

Woodley Town Council

Statements of Accounts

For the year ended 31 March 2008

Woodley Town Council

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31 March 2008

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Woodley Town Council

Council Information

31 March 2008

(Information current at 24th June 2008)

Town Mayor

Cllr Kay Gilder

Councillors

Cllr Coling Lawley (Deputy Town Mayor)

Cllr Dawn Bayly

Cllr Phillip Challis

Cllr Jenny Cheng

Cllr Audrey Choules

Cllr Alan Clifford

Cllr Ray Duncan

Cllr Shelagh Flower

Cllr Brian Franklin

Cllr Kate Haines

Cllr Linda Higgs

Cllr Mary Holmes

Cllr Anthony Mattingley

Cllr David Mills

Cllr Sam Rahmouni

Cllr Beth Rowland

Cllr Janet Sartorel

Cllr Patti Sherratt

Cllr Darren Smith

Cllr Bill Soane

Cllr Celia Storry

Cllr Malcolm Storry

Cllr James Taylor

Cllr Denis Thair

Clerk to the Council

Ms Deborah Mander

Auditors

Audit Commission

Collins House

Bishopstoke Road

Eastleigh

Hampshire

SO50 6AD

Woodley Town Council

Explanatory Foreword

31 March 2008

The council's Statements of Accounts for the year ended 31 March 2008 are set out on the following pages.

They consist of the following statements:

The Income and Expenditure Account

The council's revenue account, which sets out income and expenditure on all services, interest payable and receivable, profits/losses on disposal of fixed assets and sources of the council's income from revenue grants and taxation (Precept).

The statement also incorporates the additional amounts required to be accounted for in respect of the council's pension arrangements in accordance with FRS 17.

The Statement of Movements on the General Fund

This statement consolidates the council's surplus or deficit for the year, as set out in the Income and Expenditure Account with all other statutory and non-statutory proper practices that are required to be charged to the council's General Fund in order to determine the council's budget and, in turn, its Council Tax (Precept) demand.

The Balance Sheet

This sets out the financial position of the council on 31 March 2008, i.e. its assets and liabilities at that date.

The Cash Flow Statement

This summarises inflows and outflows of cash arising from the revenue and capital transactions with third parties.

Statement of Total Recognised Gains and Losses

This statement sets out the total gains and losses enjoyed and suffered by the council, not all of which are reported in the Income and Expenditure Account, and their effect on the council's reserves during the year.

Statement of Accounting Policies

This statement explains the basis for the recognition, measurement and disclosure of transactions and other events in the accounts.

Notes to the Accounts

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

This foreword provides a brief explanation of the financial aspects of the council's activities and draws attention to the main characteristics of the financial position, including the year's budget, as summarised below.

Woodley Town Council

Explanatory Foreword

31 March 2008

Budget Comparison for the year ended 31 March 2008

The following shows a comparison of the budget and out-turn figures for 2007/2008:

	Budget £	Actual £
Net Expenditure		
Recreation & Sport	470,320	508,682
Open Spaces	93,294	74,867
Planning & Development Services (including Markets)	71,963	65,925
Other Services to the Public	45,623	47,838
Investment Properties	-	1,000
Corporate Management	213,183	205,822
Democratic & Civic	104,409	98,967
Interest Income	(22,000)	(28,132)
Net contribution to reserves and other adjustments	52,886	54,709
Precept on District Council	1,029,678	1,029,678

The net underspendings on services of £1,823 are reflected in an increased contribution to reserves and capital expenditure provision.

Further Information

Further information about the accounts is available from The Oakwood Centre, Headley Road, Woodley, Berkshire, RG5 4JZ. This is part of the council's policy of providing full information about its affairs. Interested members of the public have a statutory right to inspect the accounts before the audit is completed. The availability of the accounts for inspection is advertised in the press and on the notice board outside the council offices.

Woodley Town Council
Statement of Responsibilities
31 March 2008

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 Statements of Accounts in accordance with the 'Code of Practice on Local Authority Accounting in Great Britain' (the code), so far as is applicable to this council, to present fairly the financial position of the council at 31 March 2008 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 code.

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 2008 required by the Accounts and Audit Regulations 2003 are set out in the following pages.

I further certify that the Statements of Accounts present fairly the financial position of Woodley Town Council at 31 March 2008, and its income and expenditure for the year ended 31 March 2008.

Signed:

Town Clerk

Date:

Woodley Town Council
Annual Governance Statement
31 March 2008

Scope of Responsibility

Woodley 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 also responsible for ensuring that there is a sound system of internal control that facilitates the effective exercise of the council's functions and which includes arrangements for the management of risk.

The Purpose of the System of Internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide a reasonable, and not absolute, assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

A system of internal control has been in place at Woodley Town Council for the year ended 31 March 2008 and up to the date of approval of the annual report and accounts.

The Internal Control Environment

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

- regular reports of service delivery and project performance
- comprehensive budgeting and project evaluation and maintenance criteria
- setting of targets to measure financial and general performance
- the preparation and dissemination of regular financial reports measuring actual expenditure against forecasts for both revenue and capital projects
- the regular review of such reports by officers, and by members in committee and at full council.
- regular risk management reviews on specific aspects of the council's operations

Woodley Town Council
Annual Governance Statement
31 March 2008

Review of Effectiveness

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

We have been advised on the implications of the result of the review of effectiveness of the system of internal control by the council, relevant committees and the internal auditor, and plan to address weaknesses and ensure continuous improvement of the system in place.

Significant Internal Control Issues

The council's risk management arrangements include an approved risk management strategy and the formal maintenance of a risk register.

As any significant control issues arise effective steps will be taken to ensure that matters are addressed, weaknesses eradicated and revised systems implemented at the earliest opportunity.

Approval of Statement

This revised statement was approved at a meeting of the Strategy and Resources Committee held on 30th September 2008 when authority was given for the Chairman and the Town Clerk to sign.

Signed:
Cllr Beth Rowland
Chairman, Strategy and Resources Committee

.....
Ms Deborah Mander
Town Clerk

Date:

Woodley Town Council
Auditor's Report to the Council

31 March 2008

Independent auditor's report to the Members of Woodley Town Council

I have audited the Authority accounting statements and related notes of Woodley Town Council for the year ended 31 March 2008 under the Audit Commission Act 1998. The accounting statements comprise the Income and Expenditure Account, the Statement of the Movement on the General Fund Balance, the Balance Sheet, the Statement of Total Recognised Gains and Losses, the Cash Flow Statement and the related notes. These accounting statements have been prepared under the accounting policies set out in the Statement of Accounting Policies.

This report is made solely to the members of Woodley Town Council in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 36 of the Statement of Responsibilities of Auditors and of Audited Bodies prepared by the Audit Commission.

Respective responsibilities of the Clerk and auditor

The Clerk's responsibilities for preparing the financial statements in accordance with relevant legal and regulatory requirements and the Statement of Recommended Practice on Local Authority Accounting in the United Kingdom 2007 are set out in the Statement of Responsibilities for the Statement of Accounts.

My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the accounting statements present fairly, in accordance with relevant legal and regulatory requirements and the Statement of Recommended Practice on Local Authority Accounting in the United Kingdom 2007 the financial position of the Authority and its income and expenditure for the year.

I review whether the governance statement reflects compliance with 'Delivering Good Governance in Local Government: A Framework' published by CIPFA/SOLACE in June 2007. I report if it does not comply with proper practices specified by CIPFA/SOLACE or if the statement is misleading or inconsistent with other information I am aware of from my audit of the financial statements. I am not required to consider, nor have I considered, whether the governance statement covers all risks and controls. Neither am I required to form an opinion on the effectiveness of the Authority's corporate governance procedures or its risk and control procedures.

I read other information published with the accounting statements, and consider whether it is consistent with the audited accounting statements. This other information comprises the Explanatory Foreword. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the accounting statements. My responsibilities do not extend to any other information.

Basis of audit opinion

I conducted my audit in accordance with the Audit Commission Act 1998, the Code of Audit Practice issued by the Audit Commission and International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounting statements and related notes. It also includes an assessment of the significant estimates and judgments made by the Authority in the preparation of the accounting statements and related notes, and of whether the accounting policies are appropriate to the Authority's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the accounting statements and related notes are free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the accounting statements and related notes.

Opinion

In my opinion the financial statements present fairly, in accordance with relevant legal and regulatory requirements and the Statement of Recommended Practice on Local Authority Accounting in the United Kingdom 2007, the financial position of the Authority as at 31 March 2008 and its income and expenditure for the year then ended.

Woodley Town Council
Auditor's Report to the Council

31 March 2008

Conclusion on arrangements for securing economy, efficiency and effectiveness in the use of resources

Authority's responsibilities

The Authority is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance and regularly to review the adequacy and effectiveness of these arrangements.

Auditor's responsibilities

I am required by the Audit Commission Act 1998 to be satisfied that proper arrangements have been made by the Authority for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the Audit Commission requires me to report to you my conclusion in relation to proper arrangements, having regard to relevant criteria specified by the Audit Commission for other local government bodies. I report if significant matters have come to my attention which prevent me from concluding that the Authority has made such proper arrangements. I am not required to consider, nor have I considered, whether all aspects of the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

Conclusion

I have undertaken my audit in accordance with the Code of Audit Practice and having regard to the criteria for other local government bodies specified by the Audit Commission and published in December 2006, I am satisfied that, in all significant respects, Woodley Town Council made proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2008.

Certificate

I certify that I 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.

Signature:

Date:

Phil Sharman CPFA CANZ
District Auditor
Audit Commission
Unit 5, ISIS Business Centre
Horspath Road
Cowley
Oxford
OX4 2RD

Woodley Town Council
Income and Expenditure Account

31 March 2008

	Notes	2008 £	2008 £	2008 £	2007 £
		Gross Expenditure	Income	Net Expenditure	Net Expenditure
CULTURAL & RELATED SERVICES					
Recreation and Sport		1,155,093	(646,411)	508,682	433,409
Open Spaces		83,975	(9,108)	74,867	71,164
PLANNING & DEVELOPMENT SERVICES					
Economic Development (including markets)		25,771	-	25,771	22,549
Community Development		40,154	-	40,154	42,363
OTHER SERVICES					
Other Services to the Public		47,838	-	47,838	48,803
Investment Properties		1,000	-	1,000	-
CENTRAL SERVICES					
Corporate Management		235,581	(29,759)	205,822	182,564
Democratic Representation and Management		98,967	-	98,967	88,227
Non Distributed Costs		18,000		18,000	36,000
Net Cost of Services		1,706,379	(685,278)	1,021,101	925,079
Loss/(Profit) on the disposal of fixed assets				-	(2,000)
Interest payable and similar charges	1			150,458	152,709
Investment Losses				7,345	-
Interest and Investment Income	2			(28,132)	(25,669)
Pension interest cost and expected return on pensions assets				(18,000)	(9,000)
Net Operating Expenditure				1,132,772	1,041,119
Precept on District Council				(1,029,678)	(998,690)
Deficit for the Year				103,094	42,429

The notes on pages 19 to 33 form part of these accounts.

Woodley Town Council
Statement of Movement on the General Fund Balance
31 March 2008

	Notes	2008 £	2007 £
Deficit for the year on the Income and Expenditure Account.		103,094	42,429
Net additional amount required by statute and non-statutory proper practices to be debited or credited to the General Fund Balance for the year.	11	(104,264)	(57,081)
<hr/>			
(Increase) in General Fund Balance for the Year		(1,170)	(14,652)
General Fund Balance brought forward		(164,367)	(149,715)
<hr/>			
General Fund Balance carried forward		<u>(165,537)</u>	<u>(164,367)</u>

The notes on pages 19 to 33 form part of these accounts.

Woodley Town Council
Statement of Total Recognised Gains and Losses
31 March 2008

	Notes	2008 £	2007 £
Deficit for the year on the Income and Expenditure Account.		103,094	42,429
Deficit/(Surplus) arising on revaluation of fixed assets	22	-	(2,134,230)
Deficit/(Surplus) arising on revaluation of available-for-sale financial assets	24	7,255	(7,813)
Actuarial (gains)		(29,000)	(157,000)
Total recognised losses/(gains) for the year		81,349	(2,256,614)

The notes on pages 19 to 33 form part of these accounts.

Woodley Town Council

Balance Sheet

31 March 2008

	Notes	2008 £	2008 £	2007 £
Fixed Assets				
Tangible Fixed Assets	12		6,042,222	6,238,081
Long Term Assets				
Investments Other Than Loans	15		324,733	290,000
Long Term Debtors			85,000	85,000
Current Assets				
Stock	16	2,198		4,195
Debtors	17	115,880		79,071
Cash at bank and in hand		292,735		266,022
		<u>410,813</u>		<u>349,288</u>
Current Liabilities				
Current Portion of Long Term Borrowings		(20,745)		(22,028)
Creditors and accrued expenses	18	<u>(103,538)</u>		<u>(77,453)</u>
Net Current Assets			286,530	249,807
Total Assets Less Current Liabilities			6,738,485	6,862,888
Long Term Liabilities				
Long-term borrowing	19		(2,568,753)	(2,589,497)
Deferred Grants	20		(327,657)	(320,965)
Pension Fund Net (Liabilities)	10		(328,000)	(357,000)
			<u>3,514,075</u>	<u>3,595,426</u>
Capital and Reserves				
Capital Adjustment Account	23		3,226,117	3,390,590
Financial Instruments Revaluation Reserve	24		(7,255)	-
Financial Instruments Adjustment Account	25		331,988	290,000
Pensions Reserve	10		(328,000)	(357,000)
Earmarked Reserves	27		125,688	107,469
General Reserve			165,537	164,367
			<u>3,514,075</u>	<u>3,595,426</u>

These accounts have been approved by the Council.

Signed:
Cllr Beth Rowland
Chairman, Strategy and Resources Committee

.....
Ms Deborah Mander
Responsible Financial Officer

Date:

.....

Woodley Town Council

Balance Sheet

31 March 2008

The notes on pages 19 to 33 form part of these accounts.

Woodley Town Council

Cash Flow Statement

31 March 2008

	Notes	2008 £	2008 £	2007 £
REVENUE ACTIVITIES				
<i>Cash outflows</i>				
Paid to and on behalf of employees		(798,385)		(810,833)
Other operating payments		(700,985)		(664,442)
			(1,499,370)	(1,475,275)
<i>Cash inflows</i>				
Precept on District Council		1,029,678		998,690
Cash received for services		675,477		705,872
			1,705,155	1,704,562
Net cash inflow from Revenue Activities	30		205,785	229,287
SERVICING OF FINANCE				
<i>Cash outflows</i>				
Interest paid		(150,458)		(152,709)
<i>Cash inflows</i>				
Interest received		27,240		25,669
Investment Income		892		-
			(122,326)	(127,040)
Net cash (outflow) from Servicing of Finance			(122,326)	(127,040)
CAPITAL ACTIVITIES				
<i>Cash outflows</i>				
Purchase of fixed assets		(1,434)		(55,175)
Purchase of investments		(126,101)		(290,000)
Loans made		-		-
<i>Cash inflows</i>				
Sale of investments		76,768		-
Sale of fixed assets		-		2,000
Capital grant received		16,050		-
			(34,717)	(343,175)
Net cash (outflow) from Capital Activities			(34,717)	(343,175)
Net cash inflow/(outflow) before Financing			48,742	(240,928)
FINANCING AND LIQUID RESOURCES				
<i>Cash outflows</i>				
Loan repayments made			(22,027)	(23,788)
			(22,027)	(23,788)
Net cash (outflow) from financing and liquid resources			(22,027)	(23,788)
Increase/(Decrease) in cash	31		26,715	(264,716)

The notes on pages 19 to 33 form part of these accounts.

Woodley Town Council
Statement of Accounting Policies

31 March 2008

Accounting Convention

The accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in Great Britain (the code), which is recognised by statute as representing proper accounting practices. These practices are further set out in the 2007 Statement of Recommended Practice on Local Authority Accounting in Great Britain (the 2007 SORP), together with the Best Value Code of Accounting Practice (BVACOP) where applicable.

It is also a requirement of the code that the service revenue account includes depreciation for all fixed assets used in the delivery of services.

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

Impairment

The council is required to carry out a review of the condition of its assets annually to ensure that the values as reflected in the accounts are not materially overstated. Any material overstatement is corrected by additional provisions for impairment of value as required.

Depreciation Policy

Buildings are depreciated over the shorter of 50 years or the anticipated remaining useful lives on a straight line basis (subject to revaluations as stated above).

Vehicles, plant, equipment and furniture are depreciated over 6 to 20 years on a straight line basis.

Infrastructure assets are depreciated over 20 years on a straight line basis.

Community assets are depreciated over 10 to 15 years on a straight line basis.

Grants or Contributions from Government or Related Bodies

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.

Woodley Town Council
Statement of Accounting Policies
31 March 2008

Investments

Investments are included at . Details are given at note 15.

Stocks and Work in Progress

Stocks held for resale, where significant, 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 code. That is sums due to or from the council during the year are included whether or not the cash has actually been received or paid in the year. Exceptions to this are payment of insurance premiums and regular quarterly accounts (e.g. telephones, electricity). This policy is applied consistently each year. Therefore, it will not have a material effect on the year's accounts or on the council's annual budget.

VAT

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

Details of the council's external borrowings are shown at note 19.

Leases

Reserves

The council maintains certain reserves to meet general and specific future expenditure. The purpose of the council's reserves is explained in notes 22 to 27

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.
- Asset Adjustment Accounts – represent 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 all services on an appropriate and consistent basis.

Pensions

The pension costs that are charged to the council's accounts in respect of its employees are equal to the contributions paid to the funded pension scheme for these 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 2010 and any change in contribution rates as a result of that valuation will take effect from 1st April 2011.

Woodley Town Council

Notes to the Accounts

31 March 2008

1 Interest Payable and Similar Charges

	2008	2007
	£	£
External Interest Charges - Loans	150,458	152,709
	<u>150,458</u>	<u>152,709</u>

2 Interest and Investment Income

	2008	2007
	£	£
Interest Income - General Funds	23,910	20,126
Interest Income - Earmarked Funds	3,330	5,543
Investment Income	892	-
	<u>28,132</u>	<u>25,669</u>

Investment Income is used to purchase additional investment products as per advice from Council's financial advisor.

3 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.

4 Related Party Transactions

The council entered into no material transactions with related parties during the year.

5 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:

	2008	2007
	£	£
Fees for statutory audit services	8,954	6,300
Fees for the audit of Best Value Performance	-	2,365
Total fees	<u>8,954</u>	<u>8,665</u>

6 Publicity

Section 5 of the Local Government Act 1986 requires the council to disclose expenditure on publicity. Details are shown under the following broad categories:

	2008	2007
	£	£
Recruitment Advertising	2,716	3,007
Publicity	10,092	6,904
Promotion/Publicity - Oakwood Centre	15,290	17,155
	<u>28,098</u>	<u>27,066</u>

Woodley Town Council

Notes to the Accounts

31 March 2008

7 S.137 Expenditure

Section 137 of the Local Government Act 1972 (as amended) enables the council to spend up to the product of £5.64(year ended 31 March 2007 - £5.44) per head on the electoral roll in any one year for the benefit of people in its area on activities or projects not specifically authorised by other powers.

	2008	2007
	£	£
The total amount of available for this purpose was	114,684	108,550
Expenditure was incurred for the following purposes:		
Grants to Voluntary Bodies	3,750	4,600
Grants to T C M I	11,845	11,845
Grants for Youth Projects	18,108	21,918
Grant ARC	3,307	-
	<u>37,010</u>	<u>38,363</u>

It should be noted that grants to bodies such as the Citizen's Advice Bureau are made under other specific legal powers and so are not included in the above figures.

8 Employees

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

	2008	2007
	Number	Number
Full-time	22	21
Part-time	64	62
Temporary	18	18
	<u>104</u>	<u>101</u>

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

No officer received a salary in excess of £50,000

9 Pension Costs

The council participates in the Royal County of Berkshire Pension Fund. The Royal County of Berkshire Pension Fund 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 2008 was £61,417 (31 March 2007 - £51,106).

The most recent actuarial valuation was carried out as at 31st March 2007, and the council's contribution rate is confirmed as being 14.50% of employees' pensionable pay with effect from 1st April 2008 (year ended 31 March 2008 – 14.00%).

Woodley Town Council

Notes to the Accounts

31 March 2008

10 Pension Assets and Liabilities

In accordance with Financial Reporting Standard No. 17 – Retirement Benefits, Woodley Town Council is required to disclose certain information concerning assets, liabilities, income and expenditure related to pension schemes for its employees.

Woodley Town Council participates in the Local Government Pension Scheme, which is administered by Royal County of Berkshire. 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 2007, and has been updated by Barnett Waddingham LLP, independent actuaries to Royal County of Berkshire Pension Fund to take account of the requirements of FRS 17 in order to assess the liabilities of the Fund as at 31 March 2008. Liabilities are valued on an actuarial basis using the projected unit method, which assesses the future liabilities discounted to their present value.

The council contributes to the Royal County of Berkshire Pension Fund at a common rate applicable to a group of employees, which is set having regard to the assets and liabilities to the group as a whole.

The main assumptions used for the purposes of FRS 17 are as follows:

	31 March 2008	31 March 2007	31 March 2006
	% p.a.	% p.a.	% p.a.
Discount Rate	6.60	5.40	4.90
Rate of increase in salaries	5.20	4.70	4.60
Rate of increase in pensions	3.70	3.20	3.10
Rate of inflation	3.70	3.20	3.10
Rate of return on Equities	7.90	7.80	7.40
Rate of return on Gilts	4.50	4.90	4.60
Rate of return on Other Bonds	6.60	-	-
Rate of return on Property	5.90	5.80	5.50
Rate of return on Other assets	5.00	4.90	4.60

Assets are valued at fair value, principally market value for investments, and comprise:

	31 March 2008	31 March 2007	31 March 2006
		Value	Value
	Value		
	(£000s)	(£000s)	(£000s)
Equities	1,359	1,407	1,327
Gilts	152	254	239
Other Bonds	155	-	-
Property	202	185	164
Other assets	64	103	69
Total	1,932	1,949	1,799

The proportions of total assets held in each asset type, shown above, reflect the proportions held by the Fund as a whole at 31 March 2008.

Woodley Town Council

Notes to the Accounts

31 March 2008

The following amounts were measured in accordance with the requirements of FRS 17:

AMOUNTS INCLUDED IN THE COUNCIL'S BALANCE SHEET

PENSION FUND NET ASSETS

Summary of Royal County of Berkshire's Pension Fund Balance Sheet applicable to the council	31 March 2008	31 March 2007	31 March 2006
	(£000s)	(£000s)	(£000s)
Share of assets	1,932	1,949	1,799
Estimated liabilities	(2,261)	(2,306)	(2,286)
Net pensions surplus	<u>(329)</u>	<u>(357)</u>	<u>(487)</u>

PENSION FUND RESERVE

Movement in Deficit during the year

	2008	2007
	(£000s)	(£000s)
Deficit at 01 April 2007	(357)	(487)
Current Service Cost	(86)	(89)
Employer Contributions	68	53
Past Service/Curtailment Cost	-	-
Net Interest/Return on Assets	18	9
Actuarial Gain	29	157
Deficit at 31 March 2008	<u>(329)</u>	<u>(357)</u>

History of Experience Gains and Losses

	31 March 2008	31 March 2007	31 March 2006	31 March 2005	31 March 2004
	(£000s)	(£000s)	(£000s)	(£000s)	(£000s)
Difference between Expected and Actual Return on Assets	(313)	2	252	47	129
Value of Assets	1,932	1,949	1,799	1,431	1,106
Percentage of Assets	(16.20)%	0.10 %	14.01 %	3.28 %	11.66 %
Experience Gains Recognised in STMR	33	2	-	252	1
Total Present Value of Liabilities	(2,261)	(2,306)	(2,286)	(1,866)	(1,527)
Percentage of the Total Present Value of Liabilities	1.46 %	0.09 %	- %	13.50 %	0.07 %
Actuarial Gains Recognised in STMR	29	157	(26)	34	130
Total Present Value of Liabilities	(2,261)	(2,306)	(2,286)	(1,866)	(1,527)
Percentage of the Total Present Value of Liabilities	1.28 %	6.81 %	(1.14)%	1.82 %	8.51 %

Woodley Town Council

Notes to the Accounts

31 March 2008

The following amounts were measured in accordance with requirements of FRS 17:

AMOUNTS REPORTED IN THE COUNCIL'S

INCOME & EXPENDITURE ACCOUNT

Pension Revenue Items during the year

Operating Costs	2008 (£000s)	2007 (£000s)
Current Service Cost	(86)	(89)
Total Cost	<u>(86)</u>	<u>(89)</u>
Financing Gain		
Expected Return on Assets	151	122
Interest on Pension Liabilities	(133)	(113)
	<u>18</u>	<u>9</u>

NON-REVENUE MOVEMENTS IN RESERVES

Statement of Actuarial Gains

	2008 (£000s)	2007 (£000s)
Asset (Loss)/Gain	(313)	2
Liability Gain	33	2
Change in Assumptions	309	153
Net Gain	<u>29</u>	<u>157</u>

Woodley Town Council

Notes to the Accounts

31 March 2008

11 Reconciling Items for the Statement of Movement on the General Fund Balance

	31 March 2008 £	31 March 2008 £	31 March 2007 £
Amount included in the Income and Expenditure Account but required by statute to be excluded when determining the Movement on the General Fund Balance for the year			
Reversal of Depreciation	(197,293)		(149,789)
Deferred grants released	9,358		7,160
Profit/(Loss) on the disposal of fixed assets	-		2,000
(Loss)/Profit on the disposal of investments	(7,345)		-
Net charges made for retirement benefits in accordance with FRS 17	(68,000)		(80,000)
	<hr/>	(263,280)	<hr/> (220,629)
 Amounts not included in the Income and Expenditure Account but required to be included by statute when determining the Movement on the General Fund Balance for the year			
Loans fund principal repayments	22,028		23,788
Capital expenditure charged in-year to the General Fund Balance	1,434		41,326
Employer's contribution payable to the Royal County of Berkshire Pension Fund and retirement benefits payable direct to pensioners	68,000		53,000
	<hr/>	91,462	<hr/> 118,114
 Transfers to or from the General Fund Balance that are required to be taken into account when determining the Movement on the General Fund Balance for the year			
Capital Receipts utilised	-		(2,000)
Net transfer to or from Earmarked Reserves	67,554		47,434
	<hr/>	67,554	<hr/> 45,434
 Net additional amount required to be debited/(credited) to the General Fund Balance for the year		<hr/> (104,264)	<hr/> (57,081) <hr/>

Woodley Town Council

Notes to the Accounts

31 March 2008

12 Tangible Fixed Assets

	Operational Freehold Land and Buildings	Vehicles and Equipment	Infra- structure Assets	Community Assets	Total
Cost	£	£	£	£	£
At 1 April 2007	5,640,000	360,912	232,970	335,645	6,569,527
Additions	-	1,434	-	-	1,434
At 31 March 2008	5,640,000	362,346	232,970	335,645	6,570,961
Depreciation					
At 1 April 2007	-	(169,121)	(99,688)	(62,637)	(331,446)
Charged for the year	(139,993)	(38,563)	(11,649)	(7,088)	(197,293)
At 31 March 2008	(139,993)	(207,684)	(111,337)	(69,725)	(528,739)
Net Book Value					
At 31 March 2008	5,500,007	154,662	121,633	265,920	6,042,222
At 31 March 2007	5,640,000	191,791	133,282	273,008	6,238,081

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 2007 by external independent valuers, Messrs the Valuation Office Agency. 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.

13 Financing of Capital Expenditure

	2008	2007
	£	£
The following capital expenditure during the year:		
Fixed Assets Purchased	1,434	55,175
	<u>1,434</u>	<u>55,175</u>
was financed by:		
	2008	2007
	£	£
Revenue:		
from Capital Projects Reserve	-	41,631
Precept and Revenue Income	1,434	96,806
	<u>1,434</u>	<u>55,175</u>

Woodley Town Council

Notes to the Accounts

31 March 2008

14 Information on Assets Held

Fixed assets owned by the council include the following:

Operational Land and Buildings

Woodford Park Leisure Centre

Works Depots

Coronation Hall and car park

Chapel Hall and car park

Community and Youth Hall

The Oakwood Centre

Vehicles and Equipment

Light Vans – 2

Tractors – 2

Sundry grounds maintenance equipment

Sundry office equipment

Infrastructure Assets

Tennis Courts and other Hard Surface Play Areas

Community Assets

Woodford Park

Childrens' play areas - 3

Woodley Town Council

Notes to the Accounts

31 March 2008

15 Long Term Assets

**Investments
Other Than
Loans**

£

Market Value	
At 01 April 2007	290,000
Additions	126,101
Disposals	(84,113)
Revaluations	(7,255)
At 31 March 2008	<u>324,733</u>
Net Book Value	
At 31 March 2008	324,733
Deferred Debtors - Loans	<u>85,000</u>
	<u>409,733</u>
At 01 April 2007	290,000
Deferred Debtors - Loans	<u>85,000</u>
	<u>375,000</u>

The long term loan above represents the council's contribution to a joint venture with Wokingham District Council in the Woodley Airfield Youth and Community Centre. No income is receivable and the investment is only repayable on disposal of the Centre.

16 Stock

	2008	2007
	£	£
Community Centres	1,550	3,436
Leisure/Sports Centres	648	648
Groundsmans Materials	-	111
	<u>2,198</u>	<u>4,195</u>

17 Debtors

	2008	2007
	£	£
Trade Debtors	82,412	64,482
VAT Recoverable	4,151	4,602
Other Debtors	40	-
Prepayments and Accrued Income	29,277	9,987
	<u>115,880</u>	<u>79,071</u>

Woodley Town Council

Notes to the Accounts

31 March 2008

18 Creditors and Accrued Expenses

	2008	2007
	£	£
Trade Creditors	17,071	3,483
Other Creditors	9,481	3,408
V A T Payable	12,357	-
Accruals	16,656	30,758
Income in Advance	47,973	39,804
	<hr/>	<hr/>
	103,538	77,453
	<hr/>	<hr/>

19 Long Term Liabilities

	2008	2007
	£	£
Public Works Loan Board	2,589,498	2,611,525
	<hr/>	<hr/>
	2,589,498	2,611,525

The above loans are repayable as follows:

	2008	2007
	£	£
Within one year	20,745	22,028
From one to two years	22,645	19,896
From two to five years	81,283	71,574
From five to ten years	163,476	162,409
Over ten years	2,301,349	2,335,619
	<hr/>	<hr/>
Total Loan Commitment	2,589,498	2,611,526
Less: Repayable within one year	(20,745)	(22,028)
	<hr/>	<hr/>
	2,568,753	2,589,498

Woodley Town Council

Notes to the Accounts

31 March 2008

20 Deferred Grants

	2008	2007
	£	£
Capital Grants Unapplied		
At 01 April 2007	-	-
Grants received in the year	16,050	-
Applied to finance capital investment	-	-
At 31 March 2008	<u>16,050</u>	<u>-</u>
Capital Grants Applied		
At 01 April 2007	320,965	328,125
Grants Applied in the year	-	-
Released to offset depreciation	(9,358)	(7,160)
At 31 March 2008	<u>311,607</u>	<u>320,965</u>
Total Deferred Grants		
At 31 March 2008	<u>327,657</u>	<u>320,965</u>
At 01 April 2007	<u>320,965</u>	<u>328,125</u>

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.

21 Summary of Movements on Reserves

The council keeps a number of reserves in the Balance Sheet. Some are required to be held for statutory reasons, some are needed to comply with proper accounting practice, and others have been set up voluntarily to earmark resources for future spending plans.

Reserve	Purpose of Reserve	Notes	Balance at 01 April 2007	Net Movement in Year	Balance at 31 March 2008
			£	£	£
Asset Revaluation Reserve					
Capital Adjustment Account	Store of capital resources set aside to meet past capital expenditure	23	3,390,590	(164,473)	3,226,117
Financial Instruments Revaluation Reserve	Store of losses on revaluation of investments	24	-	(7,255)	(7,255)
Financial Instruments Adjustment Account	Store of capital resources set aside to purchase investments	25	290,000	41,988	331,988
Earmarked Reserves	Amounts set aside from revenue to meet general and specific future expenditure	27	107,469	18,219	125,688
Pensions Reserve	Balancing account to allow inclusion of Pension Liability in the Balance Sheet	10	(357,000)	29,000	(328,000)
General Fund	Resources available to meet future running costs		164,367	1,170	165,537
Total			<u>3,595,426</u>	<u>(81,351)</u>	<u>3,514,075</u>

Woodley Town Council

Notes to the Accounts

31 March 2008

22 Fixed Asset Restatement Account

	2008	2007
	£	£
Balance at 01 April 2007	-	2,356,855
Revaluation of assets during the year	-	2,134,230
Disposal of fixed assets	-	(15,000)
Depreciation eliminated on disposals	-	15,000
Balance transferred to CFA	-	(4,491,085)
Balance at 31 March 2008	-	-

The previous system of accounting for local councils required the establishment of a Fixed Asset Restatement Account. The balance on this account represented the value of assets included in the Balance Sheet for the first time, together with subsequent revaluations and disposals up to 31st March 2007. This account has now been amalgamated with the Capital Finance Account to create the new Capital Adjustment Account. Subsequent revaluations will be accounted for through the new Revaluation Reserve.

23 Capital Adjustment Account

	2008	2007
	£	£
Balance at 01 April	3,390,590	(1,022,980)
Financing capital expenditure in the year		
Additions - using revenue balances	1,434	55,175
Loan repayments	22,028	23,788
Reversal of depreciation	(197,293)	(149,789)
Deferred grants released	9,358	7,160
Other transfers (incl. p y a)	-	(13,849)
	3,226,117	(1,100,495)
Balance transferred from FARA	-	4,491,085
Balance at 31 March	3,226,117	3,390,590

The Capital Adjustment 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.

24 Financial Instruments Revaluation Reserve

	2008	2007
	£	£
Balance at 31 March	(7,255)	-

The revised system of accounting for local councils requires the establishment of a Financial Instruments Revaluation Reserve. The balance on this account represents the unrealised gains included in the value of Available for Sale Investments, as reported in the council's Balance Sheet.

Woodley Town Council

Notes to the Accounts

31 March 2008

25 Financial Instruments Adjustment Account

	2008	2007
	£	£
Balance at 01 April 2007	290,000	-
Financing capital expenditure in the year		
Additions - using capital receipts	126,101	-
Additions - using revenue balances	-	290,000
Disposal of fixed assets	(84,113)	-
Balance at 31 March 2008	<u>331,988</u>	<u>290,000</u>

The Financial Instruments Adjustment Account represents revenue and capital resources applied to finance the purchase of Available for Sale Investments, less provisions for losses below the original cost of the applicable investment. It does not represent a reserve that the council can use to support future expenditure.

26 Capital Receipts Reserve

	2008	2007
	£	£
Capital receipts during the year	76,768	2,000
Capital used to fund expenditure	-	(2,000)
Other transfers from Capital Receipts	(76,768)	-
Balance at 31 March 2008	<u>-</u>	<u>-</u>

The Capital Receipts Reserve represents capital receipts available to finance capital expenditure in future years.

27 Earmarked Reserves

	Balance at	Contribution	Contribution	Balance at
	01/04/2007	to reserve	from reserve	31/03/2008
	£	£	£	£
Capital Projects Reserves	22,678	25,000	(12,242)	35,436
Asset Renewal Reserves	7,416	4,685	-	12,101
Other Earmarked Reserves	77,375	54,654	(53,878)	78,151
Total Earmarked Reserves	<u>107,469</u>	<u>84,339</u>	<u>(66,120)</u>	<u>125,688</u>

The Capital Projects Reserves are credited with amounts equivalent to the interest on capital receipts balances, together with other 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 2008 are set out in detail at Appendix A.

Woodley Town Council

Notes to the Accounts

31 March 2008

28 Capital Commitments

The council had no capital commitments at 31 March 2008 not otherwise provided for in these accounts.

29 Contingent Liabilities

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

30 Reconciliation of Revenue Cash Flow

	2008	2007
	£	£
(Deficit) for the year	(103,094)	(42,429)
Add/(Deduct)		
FRS17 Costs less Contributions	-	27,000
Reversal of Depreciation less Deferred Grants Released	187,935	142,629
Interest paid	150,458	152,709
Interest and Investment Income	(28,132)	(25,669)
Loss/(Profit) on the disposal of fixed assets	-	(2,000)
Investment Losses	7,345	-
Decrease in stock held	1,997	6,662
(Increase) in debtors	(36,809)	(14,400)
Increase/(Decrease) in creditors	26,085	(15,215)
Revenue activities net cash inflow	<u>205,785</u>	<u>229,287</u>

31 Movement in Cash

	2008	2007
	£	£
Balances at 01 April		
Cash with accounting officers	541	1,037
Cash at bank	265,481	529,700
Bank overdraft	-	-
	<u>266,022</u>	<u>530,737</u>
Balances at 31 March		
Cash with accounting officers	591	541
Cash at bank	292,144	265,481
Bank overdraft	-	-
	<u>292,735</u>	<u>266,022</u>
Net cash inflow/(outflow)	<u>26,713</u>	<u>(264,715)</u>

Woodley Town Council

Notes to the Accounts

31 March 2008

32 Reconciliation of Net Funds/Debt

	2008	2007
	£	£
Increase/(Decrease) in cash in the year	26,713	(264,715)
Cash outflow from repayment of debt	22,027	23,788
Net cash flow arising from changes in debt	22,027	23,788
Movement in net funds/debt in the year	48,740	(240,927)
Cash at bank and in hand	266,022	530,737
Total borrowings	(2,611,525)	(2,635,313)
Net (debt) at 01 April 2007	(2,345,503)	(2,104,576)
Cash at bank and in hand	292,735	266,022
Total borrowings	(2,589,498)	(2,611,525)
Net (debt) at 31 March 2008	(2,296,763)	(2,345,503)

33 Post Balance Sheet Events

There are no significant Post Balance sheet events.