

Barry Town Council

Statements of Accounts

For the year ended 31 March 2014

Barry Town Council

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31 March 2014

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Barry Town Council

Council Information

31 March 2014

(Information current at 15th September 2014)

Town Mayor

Clr J. Evans

Councillors

Clr R. Bertin
Clr B. Brooks
Clr O. Cash
Clr C. Curtis
Clr R. Curtis
Clr G. D. Davey
Clr P. Drake B.A. (Hons)
Clr S. C. Egan
Clr H. C. Hamilton
Clr P. T. Hardy
Clr N. P. Hodges
Clr S. A. Hodges B.A. (Hons)
Clr I. J. Johnson
Clr K. Kuhnel
Clr L. M. Payne
Clr A. Powell
Clr E. Pritchard
Clr L. Sword
Clr S. T. Wiliam
Clr M. Wilkinson
Clr C. Williams

Town Clerk

C. Lewis

Responsible Financial Officer (R.F.O.)

V. M. Sims

Auditors

Mazars LLP
Clifton Down House, Beaufort Buildings
Clifton, Bristol, BS8 4AN

Internal Auditors

Auditing Solutions Limited
Clackerbrook Farm, 46 The Common
Bromham, Chippenham, Wiltshire, SN15 2JJ

Barry Town Council
Annual Governance Statement
31 March 2014

Scope of Responsibility

Barry Town Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

The Council also has a duty under the Local Government Act 1999 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 responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, including arrangements for the management of risk.

The Council has approved and adopted a code of corporate governance which is consistent with the principles of the CIPFA/SOLACE "Delivering Good Governance in Local Government, A Framework". This statement explains how the Council has complied with the code and also meets the requirements of regulation 4 Accounts and Audit (Amendment) (Wales) Regulations 2010 in relation to the publication of a statement on internal control.

The purpose of the governance framework

The governance framework comprises the systems, processes, culture and values, by which the Council is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and 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 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.

The governance framework has been in place at Barry Town Council for the year ended 31 March 2014 and up to the date of approval of the annual report and accounts.

The governance framework

The key elements of Barry Town Council's systems and processes that comprise the governance arrangements are:-

- The Council identifies its visions as part of its programme setting process and communicates its intentions and intended outcomes to its citizens and service users via its web site, local news leaflet and press releases.
- The definition and documenting of the roles within the authority are as contained within the Council's standing orders and delegation scheme. The Council's disciplinary and grievance procedures cover the staff element and the Council Members are covered by the national code of conduct adopted by the town Council.
- The Council procedures are updated when required to take account of changes in legislation and the changing needs of the authority. The finance and general purposes acts as the Committee for assuring adherence with financial matters and is the Committee responsible also in regard to matters of complying with all laws and regulations.
- The Council has clear channels of communication with all sectors including public sessions before its meetings, regular surveys of users and local residents' needs and views and encourages the public to give to the Council their views upon all aspects of the Council services provided.

Barry Town Council
Annual Governance Statement
31 March 2014

- The Council has agreed as a fundamental policy partnership working with other local authorities and organisations within the town where benefit can be shown by such partnership working.

Review of effectiveness

Barry Town Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness 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 governance framework. It is further enhanced by reports and comments made by the external auditors and other review agencies and inspectors.

We continue to be advised on the implications of the result of the review of the governance framework by the Council, relevant committees, officers and the internal auditor, and plan to address weaknesses as they arise and thus ensure continuous improvement of the system is in place.

Significant governance issues

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

Approval of Statement

This statement was approved at a meeting of the council held on 23rd June 2014 when authority was given for the Town Mayor and the Town Clerk to sign.

Signed:
Cllr J. Evans
Town Mayor
C. Lewis
Town Clerk

Date:

Barry Town Council
Statement of Responsibilities

31 March 2014

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 Responsible Financial Officer, 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 accordance with Part 4 of 'Governance and Accountability for Local Councils in Wales – A Practitioners' Guide (2011)' published by One Voice Wales and the Society of Local Council Clerks, and the Accounts and Audit (Wales) Regulations 2005 (as amended), 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 2014 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 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 hereby certify that the Statements of Accounts for the year ended 31 March 2014 required by the Accounts and Audit Regulations 2010 (as amended) are set out in the following pages.

I further certify that the Statements of Accounts present a true and fair view of the financial position of Barry Town Council at 31 March 2014, and its income and expenditure for the year ended 31 March 2014.

Signed:

V. M. Sims- Responsible Financial Officer

Date:

Barry Town Council
Statement of Accounting Policies

31 March 2014

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 in Wales – A Practitioners Guide (2011) (the guide).

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 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,

all other assets are included in the balance sheet at the lower of cost (estimated where not known) 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 the FRSSE, depreciation is provided on all operational buildings (but not land), as well as other assets.

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 3 to 10 years on a straight line basis.

Infrastructure assets are 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.

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.

Barry Town Council
Statement of Accounting Policies

31 March 2014

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.

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.

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

Rentals payable under operating leases are charged to revenue on an accruals basis. 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. The purpose of the council's reserves is explained in notes 19 to 20.

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:

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

Pension Fund Reserve – represents the council's interest in the net assets/liabilities in the fund in which it participates.

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.

This apportionment is not reflected in the Income and Expenditure account, but is used for Management Accounting and Annual Report purposes only.

Barry Town Council
Statement of Accounting Policies
31 March 2014

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 2016 and any change in contribution rates as a result of that valuation will take effect from 1st April 2017.

The Local Government scheme is accounted for as a defined benefit scheme.

The liabilities of the Cardiff and Vale of Glamorgan Pension Fund attributable to the council are included in the balance sheet on an actuarial basis using the Projected Unit Method.

Liabilities are discounted to their value at current prices, using a discount rate (based on the indicative rate of return on a high quality corporate bond).

The assets of the pension fund attributable to the council are included in the balance sheet at their fair value.

In relation to retirement benefits, for purposes of calculating the precept the Income and Expenditure is required to be charged with the actual amount payable by the council to the pension fund for the year, not the amount calculated according to the relevant accounting standard. This means there are entries to remove these notional transactions from the Income and Expenditure Account and transfer them to the Pension Reserve.

Barry Town Council
Income and Expenditure Account
31 March 2014

	Notes	2014 £	2013 £
Income			
Precept on District Council		913,080	911,040
Grants Receivable		1,100	2,450
Rents Receivable, Interest & Investment Income		5,757	6,585
Charges made for Services		182,037	166,373
Other Income		86	455
Total Income		1,102,060	1,086,903
Expenditure			
Direct Service Costs:			
Salaries & Wages		(216,635)	(212,041)
Grant-aid Expenditure		(186,505)	(202,443)
Other Costs	1	(136,655)	(138,344)
Democratic, Management & Civic Costs:			
Salaries & Wages		(237,009)	(214,184)
Other Costs	1	(148,191)	(194,724)
Total Expenditure		(924,995)	(961,736)
Excess of Income over Expenditure for the year.		177,065	125,167
Exceptional Items			
Profit/(Loss) on the disposal of fixed assets		125	-
Pension fund financing		(30,000)	(30,000)
Net Operating Surplus for Year		147,190	95,167
STATUTORY CHARGES & REVERSALS			
Statutory Charge for Capital (i.e. Loan Capital Repaid)		(18,233)	(18,233)
Capital Expenditure charged to revenue	12	(5,750)	(2,385)
Reversal of annual depreciation and impairment		45,468	45,628
Transfer (to) Earmarked Reserves	20	(158,286)	(83,602)
Reversal of Defined Benefit costs		30,000	20,000
Surplus for the Year to General Fund		40,389	56,575
Net Surplus for the Year		198,675	140,177
The above Surplus for the Year has been applied for the Year to as follows:			
Transfer (to) Earmarked Reserves	20	158,286	83,602
Surplus for the Year to General Fund		40,389	56,575
		198,675	140,177

The notes on pages 15 to 25 form part of these accounts.

Barry Town Council
Statement of Movement in Reserves
31 March 2014

Reserve	Purpose of Reserve	Notes	2014 £	Net Movement in Year £	2013 £
Capital Financing Account	Store of capital resources set aside to purchase fixed assets	19	596,078	(21,485)	617,563
Earmarked Reserves	Amounts set aside from revenue to meet general and specific future expenditure	20	507,811	158,286	349,525
Pensions Reserve	Balancing account to allow inclusion of Pension Liability in the Balance Sheet	10	(890,000)	1,080,000	(1,970,000)
General Fund	Resources available to meet future running costs		257,715	40,389	217,326
Total			471,604	1,257,190	(785,586)

The notes on pages 15 to 25 form part of these accounts.

Barry Town Council
Statement of Total Recognised Gains and Losses
31 March 2014

	Notes	2014 £	2013 £
Net Operating Surplus for Year		147,190	95,167
Actuarial gains/(losses)	10	1,110,000	(270,000)
Total recognised gains/(losses) for the year		1,257,190	(174,833)

The notes on pages 15 to 25 form part of these accounts.

Barry Town Council

Balance Sheet

31 March 2014

	Notes	2014 £	2014 £	2013 £
Fixed Assets				
Tangible Fixed Assets	11		764,145	803,863
Current Assets				
Debtors and prepayments	14	17,179		14,700
Investments		350,000		150,000
Cash at bank and in hand		445,457		463,673
		<u>812,636</u>		<u>628,373</u>
Current Liabilities				
Current Portion of Long Term Borrowings		(16,921)		(16,921)
Current Portion of Deferred Liabilities		(1,312)		(1,312)
Creditors and income in advance	15	(47,109)		(61,522)
Net Current Assets			<u>747,294</u>	<u>548,618</u>
Total Assets Less Current Liabilities			1,511,439	1,352,481
Long Term Liabilities				
Long-term borrowing	18		(149,835)	(166,755)
Deferred liabilities	17		-	(1,312)
Pension Fund Net (Liabilities)	10		(890,000)	(1,970,000)
Total Assets Less Liabilities			<u>471,604</u>	<u>(785,586)</u>
Capital and Reserves				
Capital Financing Reserve	19		596,078	617,563
Pensions Reserve	10		(890,000)	(1,970,000)
Earmarked Reserves	20		507,811	349,525
General Reserve			257,715	217,326
			<u>471,604</u>	<u>(785,586)</u>

The Statements of Accounts represent a true and fair view of the financial position of the Council as at 31 March 2014, and of its Income and Expenditure for the year.

These accounts were approved by the Council on **15th September** 2014 .

Signed:
Cllr J. Evans
Town Mayor

.....
V. M. Sims
Responsible Financial Officer

Date:

The notes on pages 15 to 25 form part of these accounts.

Barry Town Council

Cash Flow Statement

31 March 2014

	Notes	2014 £	2014 £	2013 £
REVENUE ACTIVITIES				
<i>Cash outflows</i>				
Paid to and on behalf of employees		(453,508)		(428,889)
Other operating payments		(431,860)		(457,829)
			(885,368)	(886,718)
<i>Cash inflows</i>				
Precept on District Council		913,080		911,040
Cash received for services		168,832		158,517
Revenue grants received		3,100		450
Agency receipts		9,350		9,150
			1,094,362	1,079,157
Net cash inflow from Revenue Activities	23		208,994	192,439
SERVICING OF FINANCE				
<i>Cash outflows</i>				
Interest paid		(8,655)		(9,477)
Interest element of Finance Lease/HP Installments		(248)		(248)
<i>Cash inflows</i>				
Interest received		5,550		6,813
Net cash (outflow) from Servicing of Finance			(3,353)	(2,912)
CAPITAL ACTIVITIES				
<i>Cash outflows</i>				
Purchase of fixed assets		(5,750)		(2,385)
<i>Cash inflows</i>				
Sale of fixed assets		125		-
Net cash (outflow) from Capital Activities			(5,625)	(2,385)
Net cash inflow before Financing			200,016	187,142
FINANCING AND LIQUID RESOURCES				
(Increase) in money on call			(200,000)	-
<i>Cash outflows</i>				
Loan repayments made			(16,920)	(16,920)
Hire Purchase and Lease repayments made			(1,312)	(1,312)
Net cash (outflow) from financing and liquid resources			(218,232)	(18,232)
(Decrease)/Increase in cash	24		(18,216)	168,910

The notes on pages 15 to 25 form part of these accounts.

Barry Town Council

Notes to the Accounts

31 March 2014

1 Other Costs Analysis

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

Direct Service Costs

	2014	2013
	£	£
Community Centres	188,167	201,592
Cemeteries	117,544	112,640
Structure & Local	944	1,112
Community Development	16,505	25,443
Less: Grant-aid Expenditure	(186,505)	(202,443)
Total	136,655	138,344

Democratic, Management & Civic Costs

	2014	2013
	£	£
Corporate Management	129,109	146,571
Democratic Representation & Management	2,573	28,968
Civic Expenses	3,885	5,706
Mayors Allowance	3,721	3,754
Interest Payable	8,903	9,725
Total	148,191	194,724

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

2 Interest and Investment Income

	2014	2013
	£	£
Interest Income - General Funds	5,757	6,585
	5,757	6,585

3 Interest Payable and Similar Charges

	2014	2013
	£	£
External Interest Charges - Loans	8,655	9,477
External Interest Charges - Lease/H.P.	248	248
	8,903	9,725

Barry Town Council

Notes to the Accounts

31 March 2014

4 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.

The council had related party transactions with the Barry Memorial Hall & Theatre for the following amounts:

	2014	2013
Rent Paid	£20,000	£20,000
Grant Funding Paid	£170,000	£185,000
Utilities	£4,130	£4,086
Insurance	£1,281	£1,216
Hire of Barry Memorial Hall	£4,000	£2,325

The council is committed to grant funding of the Memorial Hall & Theatre the next year for the following amount:

2014-15 £130,000

5 Agency Work

During the year the Council undertook the following agency work on behalf of other authorities:

Commissioning Authority and Nature of Work

	2014	2013
	£	£
Vale of Glamorgan D. C. - Porthkerry Cemetery Management	9,350	9,150
	<u>9,350</u>	<u>9,150</u>

A final claim for reimbursement to 31 March 2014 has been made.

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

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:

	2014	2013
	£	£
Fees for statutory audit services	6,325	6,200
Total fees	<u>6,325</u>	<u>6,200</u>

7 Members' Allowances

	2014	2013
	£	£
Members of Council have been paid the following allowances for the year:		
Mayor's Allowance	3,721	3,754
	<u>3,721</u>	<u>3,754</u>

Barry Town Council

Notes to the Accounts

31 March 2014

8 Employees

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

	2014	2013
	Number	Number
Full-time	12	12
Part-time	7	8
Temporary	-	-
	<u>19</u>	<u>20</u>

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

9 Pension Costs

The council participates in the Cardiff and Vale of Glamorgan Pension Fund Pension Fund.

The cost to the council for the year ended 31 March 2014 was £75,959 (31 March 2013 - £71,506).

The most recent actuarial valuation was carried out as at 31st March 2013, and the council's contribution rate is confirmed as being 27.00% of employees' pensionable pay, plus a lump sum of £0, with effect from 1st April 2014 (year ended 31 March 2014 – 28.90%, plus a lump sum of £0).

10 Pension Assets and Liabilities

In accordance with FRSSE, Barry Town Council is required to disclose certain information concerning assets, liabilities, income and expenditure related to pension schemes for its employees.

Barry Town Council participates in the Local Government Pension Scheme, which is administered by Cardiff and Vale of Glamorgan Pension Fund. The Local Government Pension Scheme is a defined benefit scheme based on final pensionable salary. The most recent valuation was carried out as at 31st March 2013, and has been updated by AON Hewitt Ltd, independent actuaries to Cardiff and Vale of Glamorgan Pension Fund Pension Fund, to take account of the requirements of FRSSE in order to assess the liabilities of the Fund as at 31 March 2014. Liabilities are valued on an actuarial basis using the projected unit method, which assesses the future liabilities discounted to their present value.

The main assumptions used for the purposes of FRSSE are as follows:

Financial Assumptions

	31 March	31 March	31 March
	2014	2013	2012
	% p.a.	% p.a.	% p.a.
Discount Rate	4.30	4.40	4.80
Rate of increase in salaries	3.40	4.70	4.60
Rate of increase in pensions	2.40	2.80	2.60
Rate of increase in deferred pensions	2.40	2.80	2.60
Rate of inflation	2.40	2.80	2.60

Expected rate of return on assets

Equities	7.60	7.80	8.10
Government Bonds	3.40	2.80	3.10
Other Bonds	4.00	3.80	3.70
Property	6.90	7.30	7.60
Cash	0.90	0.90	1.80
Other assets	7.60	7.80	8.10

Barry Town Council

Notes to the Accounts

31 March 2014

10 Pension Assets and Liabilities (cont'd)

The following amounts were measured in accordance with the requirements of FRSS2:

AMOUNTS INCLUDED IN THE COUNCIL'S BALANCE SHEET

PENSION FUND NET ASSETS

Summary of Cardiff and Vale of Glamorgan Pension Fund's Pension Fund Balance Sheet applicable to the council	31 March 2014	31 March 2013	31 March 2012
	(£000s)	(£000s)	(£000s)
Share of assets	1,880	2,320	2,020
Estimated liabilities	(2,770)	(4,290)	(3,700)
Net pensions surplus	<u>(890)</u>	<u>(1,970)</u>	<u>(1,680)</u>

PENSION FUND RESERVE

Movement in Deficit during the year

	2014	2013
	(£000s)	(£000s)
Deficit at 01 April 2013	(1,970)	(1,680)
Current Service Cost	(80)	(60)
Employer Contributions	80	70
Net Interest/Return on Assets	(30)	(30)
Actuarial Gain/(Loss)	1,110	(270)
Deficit at 31 March 2014	<u>(890)</u>	<u>(1,970)</u>

AMOUNTS REPORTED IN THE COUNCIL'S

INCOME & EXPENDITURE ACCOUNT

Pension Revenue Items during the year

Operating Costs

	2014	2013
	(£000s)	(£000s)
Current Service Cost	<u>(80)</u>	<u>(60)</u>
Total Cost	<u>(80)</u>	<u>(60)</u>

Financing (Cost)

Expected Return on Assets	160	150
Interest on Pension Liabilities	<u>(190)</u>	<u>(180)</u>
	<u>(30)</u>	<u>(30)</u>

NON-REVENUE MOVEMENTS IN RESERVES

Statement of Actuarial Gains/(Losses)

	2014	2013
	(£000s)	(£000s)
Asset (Loss)/Gain	(630)	130
Liability Gain/(Loss)	<u>1,740</u>	<u>(400)</u>
Net Gain/(Loss)	<u>1,110</u>	<u>(270)</u>

Barry Town Council

Notes to the Accounts

31 March 2014

11 Tangible Fixed Assets

	Operational Freehold Land and Buildings	Vehicles and Equipment	Infra- structure Assets	Community Assets	Total
Cost	£	£	£	£	£
At 31 March 2013	687,340	89,733	278,679	5	1,055,757
Additions	-	5,750	-	-	5,750
Disposals	-	(8,500)	-	-	(8,500)
At 31 March 2014	687,340	86,983	278,679	5	1,053,007
Depreciation					
At 31 March 2013	(110,416)	(69,620)	(71,858)	-	(251,894)
Charged for the year	(22,700)	(8,834)	(13,934)	-	(45,468)
Eliminated on disposal	-	8,500	-	-	8,500
At 31 March 2014	(133,116)	(69,954)	(85,792)	-	(288,862)
Net Book Value					
At 31 March 2014	554,224	17,029	192,887	5	764,145
At 31 March 2013	576,924	20,113	206,821	5	803,863

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 31st March 2008 by external independent valuers, Messrs District Valuer Wales. 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

	2014	2013
	£	£
Value as at 31 March 2013	4,592	5,248
Depreciation Charged in Year	(656)	(656)
Value as at 31 March 2014	3,936	4,592

Barry Town Council

Notes to the Accounts

31 March 2014

12 Financing of Capital Expenditure

	2014	2013
	£	£
The following capital expenditure during the year:		
Fixed Assets Purchased	5,750	2,385
	<u>5,750</u>	<u>2,385</u>

was financed by:

Revenue:		
Precept and Revenue Income	5,750	2,385
	<u>5,750</u>	<u>2,385</u>

13 Information on Assets Held

Fixed assets owned by the council include the following:

Operational Land and Buildings

Pioneer Hall

Merthyr Dyfan Cemetery Buildings

Vehicles and Equipment

Light Vans - 1

Major Grounds Maintenance Equipment

Sundry grounds maintenance equipment

Sundry office equipment

Infrastructure Assets

Cemetery Extension Improvements

Cemetery Roads and Fencing

Cremated Remains Section

Community Assets

Merthyr Dyfan Cemetery

Philadelphia Cemetery

Council Artefacts & Regalia

Barry Town Council

Notes to the Accounts

31 March 2014

14 Debtors

	2014	2013
	£	£
Trade Debtors	4,623	2,543
VAT Recoverable	7,627	8,755
Other Debtors	4,450	-
Revenue Grant Debtors	-	2,000
Accrued Income	-	1,130
Accrued Interest Income	479	272
	<hr/> 17,179	<hr/> 14,700

15 Creditors and Accrued Expenses

	2014	2013
	£	£
Trade Creditors	16,831	18,991
Other Creditors	463	1,952
Superannuation Payable	7,722	7,354
Payroll Taxes and Social Security	6,298	6,530
Accruals	13,477	25,836
Income in Advance	2,318	859
	<hr/> 47,109	<hr/> 61,522

16 Financial Commitments under Operating Leases

The council had annual commitments under non-cancellable operating leases of property as follows:

	2014	2013
	£	£
Obligations expiring within one year	-	-
Obligations expiring between two and five years	-	-
Obligations expiring after five years	20,000	20,000
	<hr/> 20,000	<hr/> 20,000

The council had annual commitments under non-cancellable operating leases of equipment as follows:

	2014	2013
	£	£
Obligations expiring within one year	-	-
Obligations expiring between two and five years	3,050	3,050
Obligations expiring after five years	-	-
	<hr/> 3,050	<hr/> 3,050

Barry Town Council

Notes to the Accounts

31 March 2014

17 Deferred Liabilities

	2014	2013
	£	£
H.P. and Lease Creditors	1,312	2,624

	2014	2013
	£	£
The above liabilities are repayable as follows:		
Within one year	1,312	1,312
From one to two years	-	1,312
Total Deferred Liabilities	1,312	2,624
Less: Repayable within one year	(1,312)	(1,312)
	-	1,312

18 Long Term Liabilities

	2014	2013
	£	£
Public Works Loan Board	166,756	183,676

	2014	2013
	£	£
The above loans are repayable as follows:		
Within one year	16,921	16,921
From one to two years	16,921	16,921
From two to five years	50,762	50,762
From five to ten years	71,689	78,146
Over ten years	10,463	20,926
Total Loan Commitment	166,756	183,676
Less: Repayable within one year	(16,921)	(16,921)
Repayable after one year	149,835	166,755

Barry Town Council

Notes to the Accounts

31 March 2014

19 Capital Financing Account

	2014	2013
	£	£
Balance at 01 April	617,563	642,573
Financing capital expenditure in the year		
Additions - using revenue balances	5,750	2,385
Loan repayments	18,233	18,233
Disposal of fixed assets	(8,500)	-
Depreciation eliminated on disposals	8,500	-
Reversal of depreciation	(45,468)	(45,628)
Balance at 31 March	<u>596,078</u>	<u>617,563</u>

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.

20 Earmarked Reserves

	Balance at	Contribution	Contribution	Balance at
	01/04/2013	to reserve	from reserve	31/03/2014
	£	£	£	£
Capital Projects Reserves	345,598	154,446	(6,160)	493,884
Asset Renewal Reserves	-	-	-	-
Other Earmarked Reserves	3,927	10,000	-	13,927
Total Earmarked Reserves	<u>349,525</u>	<u>164,446</u>	<u>(6,160)</u>	<u>507,811</u>

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 2014 are set out in detail at Appendix A.

21 Capital Commitments

The council had no other capital commitments at 31 March 2014 not otherwise provided for in these accounts.

22 Contingent Liabilities

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

Barry Town Council

Notes to the Accounts

31 March 2014

23 Reconciliation of Revenue Cash Flow

	2014	2013
	£	£
Net Operating Surplus for the year	177,065	125,167
Add/(Deduct)		
Reversal of Defined Benefit adjustments	-	(10,000)
Reversal of Depreciation less Deferred Grants Released	45,468	45,628
Interest Payable	8,903	9,725
Interest and Investment Income	(5,550)	(6,813)
(Increase)/Decrease in debtors	(2,479)	2,355
(Decrease)/Increase in creditors	(14,413)	26,377
Revenue activities net cash inflow	<u>208,994</u>	<u>192,439</u>

24 Movement in Cash

	2014	2013
	£	£
Balances at 01 April		
Cash with accounting officers	528	754
Cash at bank	<u>463,145</u>	<u>294,009</u>
	463,673	294,763
Balances at 31 March		
Cash with accounting officers	903	528
Cash at bank	<u>444,554</u>	<u>463,145</u>
	445,457	463,673
Net cash (outflow)/inflow	<u>(18,216)</u>	<u>168,910</u>

25 Reconciliation of Net Funds/Debt

	2014	2013
	£	£
(Decrease)/Increase in cash in the year	<u>(18,216)</u>	<u>168,910</u>
Cash outflow from repayment of debt	<u>18,232</u>	<u>18,232</u>
Net cash flow arising from changes in debt	<u>18,232</u>	<u>18,232</u>
Movement in net funds in the year	<u>16</u>	<u>187,142</u>
Cash at bank and in hand	463,673	294,763
Total borrowings	<u>(186,300)</u>	<u>(204,532)</u>
Net funds at 01 April	<u>277,373</u>	<u>90,231</u>
Cash at bank and in hand	445,457	463,673
Total borrowings	<u>(168,068)</u>	<u>(186,300)</u>
Net funds at 31 March	<u>277,389</u>	<u>277,373</u>

Barry Town Council

Notes to the Accounts

31 March 2014

26 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 15th September 2014), which would have a material impact on the amounts and results reported herein.

Barry Town Council

Auditor's Report to the Council

31 March 2014

We have audited the Statements of Accounts on pages 10 to 25, which have been prepared in accordance with the accounting policies applicable to local councils as set out on pages 7 to 9.

This report is made solely to the members of Barry Town Council in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as is set out in paragraph 54 of the Statement & Responsibilities of Auditors and of Audited Bodies, prepared by the Audit Commission. To the fullest extent permitted by law, we do not accept or assume responsibility for anyone other than the council for our audit work, for this report, or for the opinion that we have formed.

Respective Responsibilities of the Responsible Financial Officer and Auditors

As described in the Statement of Responsibilities, page 6, the R.F.O. is responsible for the preparation of the Statements of Accounts in accordance with the Statement of Recommended Practice on Local Authority Accounting in the United Kingdom 2007. Our responsibilities as the independent auditor are established by statute, the Code of Audit Practice issued by the Audit Commission and our profession's ethical guidance.

We report to you our opinion as to whether the Statements of Accounts present fairly the financial position of the council and its Income and Expenditure for the year.

We review whether the Annual Governance Statement, page 4, reflects compliance with the requirements of CIPFA's guidance 'The Statement on Internal Control in Local Government: Meeting the Requirements of the Accounts and Audit Regulations 2003' published on 2 April 2004. We report if it does not meet the requirements specified by CIPFA or if the statement is misleading or inconsistent with other information that we are aware of from our audit of the financial statements. We are not required to consider, nor have we considered, whether the Annual Governance Statement covers all risks and controls. We are also not required to form an opinion on the effectiveness of the council's corporate governance procedures. Our review was not performed for any purpose connected with any specific transaction and should not be relied upon for any such purpose.

We read the other information published with the Statements of Accounts and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the Statements of Accounts.

Basis of Opinion

We conducted our audit in accordance with the Audit Commission Act 1998 and the Code of Auditing Practice issued by the Audit Commission, which requires compliance with the relevant auditing standards issued by the Auditing Practices Board.

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the Statements of Accounts. It also includes an assessment of the significant estimates and judgments made by the council in the preparation of the Statements of Accounts and of whether the accounting policies are appropriate to the council's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations that we consider necessary in order to provide us with sufficient evidence to give reasonable assurance that the Statements of Accounts are free from material misstatements, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of the information in the financial statements.

Barry Town Council
Auditor's Report to the Council
31 March 2014

Opinion

In our opinion, the Statements of Accounts present fairly the financial position of Barry Town Council at 31 March 2014 and its Income and Expenditure for the year then ended.

Certificate

We certify that we have completed the audit of the accounts in accordance with the requirements of the Audit Commission Act 1998 and the Code of Audit Practice issued by the Audit Commission.

Signed:

Date:

For: Mazars LLP
Clifton Down House
Beaufort Buildings
Clifton
Bristol
BS8 4AN

Barry Town Council

Appendices

31 March 2014

Appendix A

Schedule of Earmarked Reserves

	<u>Balance at</u> <u>01/04/2013</u>	<u>Contribution</u> <u>to reserve</u>	<u>Contribution</u> <u>from reserve</u>	<u>Balance at</u> <u>31/03/2014</u>
	£	£	£	£
<u>Capital Projects Reserve</u>				
Special Projects Reserve	6,350	(6,350)	-	0
Cemetery Improvement Reserve	239,248	60,796	(6,160)	293,884
Acquisition Reserve	100,000	100,000	-	200,000
Capital Projects Reserve	345,598	154,446	-6,160	493,884
<u>Other Earmarked Reserves</u>				
Election Reserve	3,927	10,000		13,927
Other Earmarked Reserves	3,927	10,000	0	13,927
TOTAL EARMARKED RESERVES	349,525	164,446	(6,160)	507,811

Barry Town Council

31 March 2014

Annual Report Tables

Table. 1 – Budget & Actual Comparison

	Budget £	Actual £
Net Expenditure		
Recreation & Sport	221,866	231,746
Cemetery, Cremation & Mortuary	192,877	188,185
Planning & Development Services (including Markets)	79,288	45,788
Net Direct Services Costs	<u>494,031</u>	<u>465,719</u>
Corporate Management	98,386	125,099
Democratic & Civic	<u>253,782</u>	<u>142,051</u>
Net Democratic, Management and Civic Costs	<u>352,168</u>	<u>267,150</u>
Interest & Investment Income	(2,000)	(5,757)
Loan Charges	25,576	27,136
Capital Expenditure	-	5,750
Proceeds of Disposal of Capital Assets	-	(125)
Transfers to/(from) other reserves	88,773	158,286
Reversal of Statutory Adjustments	(45,468)	(45,468)
(Deficit from)/Surplus to General Reserve	<u>-</u>	<u>40,389</u>
Precept on District Council	<u>913,080</u>	<u>913,080</u>

Barry Town Council

31 March 2014

Annual Report Tables

Table. 2 – Service Income & Expenditure

Notes	2014 £	2014 £	2014 £	2013 £
	Gross Expenditure	Income	Net Expenditure	Net Expenditure
CULTURAL & RELATED SERVICES				
Recreation & Sport	246,225	(14,479)	231,746	244,791
ENVIRONMENTAL SERVICES				
Cemetery, Cremation & Mortuary	355,868	(167,683)	188,185	186,051
PLANNING & DEVELOPMENT SERVICES				
Planning & Development Services	29,283	-	29,283	29,256
Community Development	16,505	-	16,505	25,443
CENTRAL SERVICES				
Corporate Management	126,160	(1,061)	125,099	147,408
Democratic & Civic	134,445	-	134,445	150,324
Civic Expenses	7,606	-	7,606	9,460
Non Distributed Costs	-	-	-	(10,000)
Net Cost of Services	916,092	(183,223)	732,869	782,733