

Filton Town Council
Statements of Accounts
for the Year ended 31st March 2005

Filton Town Council

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for the Year ended 31st March 2005

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Filton Town Council

Council Information

Chair

Cllr R. M. Hutchinson

Councillors

Cllr T. W. Pomroy (Vice Chair)

Cllr D. Bell

Cllr P. J. Blandamour

Cllr G. A. Crane

Cllr B. A. Freeguard

Cllr A. R. Hewlett

Cllr C. Hewlett

Cllr D. Hutchinson

Cllr J.A. Hutchinson

Cllr S. J. MacCallum

Cllr A. P. Monk

Cllr S. J. Sims

Clerk to the Council

Mrs Lesley Reuben

Auditors

Mazars LLP
Chartered Accountants and Registered Auditors
Clifton Down House, Beaufort Buildings
Clifton Down
Clifton, Bristol

Internal Auditor

South Gloucestershire Internal Audit Dept

Filton Town Council

Explanatory Foreword

31st March 2005

The council's statements of accounts for the year ended 31 March 2005 are set out on the following pages. They consist of the following statements:

The Consolidated Revenue Account

The council's revenue account, covering income and expenditure on all services.

The categories in this statement reflect the mandatory expenditure analysis set out in the Best Value Code of Accounting Practice (BVACOP).

The Balance Sheet

This sets out the financial position of the council at 31 March 2005, i.e. its assets and liabilities at that date.

The Cash Flow Statement

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

Statement of Total Movement in Reserves

This is a summarised statement of the total gains and losses enjoyed and suffered by the council and their effect on the council's reserves during the year.

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.

Budget Comparison for the year ended 31 March 2005

The following shows a comparison of the budget and outturn figures for 2004/2005

	Budget £	Actual £
Net expenditure		
Recreation & Sport	410,520	416,516
Open Spaces	5,332	2,936
Community Development	13,779	24,386
Highways Roads (Routine)	284	(3,770)
Other Services to the Public	-	-
Corporate Management	96,447	129,341
Democratic & Civic	6,756	(4,903)
Interest Income	(4,174)	(6,114)
Net contribution to/(from) reserves and other adjustments	(144,144)	(173,592)
Precept on District Council	384,800	384,800

The net overspendings on services of £28,875 are reflected in an increased contribution from reserves and capital expenditure provision.

Further Information

Further information about the accounts is available from Elm Park, Filton, Bristol, BS34 7PS. 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, on the council's website and on the notice board outside the council offices.

Filton Town Council

Statement of Responsibilities for the Statements of Accounts

31st March 2005

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 2005 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 2005 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 Filton Town Council at 31 March 2005, and its income and expenditure for the year ended 31 March 2005.

Signed:
Town Clerk

Date:

Filton Town Council

Statement of Internal Control

31st March 2005

Scope of Responsibility

Filton Town Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and 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 which 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 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 Filton Town Council for the year ended 31st March 2005 and up to the date of the 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 systems and project evaluation and management 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 all aspects of the council's operations

Filton Town Council

Statement of Internal Control

31st March 2005

Review of effectiveness

Filton Town Council has 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 inspectorates.

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

Significant Internal Control Issues

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

Approval of Statement

This statement was approved at a meeting of the Council held on 27th September 2005 when authority was given for the Chair and the Town Clerk to sign.

Cllr R. M. Hutchinson
Chair

Mrs Lesley Reuben
Town Clerk

Date:

Filton Town Council

Auditors' Report to the Council

on the Accounts for the Year ended 31st March 2005

We have audited the statements of accounts on pages 8 to 25, which have been prepared in accordance with the accounting policies applicable to local councils as set out on page 13 to 15.

This report is made solely to the members of Filton Town Council in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as 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 to anyone other than the town council for our audit work, for this report, or for the opinion we have formed.

Respective Responsibilities of the Responsible Financial Officer and Auditors

As described on page 3 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 2004. Our responsibilities as 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 statement on internal control on pages 4 to 5 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 we are aware of from our audit of the financial statements. We are not required to consider, nor have we considered whether the Statement of Internal Control 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 statement of accounts and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the statement of accounts.

Basis of Opinion

We conducted our audit in accordance with the Audit Commission Act 1998 and the Code of Audit 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 judgements 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 which we considered 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.

Filton Town Council

Auditors' Report to the Council

on the Accounts for the Year ended 31st March 2005

Qualified opinion arising from limitation in audit scope

Except for any adjustments that might have been found necessary had we been able to obtain sufficient evidence concerning the Local Government Pension scheme, in our opinion the statements of accounts present fairly the financial position of Filton Town Council at 31st March 2005 and its Income and Expenditure for the year then ended.

In respect alone of the limitation on our work relating to the Local Government Pension Schemes:

we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and

we were unable to determine whether proper accounting records had been maintained.

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.

Signature:

Date:

Filton Town Council

Consolidated Revenue Account

for the Year ended 31st March 2005

	Notes	2005 £	2005 £	2005 £	2004 £
		Gross Expenditure	Income	Net Expenditure	Net Expenditure
CULTURAL & RELATED SERVICES					
Recreation & Sport		915,316	(498,800)	416,516	328,556
Open Spaces		3,120	(184)	2,936	2,002
Tourism		-	-	-	1,079
PLANNING & DEVELOPMENT SERVICES					
Community Development		24,386	-	24,386	10,853
HIGHWAYS, ROADS & TRANSPORT SERVICES					
Highways/Roads (Routine)		1,155	(4,925)	(3,770)	360
Other Services to the Public		-	-	-	-
CENTRAL SERVICES					
Corporate Management		129,756	(415)	129,341	155,236
Democratic Representation & Management		6,603	-	6,603	5,888
Civic Expenses		878	(12,384)	(11,506)	4,922
NET COST OF SERVICES		<u>1,081,214</u>	<u>(516,708)</u>	<u>564,506</u>	<u>508,896</u>
Transfer from Asset Management Revenue Account	2			(113,656)	(133,667)
Interest and Investment Income	3			(6,114)	(3,723)
Pension Fund Financing				1,000	1,000
NET OPERATING EXPENDITURE				445,736	372,506
Transfer from Earmarked Reserves					
Other Earmarked Reserves	24			-	(52)
Transfer from Capital Financing Account					
Financing Capital Expenditure	23			43,524	63,983
Reversal of Depreciation	23			(123,548)	(152,540)
Deferred grants released	23			45,752	45,752
Loan Repayments	23			14,650	11,714
Movement in Pensions Reserve				(16,000)	(7,000)
AMOUNT TO BE MET FROM PRECEPT				410,114	334,363
Precept on District Council				(384,800)	(350,000)
DEFICIT/(SURPLUS) FOR YEAR				<u>25,314</u>	<u>(15,637)</u>
GENERAL RESERVE					
General Reserve Balance Brought Forward				114,682	99,045
(Deficit)/Surplus for Year				(25,314)	15,637
General Reserve Balance Carried Forward				<u>89,368</u>	<u>114,682</u>

The notes on pages 12 to 25 form part of these accounts.

Filton Town Council

Balance Sheet

as at 31st March 2005

	Notes	2005 £	2005 £	2004 £
Fixed Assets				
Tangible fixed assets	13		2,145,430	2,225,454
Current Assets				
Stock	16	8,282		9,228
Debtors	17	14,612		23,600
Cash at Bank and in hand		160,590		216,304
		<hr/>		<hr/>
		183,484		249,132
Current Liabilities				
Creditors and accrued expenses	18	(76,818)		(122,288)
		<hr/>		<hr/>
Net Current Assets				
			106,666	126,844
Total Assets Less Current Liabilities				
			<hr/>	<hr/>
			2,252,096	2,352,298
Long Term Liabilities				
Creditors - More Than One Year	20		(179,758)	(189,272)
Pension Fund Net (Liabilities)	12		(52,000)	(15,000)
			<hr/>	<hr/>
			2,020,338	2,148,026
Capital and Reserves				
Fixed Asset Restatement Account	22		1,043,757	1,043,757
Capital Financing Account	23		111,270	130,892
Deferred Grants	21		803,745	849,497
Earmarked Reserves	24		24,198	24,198
Pensions Reserve	12		(52,000)	(15,000)
General Reserve			89,368	114,682
			<hr/>	<hr/>
			2,020,338	2,148,026
			<hr/>	<hr/>

These accounts have been approved by the Council.

.....
Cllr R. M. Hutchinson
Chair

Date:.....

.....
Mrs Lesley Reuben
Responsible Financial Officer

Date:.....

Filton Town Council

Cash Flow Statement

for the Year ended 31st March 2005

	2005 £	2005 £	2004 £
REVENUE ACTIVITIES			
<i>Cash outflows</i>			
Paid to and on behalf of employees	(490,896)		(422,676)
Other operating payments	(409,053)		(316,714)
		(899,949)	(739,390)
<i>Cash inflows</i>			
Precept on District Council	384,800		350,000
Cash received for services	520,879		516,174
		905,679	866,174
Net Cash Inflow from Revenue Activities	28	5,730	126,784
SERVICING OF FINANCE			
<i>Cash outflows</i>			
Interest paid	(9,384)		(9,799)
<i>Cash inflows</i>			
Interest received	6,114		3,723
		(3,270)	(6,076)
Net Cash Outflow from Servicing of Finance		(3,270)	(6,076)
CAPITAL ACTIVITIES			
<i>Cash outflows</i>			
Purchase of fixed assets	(43,524)		(63,982)
<i>Cash inflows</i>			
Capital grant received	-		-
		(43,524)	(63,982)
Net Cash Outflow from Capital Activities		(43,524)	(63,982)
Net Cash (Outflow)/Inflow before Financing		(41,064)	56,726
FINANCING AND LIQUID RESOURCES			
<i>Cash outflows</i>			
Loan repayments made		(14,650)	(11,714)
		(14,650)	(11,714)
Net cash (outflow) from financing and liquid resources		(14,650)	(11,714)
(Decrease)/Increase in cash	29	(55,714)	45,012

Filton Town Council

Statement of Total Movement in Reserves

for the year ended 31st March 2005

	Notes	2005 £	2005 £	2004 £
(Deficit)/Surplus for the year		(25,314)		15,637
Adjust: Movements on specific revenue reserves	24	-		(52)
Adjust: FRS17 Pension Fund Movements		(16,000)		(7,000)
Adjust: Pension Fund Actuarial Gains/Losses	12	(21,000)		16,000
Total (decrease)/increase in revenue resources			(62,314)	24,585
Decrease in unapplied grants		(45,752)		(45,752)
Total decrease in realised capital resources	31		(45,752)	(45,752)
Losses on revaluation of fixed assets		-		(1,044,238)
Total decrease in unrealised value of fixed assets	32		-	(1,044,238)
Value of assets sold, disposed of or decommissioned	33		-	-
Revenue resources set aside		(65,374)		(76,843)
Movement on deferred grants		45,752		45,752
Total decrease in amount set aside to finance capital investment	34		(19,622)	(31,091)
Total decrease in reserves for the year			(127,688)	(1,096,496)

Filton Town Council

Notes to the Accounts

31st March 2005

1 Statement of Accounting Policies

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 Statement of Recommended Practice on Local Authority Accounting in Great Britain (the SORP), together with the Best Value Code of Accounting Practice (BVACOP) where applicable.

It is also a requirement of the code that service revenue accounts include capital charges for all fixed assets used in the delivery of services (See Note 2).

Fixed Assets

Expenditure (in excess of £1,000) 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 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.

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

The surplus or deficit arising on periodic revaluations of fixed assets has been credited or debited to the Fixed Asset Restatement Account. 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.

No such provisions are considered necessary for the year.

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 5 years at 20% per annum straight line.

Community assets, other than land improvements, are not depreciated.

Filton Town Council

Notes to the Accounts

31st March 2005

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.

Capital Receipts

Capital receipts arising from the disposal of fixed assets are taken to the Capital Receipts Reserve until such time as they are used to finance new capital expenditure.

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.

Stocks and Work In Progress

Bar stocks and other stock for resale held at the leisure centre are valued at cost. All other stocks have been treated as consumed because their value was not material.

External Loan Repayments

Details of the council's external borrowings are shown at note 20.

Leases

The council has no commitments under finance 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 19.

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 24.

The introduction of the system of capital accounting has required the establishment of two accounts in the consolidated balance sheet:

the Fixed Asset Restatement Account, which represents principally the balance of the surpluses or deficits arising on the periodic revaluation of fixed assets, and

the Capital Financing Account, which represents revenue or capital resources applied to finance expenditure of a capital nature or for the repayment of external loans and the reversal of depreciation to ensure it does not impact on the amount to be met from precept.

Interest Income

All interest receipts are credited initially to general funds.

Costs of Support Services

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

Filton Town Council

Notes to the Accounts

31st March 2005

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 2007 and any change in contribution rates as a result of that valuation will take effect from 1st April 2008.

2	Asset Management Revenue Account	2005	2004
		£	£
	Income		
	Capital Charges	(200,836)	(250,254)
	Expenditure		
	Provision for Depreciation	123,548	152,540
	Deferred grants released	(45,752)	(45,752)
	External Interest Charges - Loans	9,384	9,799
		<hr/>	<hr/>
		(113,656)	(133,667)
		<hr/> <hr/>	<hr/> <hr/>

The asset management revenue account is maintained to convert the net cost of services (which include notional capital charges) into net operating expenditure (which is the actual cost of providing services). It does this by replacing notional interest charges, intended to represent the cost of tying up resources in assets, with actual external loan repayments.

3	Interest and Investment Income	2005	2004
		£	£
	Interest Income - General Funds	6,114	3,723
		<hr/>	<hr/>
		6,114	3,723
		<hr/> <hr/>	<hr/> <hr/>

4 Agency Work

During the year the Council undertook no agency work on behalf of other authorities.

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

5 Related Party Transactions

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

Filton Town Council

Notes to the Accounts

31st March 2005

6 Audit Fees	2005	2004
	£	£
The council is required to report and disclose the cost of services provided by its external auditors. These may be summarised as follows:		
Fees for statutory audit duties	4,500	4,500
Total fees	4,500	4,500

7 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:

	2005	2004
	£	£
Recruitment Advertising	2,844	2,707
Newsletter	2,145	1,726
Swimming Pool Adverts	1,448	4,078
Website	-	262
Publicity	595	-
	7,032	8,773

8 S.137 Expenditure

Section 137 of the Local Government Act 1972 (as amended) enables the council to spend up to the product of £5.00 (Year Ended 31st March 2004 - £5.00) 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.

	2005	2004
	£	£
The total amount available for this purpose was	39,775	39,755
Expenditure was incurred for the following purposes:		
Grants to Voluntary Organisations	740	-
Grant - 'Filton People'	2,950	1,000
Grant - Night Bus	7,243	-
Grant - Four Towns TPT	3,100	-
Grant - Twinning Association	650	-
	14,683	1,000

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

Filton Town Council

Notes to the Accounts

31st March 2005

9 Members Allowances

2005 **2004**
£ **£**

Members of Council have been paid the following allowances for the year:

Chairmans Allowance

950 950

950 950

Other than the Chair none of the total of 13 members claimed allowances to which they were entitled.

10 Employees

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

2005 **2004**
Number **Number**

Full-time

12 14

Part-time

49 22

Temporary

- 46

61 82

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

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

11 Pension Costs

The cost to the council for the year ended 31st March 2005 was £12,711 (2004 - £10,020). There were no outstanding contributions at the balance sheet date.

The most recent actuarial valuation was carried out as at 31st March 2004, and the council's contribution rate is confirmed as being 130.00% of employees' contributions with effect from 1st April 2005 (year ended 31st March 2005 - 125.00%).

Filton Town Council

Notes to the Accounts

31st March 2005

12 Pension Assets and Liabilities

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

Filton Town Council participates in the Local Government Pension Scheme, which is administered by The Avon 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 2004, and has been updated by William M. Mercer Ltd., independent actuaries to the The Avon Pension Fund Pension Fund to take account of the requirements of FRS 17 in order to assess the liabilities of the Fund as at 31st March 2005. 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 FRS 17 are as follows:

	2005 % p.a.	2004 % p.a.	2003 % p.a.
Discount Rate	5.40	6.30	6.00
Rate of increase in salaries	4.15	3.80	3.50
Rate of increase in pensions	2.90	2.80	2.50
Rate of inflation	2.90	2.80	2.50
Rate of return on Equities	7.50	7.50	7.50
Rate of return on Bonds - Government	4.70	4.70	4.50
Rate of return on Bonds - Other	5.40	5.50	5.40
Rate of return on Property	6.50	6.50	6.50
Rate of return on Other assets	4.75	4.00	3.80

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

	Value (£000s)	Value (£000s)	Value (£000s)
Equities	169	100	64
Bonds - Government	44	19	20
Bonds - Other	7	13	4
Property	-	-	-
Other assets	2	2	5
Total	222	134	93

The proportions of total assets held in each asset type, shown above, reflect the proportions held by the Fund as a whole at 31st March 2005.

Filton Town Council

Notes to the Accounts

31st March 2005

12 Pension Assets and Liabilities (cont'd)

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

PENSION FUND NET ASSETS

Summary of The Avon Pension Fund's Balance Sheet applicable to the council

	2005	2004	2003
	(£000s)	(£000s)	(£000s)
Share of assets in The Avon Pension Fund	222	134	93
Estimated liabilities in The Avon Pension Fund	(274)	(149)	(117)
Net pensions (deficit)	(52)	(15)	(24)

PENSION FUND RESERVE

Movement in Surplus/Deficit during the year

	2005	2004
	(£000s)	(£000s)
Deficit at 1st April 2004	(15)	(24)
Current Service Cost	27	16
Employer Contributions	12	10
Past Service/Curtailment Cost	-	-
Net Interest/Return on Assets	(1)	(1)
Actuarial Gain	(21)	16
Deficit at 31st March 2005	(52)	(15)

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

AMOUNTS REPORTED IN THE COUNCIL'S

CONSOLIDATED REVENUE ACCOUNT

Pension Revenue Items during the year

	(£000s)	(£000s)
Operating Costs		
Current Service Cost	(27)	(16)
Past Service Cost	-	-
Curtailment Cost	-	-
Total Cost	(27)	(16)
Financing Gain/(Cost)		
Expected Return on Assets	10	7
Interest on Pension Liabilities	(11)	(8)
	(1)	(1)

NON REVENUE MOVEMENTS IN RESERVES

Statement of Actuarial Gains/(Losses)

Asset Gain/(Loss)	4	16
Liability Gain/(Loss)	33	-
Change in Assumptions	(58)	-
Net (Loss)/Gain per Statement of Total Movement in Reserves	(21)	16

Filton Town Council

Notes to the Accounts

31st March 2005

13 Tangible Fixed Assets

	Operational Freehold Land and Buildings	Vehicles and Equipment	Infra- structure Assets	Community Assets	Total
Cost	£	£	£	£	£
At 31st March 2004	2,100,000	114,970	-	50,089	2,265,059
Additions	2,030	40,199	1,295	-	43,524
	<u>2,102,030</u>	<u>155,169</u>	<u>1,295</u>	<u>50,089</u>	<u>2,308,583</u>
Depreciation					
At 31st March 2004	-	(37,459)	-	(2,146)	(39,605)
Charged for the year	(90,927)	(30,884)	(259)	(1,478)	(123,548)
	<u>(90,927)</u>	<u>(68,343)</u>	<u>(259)</u>	<u>(3,624)</u>	<u>(163,153)</u>
Net Book Value					
At 31st March 2005	<u>2,011,103</u>	<u>86,826</u>	<u>1,036</u>	<u>46,465</u>	<u>2,145,430</u>
At 31st March 2004	<u>2,100,000</u>	<u>77,511</u>	<u>-</u>	<u>47,943</u>	<u>2,225,454</u>

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

Fixed Asset Valuation

The freehold and leasehold properties which comprise the council's property have been valued as at 1st August 2004 by external independent valuers, the Valuation Office. Valuations have been made on the basis set out in the Statement of Accounting Policies (Note 1), except that not all properties were inspected. This was neither practical nor considered by the valuer to be necessary for the purpose of the valuation. Plant and machinery that form fixtures to the building are included in the valuation of the building.

14 Financing of Capital Expenditure

2005
£

2004
£

The following capital expenditure during the year:

Fixed Assets purchased	43,524	63,982
	<u>43,524</u>	<u>63,982</u>

was financed by:

Capital Grants	-	-
Loan Proceeds	-	-
Revenue:		
Precept and Revenue Income	43,524	63,982
	<u>43,524</u>	<u>63,982</u>

Filton Town Council

Notes to the Accounts

31st March 2005

15 Information on Assets Held

Fixed assets owned by the council include the following:

Operational Land and Buildings

Filton Leisure Leisure Centre

Vehicles and Equipment

Sundry grounds maintenance equipment

Sundry office equipment

Infrastructure Assets

Other street furniture

Community Assets

Northville Millennium Green

Recreation grounds and playing fields - 2

Childrens' play areas - 2

Council Artefacts

16 Stocks

Leisure Centres

2005
£

8,282

2004
£

9,228

8,282

9,228

17 Debtors

Trade Debtors

V A T Recoverable

Prepayments and Accrued Income

2005
£

13,298

(664)

1,978

14,612

2004
£

17,469

2,809

3,322

23,600

18 Creditors and Accrued Expenses

Loans repayable within one year

Trade Creditors

Superannuation Payable

Other Creditors

Accruals and Deferred Income

2005
£

6,900

28,594

-

31,722

9,602

76,818

2004
£

12,036

38,501

2,079

31,013

38,659

122,288

Filton Town Council

Notes to the Accounts

31st March 2005

19 Financial Commitments under Operating Leases

2005 **2004**
£ **£**

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

Obligations expiring within one year	-	-
Obligations expiring between two and five years	1,807	1,807
Obligations expiring after five years	-	-
	<hr/>	<hr/>
	1,807	1,807
	<hr/> <hr/>	<hr/> <hr/>

20 Long Term Liabilities

2005 **2004**
£ **£**

Public Works Loan Board	186,658	193,220
Carlsberg Tetley Brewery	-	8,088
	<hr/>	<hr/>
	186,658	201,308
	<hr/> <hr/>	<hr/> <hr/>

2005 **2004**
£ **£**

The above loans are repayable as follows:

Within one year	6,900	12,036
From one to two years	7,256	9,514
From two to five years	24,091	22,910
From five to ten years	49,181	46,769
Over ten years	99,230	110,079
	<hr/>	<hr/>
Total Loan Commitment	186,658	201,308
	<hr/>	<hr/>
Less: Repayable within one year	(6,900)	(12,036)
	<hr/>	<hr/>
	179,758	189,272
	<hr/> <hr/>	<hr/> <hr/>

21 Deferred Grants

2005 **2004**
£ **£**

Balance brought forward	849,497	895,249
Released to offset cost/depreciation	(45,752)	(45,752)
	<hr/>	<hr/>
	803,745	849,497
	<hr/> <hr/>	<hr/> <hr/>

Capital Grants are accounted for on an accruals basis and grants received have been credited to Deferred Grants Account. Amounts are released from 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.

Filton Town Council

Notes to the Accounts

31st March 2005

22 Fixed Asset Restatement Account	2005	2004
	£	£
Balance at 1 April 2004	1,043,757	2,087,995
Revaluation of assets during the year	-	(1,044,238)
	<hr/>	<hr/>
	1,043,757	1,043,757
	<hr/> <hr/>	<hr/> <hr/>

The system of accounting for local councils requires the establishment of a Fixed Asset Restatement Account. The balance on this reserve represents the value of assets included in the Balance Sheet for the first time, together with subsequent revaluations and disposals. This account will increase or reduce as and when assets are revalued or disposed of.

23 Capital Financing Account	2005	2004
	£	£
Balance at 1 April 2004	130,892	161,983
Financing capital expenditure in the year		
- using revenue balances	43,524	63,983
Reversal of depreciation	(123,548)	(152,540)
Deferred grants released	45,752	45,752
	<hr/>	<hr/>
Loan Repayments	96,620	119,178
	14,650	11,714
	<hr/>	<hr/>
Balance at 31 March 2005	111,270	130,892
	<hr/> <hr/>	<hr/> <hr/>

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 on the amount to be met from precept. It does not represent a reserve which the council can use to support future expenditure.

24 Earmarked Reserves	Balance at	Contribution	Contribution	Balance at
	1/4/2004	to reserve	from reserve	31/3/2005
	£	£	£	£
Other Earmarked Reserves	24,198	-	-	24,198
	<hr/>	<hr/>	<hr/>	<hr/>
Total Earmarked Reserves	24,198	-	-	24,198
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

Filton Town Council

Notes to the Accounts

31st March 2005

25 Capital Commitments

The council had no capital commitments at 31st March 2005 not otherwise provided for in these accounts .

26 Contingent Liabilities

Since the date of these accounts the council has received an assessment in respect of disallowable VAT in the sum of £28,000. The council disagrees with this assessment, has appealed accordingly, and considers that no such sum is payable.

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

27 Post Balance Sheet Events

There are no significant Post Balance sheet events.

28 Reconciliation of Revenue Cash Flow

	2005 £	2004 £
(Deficit)/Surplus for the year	(25,314)	15,637
Add\(\Deduct)		
Interest paid	9,384	9,799
Contributions (from) provisions and reserves	-	(52)
Revenue contributions to capital	58,174	75,697
Interest and Investment Income	(6,114)	(3,723)
Decrease/(Increase) in stock held	946	(2,878)
Decrease/(Increase) in debtors	8,988	(139)
(Decrease)/Increase in creditors	(40,334)	32,443
Revenue activities net cash inflow	5,730	126,784

29 Movement in Cash

	2005 £	2004 £
Balances at 1st April		
Cash with accounting officers	1,349	1,126
Cash at bank	214,955	170,167
	<hr/> 216,304	<hr/> 171,293
Balances at 31st March		
Cash with accounting officers	1,502	1,349
Cash at bank	159,088	214,955
	<hr/> 160,590	<hr/> 216,304
Net cash (outflow)/inflow	<hr/> (55,714)	<hr/> 45,011

Filton Town Council

Notes to the Accounts

31st March 2005

30	Reconciliation of Net Funds/Debt	2005	2004
		£	£
	Increase in cash in the year	(55,714)	45,011
	Cash inflow from new borrowings	-	-
	Cash outflow from repayment of debt	14,650	11,714
	Net cashflow arising from changes in debt	14,650	11,714
	Movement in net debt/funds in the year	(41,064)	56,725
	Cash at Bank and In-hand	216,304	171,293
	Total borrowings	(201,308)	(213,022)
	Net Funds/Debt at 1st April	14,996	(41,729)
	Cash at Bank and In-hand	160,590	216,304
	Total borrowings	(186,658)	(201,308)
	Net Debt/Funds at 31st March	(26,068)	14,996

31	Movement in realised capital resources	2005	2004
		£	£
	Usable capital receipts		Usable capital receipts. and unapplied capital grants etc
	Unapplied capital grants etc		
	Amounts receivable in year	-	-
	Amounts applied to finance new capital investment	(45,752)	(45,752)
		(45,752)	(45,752)
	Brought forward 1st April 2004	849,497	895,249
	Carried forward 31st March 2005	803,745	849,497

