------------|-------------|
| | £ | £ |
| The above loans are repayable as follows: | | |
| Within one year | 40,333 | 54,314 |
| From one to two years | 31,853 | 40,333 |
| From two to five years | 90,712 | 92,345 |
| From five to ten years | 150,629 | 150,849 |
| Over ten years | 245,000 | 275,000 |
| | <hr/> | <hr/> |
| Total Loan Commitment | 558,527 | 612,841 |
| Less: Repayable within one year | (40,333) | (54,314) |
| | <hr/> | <hr/> |
| Repayable after one year | 518,194 | 558,527 |

19 Deferred Grants

| | 2018 | 2017 |
|---------------------------------------|--------------|--------------|
| | £ | £ |
| Capital Grants Unapplied | | |
| At 01 April | - | - |
| Grants received in the year | 2 | 2,000 |
| Applied to finance capital investment | (2) | (2,000) |
| At 31 March | <hr/> - | <hr/> - |
| Capital Grants Applied | | |
| At 01 April | 41,567 | 52,613 |
| Grants Applied in the year | 2 | 2,000 |
| Released to offset depreciation | (12,648) | (13,046) |
| At 31 March | <hr/> 28,921 | <hr/> 41,567 |
| Total Deferred Grants | | |
| At 31 March | 28,921 | 41,567 |
| At 01 April | <hr/> 41,567 | <hr/> 52,613 |

Capital Grants are accounted for on an accruals basis and grants received have been credited to Deferred Grants Account. Amounts are released from the Deferred Grants Account to offset any provision for depreciation charged to revenue accounts in respect of assets that were originally acquired with the assistance of such grants.

Tavistock Town Council

Notes to the Accounts

31 March 2018

20 Revaluation Reserve

| | 2018 | 2017 |
|---------------------|-------------|-------------|
| | £ | £ |
| Balance at 01 April | 1,191,451 | 1,191,451 |
| Balance at 31 March | 1,191,451 | 1,191,451 |

The revised system of accounting for local councils requires the establishment of a Revaluation Reserve. The balance on this account represents revaluation of fixed assets since 1st April 2007, less subsequent depreciation charged to revenue on such revaluation elements. This account will increase or reduce as and when assets are revalued or disposed of.

21 Capital Financing Account

| | 2018 | 2017 |
|---|-------------|-------------|
| | £ | £ |
| Balance at 01 April | 7,248,076 | 7,741,716 |
| Financing capital expenditure in the year | | |
| Additions - using revenue balances | 431,566 | 9,440 |
| Loan repayments | 54,314 | 61,297 |
| Disposal of fixed assets | (17,295) | (2,995) |
| Depreciation eliminated on disposals | 17,295 | 2,995 |
| Reversal of depreciation | (94,235) | (77,423) |
| Deferred grants released | 12,648 | 13,046 |
| Other transfers (incl. p y a) | - | (500,000) |
| Balance at 31 March | 7,652,369 | 7,248,076 |

The Capital Financing Account represents revenue and capital resources applied to finance capital expenditure or for the repayment of external loans. It also includes the reversal of depreciation to ensure it does not impact upon the amount to be met from precept. It does not represent a reserve that the council can use to support future expenditure.

22 Earmarked Reserves

| | Balance at | Contribution | Contribution | Balance at |
|---------------------------|-------------------|---------------------|---------------------|-------------------|
| | 01/04/2017 | to reserve | from reserve | 31/03/2018 |
| | £ | £ | £ | £ |
| Capital Projects Reserves | 1,999,622 | 285,922 | (1,046,825) | 1,238,719 |
| Asset Renewal Reserves | 76,864 | 5,587 | - | 82,451 |
| Other Earmarked Reserves | 234,545 | - | (87,971) | 146,574 |
| Total Earmarked Reserves | 2,311,031 | 291,509 | (1,134,796) | 1,467,744 |

The Capital Projects Reserves are credited with amounts set aside from revenue to part finance specific projects which are part of the council's capital programme.

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

The Other Earmarked Reserves at 31 March 2018 are set out in detail at Appendix A.

Tavistock Town Council

Notes to the Accounts

31 March 2018

23 Capital Commitments

The council had no other capital commitments at 31 March 2018 not otherwise provided for in these accounts.

24 Contingent Liabilities

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

25 Reconciliation of Revenue Cash Flow

| | 2018 | 2017 |
|--|------------------|----------------|
| | £ | £ |
| Net Operating (Deficit)/Surplus for the year | (358,215) | 259,874 |
| Add/(Deduct) | | |
| Interest Payable | 19,503 | 23,100 |
| Interest and Investment Income | (5,391) | (11,030) |
| (Increase) in stock held | (771) | (354) |
| (Increase) in debtors | (70,744) | (48,589) |
| Increase/(Decrease) in creditors | 197,679 | (7,502) |
| Revenue activities net cash (outflow)/inflow | <u>(217,939)</u> | <u>215,499</u> |

26 Movement in Cash

| | 2018 | 2017 |
|-------------------------------|------------------|------------------|
| | £ | £ |
| Balances at 01 April | | |
| Cash with accounting officers | 1,350 | 1,300 |
| Cash at bank | <u>2,599,062</u> | <u>2,579,094</u> |
| | <u>2,600,412</u> | <u>2,580,394</u> |
| Balances at 31 March | | |
| Cash with accounting officers | 1,350 | 1,350 |
| Cash at bank | <u>2,025,890</u> | <u>2,599,062</u> |
| | <u>2,027,240</u> | <u>2,600,412</u> |
| Net cash (outflow)/inflow | <u>(573,172)</u> | <u>20,018</u> |

Tavistock Town Council

Notes to the Accounts

31 March 2018

27 Reconciliation of Net Funds/Debt

| | 2018 | 2017 |
|---|------------------|------------------|
| | £ | £ |
| (Decrease)/Increase in cash in the year | (573,172) | 20,018 |
| Cash outflow from repayment of debt | 54,314 | 61,297 |
| Net cash flow arising from changes in debt | 54,314 | 61,297 |
| Movement in net debt/funds in the year | (518,858) | 81,315 |
| Cash at bank and in hand | 2,600,412 | 2,580,394 |
| Total borrowings | (612,841) | (674,138) |
| Net funds at 01 April | 1,987,571 | 1,906,256 |
| Cash at bank and in hand | 2,027,240 | 2,600,412 |
| Total borrowings | (558,527) | (612,841) |
| Net funds at 31 March | 1,468,713 | 1,987,571 |

28 Post Balance Sheet Events

There are no significant Post Balance Sheet events since the preparation of these accounts, up to the date of their final adoption (on 26th June 2018), which would have a material impact on the amounts and results reported herein.

Tavistock Town Council

Appendices

31 March 2018

Appendix A

Schedule of Earmarked Reserves

| | <u>Balance at</u> <u>01/04/2017</u> | <u>Contribution</u> <u>to reserve</u> | <u>Contribution</u> <u>from reserve</u> | <u>Balance at</u> <u>31/03/2018</u> |
|--|--|--|--|--|
| | £ | £ | £ | £ |
| <u>Capital Project Reserves</u> | | | | |
| Rolling Capital Fund | 1,300,470 | 215,000 | 679,803 | 835,667 |
| Land Acquisition | 50,000 | | | 50,000 |
| Committed Funds (THI) | 235,565 | | 224,152 | 11,413 |
| THI Common Fund | 375,837 | 30,672 | 142,870 | 263,639 |
| THI Properties Sinking Fund | 25,000 | 27,500 | | 52,500 |
| THI Guildhall Sinking Fund | 12,750 | 12,750 | | 25,500 |
| | <u>1,999,622</u> | <u>285,922</u> | <u>1,046,825</u> | <u>1,238,719</u> |
| <u>Vehicle Replacement Reserves</u> | | | | |
| Equipment Replacement | <u>76,864</u> | <u>5,587</u> | <u>0</u> | <u>82,451</u> |
| <u>Other Earmarked Reserves</u> | | | | |
| Elections | 15,000 | 0 | | 15,000 |
| Irrecoverable VAT | 20,000 | | | 20,000 |
| Charter Trees | 457 | | | 457 |
| Localism | 66,088 | | 66,088 | 0 |
| Economic Support | 50,000 | | | 50,000 |
| Extraordinary Maintenance | 83,000 | | 21,883 | 61,117 |
| | <u>234,545</u> | <u>0</u> | <u>87,971</u> | <u>146,574</u> |
| Total Earmarked Reserves | <u>2,311,031</u> | <u>291,509</u> | <u>1,134,796</u> | <u>1,467,744</u> |

Tavistock Town Council

31 March 2018

Annual Report Tables

Table. 1 – Budget & Actual Comparison

| | Budget £ | Actual £ |
|---|-----------------|-----------------|
| Net Expenditure | | |
| Cultural & Heritage | 218,751 | 23,880 |
| Recreation & Sport | 308,334 | 450,410 |
| Open Spaces | 123,422 | 6,955 |
| Cemetery, Cremation & Mortuary | 36,391 | 263 |
| Environmental Health | 17,855 | 11,042 |
| Planning & Development Services (including Markets) | (116,078) | 203,138 |
| Street Lighting | 24,984 | 11,077 |
| Parking Services | (14,042) | (24,405) |
| Townscape Heritage Initiative Projects | - | 112,198 |
| Investment Properties | (302,446) | (234,693) |
| Net Direct Services Costs | 297,171 | 559,865 |
| | | |
| Corporate Management | 128,372 | 269,655 |
| Democratic & Civic | 92,148 | 53,921 |
| Net Democratic, Management and Civic Costs | 220,520 | 323,576 |
| | | |
| Interest & Investment Income | (5,000) | (5,182) |
| Loan Charges | 75,882 | 73,817 |
| Capital Expenditure | 1,626,003 | 431,566 |
| Proceeds of Disposal of Capital Assets | - | (846) |
| Transfers to/(from) other reserves | (1,617,170) | (843,287) |
| (Deficit from)/Surplus to General Reserve | (57,859) | 38 |
| Precept on Borough Council | 539,547 | 539,547 |

Tavistock Town Council

31 March 2018

Annual Report Tables

Table. 2 – Service Income & Expenditure

| Notes | 2018 £ | 2018 £ | 2018 £ | 2017 £ |
|---|----------------------|--------------------|--------------------|--------------------|
| | Gross Expenditure | Income | Net Expenditure | Net Expenditure |
| CULTURAL & RELATED SERVICES | | | | |
| Cultural & Heritage} | 142,396 | (118,516) | 23,880 | 179,300 |
| Recreation & Sport | 562,588 | (112,178) | 450,410 | 422,799 |
| Open Spaces | 7,728 | (773) | 6,955 | 19,113 |
| ENVIRONMENTAL SERVICES | | | | |
| Cemetery, Cremation & Mortuary | 39,041 | (38,778) | 263 | 6,712 |
| Environmental Health | 11,042 | - | 11,042 | 11,984 |
| PLANNING & DEVELOPMENT SERVICES | | | | |
| Economic Development (including markets) | 598,094 | (416,522) | 181,572 | (252,998) |
| Community Development | 21,612 | (46) | 21,566 | 28,562 |
| HIGHWAYS, ROADS & TRANSPORT SERVICES | | | | |
| Street Lighting | 11,077 | - | 11,077 | 3,843 |
| Parking Services | 8,509 | (32,914) | (24,405) | (23,615) |
| OTHER SERVICES | | | | |
| Townscape Heritage Initiative Projects | 713,005 | (600,807) | 112,198 | (94,256) |
| Investment Properties | 171,439 | (406,132) | (234,693) | (364,529) |
| CENTRAL SERVICES | | | | |
| Corporate Management | 316,072 | (46,417) | 269,655 | 249,451 |
| Democratic & Civic | 42,832 | - | 42,832 | 44,753 |
| Civic Expenses | 16,999 | (5,910) | 11,089 | 10,244 |
| Net Cost of Services | 2,662,434 | (1,778,993) | 883,441 | 241,363 |