



ACCOUNTS

2014/15

Section 1 – Accounting statements 2014/15 for

Enter name of
reporting body here:

LOUGHTON TOWN Council/Meeting

Readers should note that throughout this annual return references to a 'local council' or 'council' also relate to a parish meeting.

	Year ending		Notes and guidance
	31 March 2014 £	31 March 2015 £	
1 Balances brought forward	918,719	947,295	Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.
2 (+) Annual precept	574,600	581,700	Total amount of precept received or receivable in the year. Excludes any grants received.
3 (+) Total other receipts	247,286	250,857	Total income or receipts as recorded in the cashbook less the precept received (line 2). Include any grants received here.
4 (-) Staff costs	331,752	348,366	Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and employment expenses.
5 (-) Loan interest/capital repayments	100,497	100,497	Total expenditure or payments of capital and interest made during the year on the council's borrowings (if any).
6 (-) All other payments	361,061	406,875	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).
7 (=) Balances carried forward	947,295	924,114	Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6)
8 Total cash and short term investments	960,714	926,025	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March - to agree with bank reconciliation.
9 Total fixed assets plus other long term investments and assets	531,649	531,649	The original Asset and Investment Register value of all fixed assets, plus other long term assets owned by the council as at 31 March
10 Total borrowings	936,178	883,520	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).
11 Disclosure note Trust funds (including charitable)	yes	no	The council acts as sole trustee for and is responsible for managing trust funds or assets. N.B. The figures in the accounting statements above do not include any trust transactions.
		✓	

I certify that for the year ended 31 March 2015 the accounting statements in this annual return present fairly the financial position of the council and its income and expenditure, or properly present receipts and payments, as the case may be.

Signed by Responsible Financial Officer

Enda R. Wilson

Date 15/04/2015

I confirm that these accounting statements were approved by the council on this date:

22/04/2015

and recorded as minute reference:

209.3

Signed by Chair of the meeting approving these accounting statements.

B. S. Weston

Date 22/04/2015

Section 2 – Annual governance statement 2014/15

We acknowledge as the members of:

LOUGHTON TOWN Council/Meeting

our responsibility for ensuring that there is a sound system of internal control, including the preparation of the accounting statements. We confirm, to the best of our knowledge and belief, with respect to the accounting statements for the year ended 31 March 2015, that:

	Agreed –		'Yes' means that the council:
	Yes	No*	
1 We approved the accounting statements prepared in accordance with the requirements of the Accounts and Audit Regulations and proper practices.	Yes		prepared its accounting statements in the way prescribed by law.
2 We maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	Yes		made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.
3 We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and proper practices that could have a significant financial effect on the ability of the council to conduct its business or on its finances.	Yes		has only done what it has the legal power to do and has complied with proper practices in doing so.
4 We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	Yes		during the year has given all persons interested the opportunity to inspect and ask questions about the council's accounts.
5 We carried out an assessment of the risks facing the council and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	Yes		considered the financial and other risks it faces and has dealt with them properly.
6 We maintained throughout the year an adequate and effective system of internal audit of the council accounting records and controls systems.	Yes		arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of the council.
7 We took appropriate action on all matters raised in reports from internal and external audit.	Yes		responded to matters brought to its attention by internal and external audit.
8 We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on the council and, where appropriate have included them in the accounting statements.	Yes		disclosed everything it should have about its business activity during the year including events taking place after the year-end if relevant.
9 Trust funds (including charitable) – in our capacity as the sole managing trustee we discharged our responsibility in relation to the accountability for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	no	NA
			has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts.

This annual governance statement is approved by the council and recorded as minute reference

209.4
dated 22/04/2015

Signed by:

Chair *E. Weston*

dated 22/04/2015

Signed by:

Clerk *And K. Webb*

dated 22/04/2015

*Note: Please provide explanations to the external auditor on a separate sheet for each 'No' response. Describe how the council will address the weaknesses identified.

Section 3 – External auditor certificate and report 2014/15

Certificate

We certify that we have completed our review of the annual return, and discharged our responsibilities under the Audit Commission Act 1998 as transitionally saved, for the year ended 31 March 2015 in respect of:

LOUGHTON TOWN Council/Meeting

Respective responsibilities of the body and the auditor

The body is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The body prepares an annual return in accordance with proper practices which:

- summarises the accounting records for the year ended 31 March 2015; and
- confirms and provides assurance on those matters that are important to our audit responsibilities.

Our responsibility is to review the annual return in accordance with guidance issued by the Audit Commission (see note below). Our work does not constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and does not provide the same level of assurance that such an audit would do.

External auditor report (EX0166)

~~(Except for the matters reported below)*~~ on the basis of our review of the annual return, in our opinion the information in the annual return is in accordance with proper practices and no matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met. (*delete as appropriate).

(continue on a separate sheet if required)

Other matters not affecting our opinion which we draw to the attention of the council:

(continue on a separate sheet if required)

External auditor signature

PKF Littlejohn LLP

External auditor name

PKF Littlejohn LLP

Date

1-9-15

Note: The Audit Commission issued guidance in its Standing Guidance, which is applicable to external auditors' work on 2014/15 accounts.

Section 4 – Annual internal audit report 2014/15 to

LOUGHTON TOWN

/Meeting

The council's internal audit, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ended 31 March 2015.

Internal audit has been carried out in accordance with the council's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the council.

Internal control objective	Agreed? Please choose only one of the following		
	Yes	No*	Not covered**
A Appropriate accounting records have been kept properly throughout the year.	✓		
B The council's financial regulations have been met, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C The council assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D The annual precept requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	✓		
G Salaries to employees and allowances to members were paid in accordance with council approvals, and PAYE and NI requirements were properly applied.	✓		
H Asset and investments registers were complete and accurate and properly maintained.	✓		
I Periodic and year-end bank account reconciliations were properly carried out.	✓		
J Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, were supported by an adequate audit trail from underlying records, and where appropriate debtors and creditors were properly recorded.	✓		
K Trust funds (including charitable) The council met its responsibilities as a trustee.	Yes	No	Not applicable
			N/A

For any other risk areas identified by the council (list any other risk areas below or on separate sheets if needed) adequate controls existed:

Name of person who carried out the internal audit

**A Shepherd-Roberts
For Auditing Solutions Ltd**

Signature of person who carried out the internal audit

A Shepherd-Roberts

Date

6/05/2015

If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

****Note:** If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned, or, if coverage is not required, internal audit must explain why not (add separate sheets if needed).

Supporting Notes to the Accounts 2014/15

1 **Basis of accounts**

These accounts have been prepared in accordance with the Accounts and Audit (England) Regulations 2011, i.e. on an income and expenditure basis with a statement of balances.

2 **Assets, property etc**

During 2013/14, the Town Council commenced lease negotiations for the transfer of the land used by the Loughton Cricket Club at the junction of the High Road with Traps Hill from the trustees and for the recently refurbished Memorial Garden in Roding Road adjacent to St Michael's Church. Owing to various legal issues, the transfers have not yet been completed.

The total of fixed assets and long terms assets remained static at £531,649.

The asset register was reviewed by the Resources and General Services Committee at its meeting on 8 April 2015.

See separate schedule of assets held, including leases, licences, management agreements etc. for more information.

3 **Borrowings**

At the end of the financial year 2014/15 the council had the following loans outstanding. All loans were from the Public Works Loans Board.

Purpose	Opening balance 1st April 2014	Closing balance 31st March 2015	End date of loan
Buckingham Court	252,235.78	236,446.19	19.01.26
Community Centre (1)	339,148.50	320,539.76	28.03.27
Community Centre (2)	344,794.18	326,534.10	28.06.27
Total	936,178.46	883,520.05	

4 **Earmarked Reserves**

See attached schedule of earmarked reserves.

The earmarked reserves represent the amount of money within the Council's balances that has been set aside for specific purposes.

The council had no useable capital reserves at 31 March 2015. Capital reserves represent the amount of money available within the Council's balances which are restricted and can only be used to finance capital expenditure.

5 **Section 137**

The limit for the Council's spending under S137 of the Local Government Act 1972 (as amended) for the year was £174,132 (£7.20 x 24,185). Payments totalling £3,400 were made under S137 during the year.

6 **Analysis and apportionment of income and expenditure**

Income and expenditure are analysed in accordance with the Council's committee structure. The costs of management and administration have been apportioned to all services on an appropriate basis.

7 **Advertising and Publicity**

The following costs for advertising and publicity were incurred during the year:

	14/15 £
Recruitment advertising	0
Other advertising	360
Publicity	105
Total	<u>465</u>

8 **Pensions**

During 2014/15 the Council contributed 15.1% of employees' total pensionable pay to the pension fund.

9 **Members Allowances**

The total of members' allowances including expenses paid to serving councillors during the year was £2,060.43.

10 **Agency Work**

The Council did not undertake any agency work on behalf of other authorities during the year other than the provision of emergency caretaker assistance to Buckhurst Hill Parish Council, which was recharged at cost.

11 **Creditors**

There were no significant creditors at the end of 2014/15.

12 **Bad Debts**

Debts totalling 329.44 were written off during the year.

13 **Contingent Liabilities**

The accounts do not include provision for any contingencies.



Income and Expenditure Account for the year ended 31st March 2015

Actual		Actual
Year ended		Year ended
31st March		31st March
2014	Income	2015
574,600	Precept	581,700
69,526	LCTS grant	58,358
15,426	Interest	9,703
10,029	Resources and General Services	8,132
22,989	Environment & Heritage	24,547
129,316	Recreation	150,117
<u>821,886</u>	Total Income	<u>832,557</u>
	Expenditure	
150,667	Resources and General Services	154,683
135,060	Environment & Heritage	140,207
480,583	Recreation	533,848
27,000	Planning & Licensing	27,000
<u>793,310</u>	Total Expenditure	<u>855,738</u>
	General Fund	
456,569	Balance at 1st April	462,180
821,886	Total Income	832,557
793,310	Total Expenditure	<u>855,738</u>
485,145		438,999
22,965	Transfer to (from) Earmarked Reserves	52,661
<u>462,180</u>	Balance at 31st March	<u>386,338</u>



Statement of Balances as at 31st March 2015

1st March 2014

31st March 2015

		Current Assets	
18,075	Debtors (net of provision for doubtful debts)	3,266	
9,744	Payments in advance	10,521	
24,441	VAT recoverable	26,229	
960,714	Cash	926,025	
<u>1,012,974</u>		<u>966,041</u>	
		Current Liabilities	
35,342	Creditors & accruals	12,844	
22,918	Receipts in advance	23,525	
1,269	Booking deposits	1,489	
6,150	Security & key deposits	4,070	
<u>65,679</u>		<u>41,928</u>	
<u>947,295</u>	NET ASSETS	<u>924,113</u>	
		REPRESENTED BY:	
462,180	General fund balance	386,338	
485,115	Earmarked Reserves	537,776	
<u>947,295</u>		<u>924,114</u>	

Schedule of Earmarked Reserves	2014/15		
	1.4.14	Net transfers	31.3.15
Recreation Committee			
Murray Hall	53,681	-2,000	51,681
Kingsley Hall	5,000	10,000	15,000
Roding Valley Recreation Ground	120,350	14,500	134,850
Skateboarding	39,700	1,300	41,000
Playgrounds	26,700	8,000	34,700
Open Spaces	3,500	500	4,000
WRPF	22,200	-10,700	11,500
Youth forum	1,000	-1,000	0
Community events	0	2,000	2,000
Van replacement	2,000	2,000	4,000
Total	274,131	24,600	298,731
Environment & Heritage Committee			
Street furniture (inc £1,400 winter contingency)	13,950	4,600	18,550
Allotments	3,910		3,910
Tourist brochures	500	-500	0
Community toilet scheme	1,000		1,000
Cemetery	34,350		34,350
Cemetery plot maint endowment (restricted fund)	4,414	3,848	8,262
Village Greens - legal fees	5,000		5,000
Lady Whitaker's Mead/new cemetery	84,375	-510	83,865
Tree strategy	0		0
Roding Hub	500		500
WWI centenary commemorations	0	400	400
Total	147,999	7,838	155,837
Resources and General Services Committee			
Elections	13,000	9,000	22,000
Noticeboards	2,400		2,400
Office expenses	6,820	-700	6,120
Communication	1,000		1,000
Council expenses	2,884	23	2,907
Accommodation	15,000		15,000
Buckingham Court maint. fund	6,000	-2,000	4,000
Honours board	700		700
Staff costs	0	6,000	6,000
Grants	181	2,900	3,081
Total	47,985	15,223	63,208
Planning & Licensing Committee			
Neighbourhood Plans	15,000	5,000	20,000
Total	15,000	5,000	20,000
Grand total	485,115	52,661	537,776