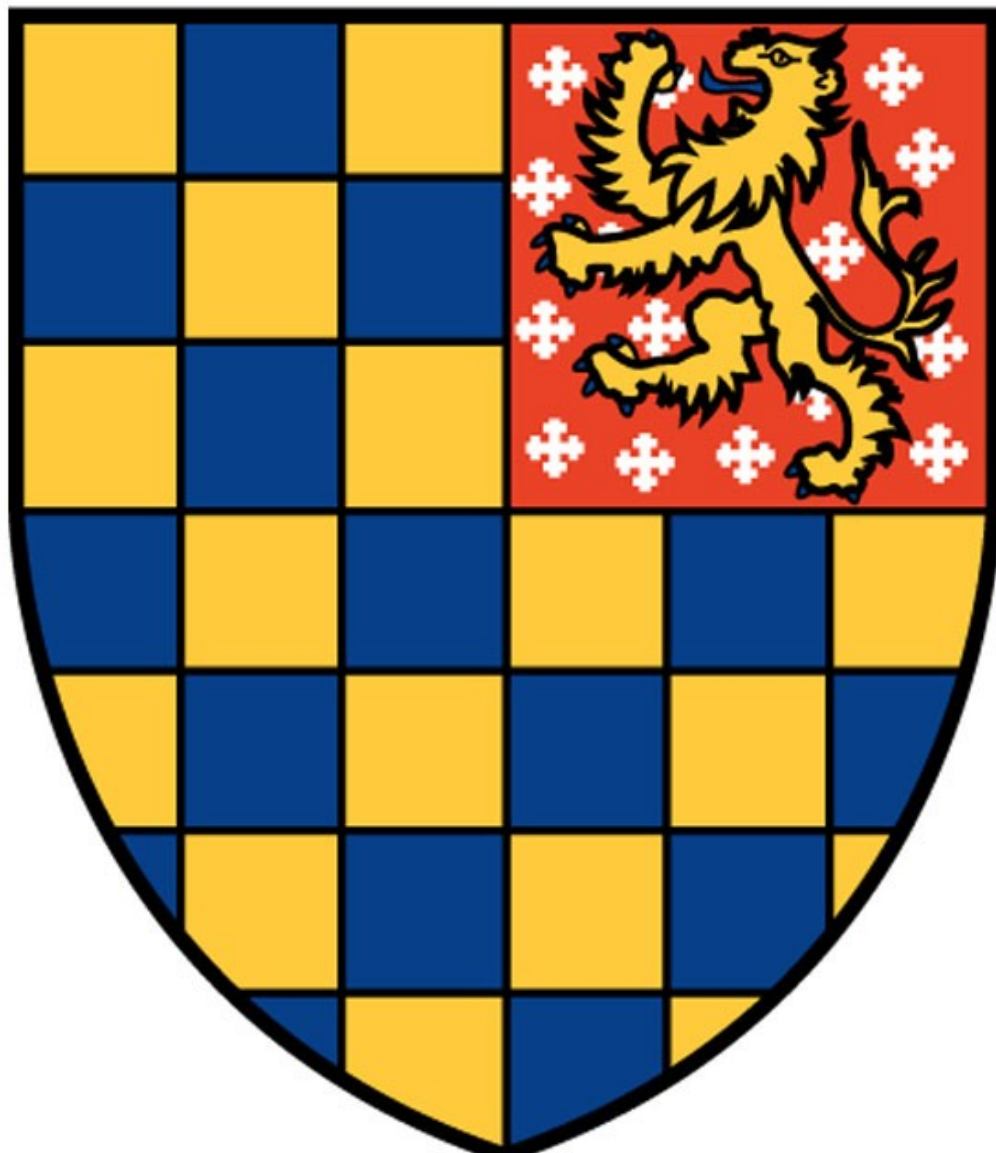


LEWES TOWN COUNCIL



FINANCIAL ACCOUNTS
for the year
1st April 2020 to 31st March 2021
SUBJECT TO AUDIT

LEWES TOWN COUNCIL

Council Information

For the Year ended 31 March 2021

Councillors

Cllr Dr Janet BAAH

Cllr Matthew BIRD

Cllr Richard BURROWS

Cllr Guy EARL

Cllr Robert HANDY

Cllr Oliver HENMAN

Cllr James HERBERT

Cllr John LAMB

Cllr Imogen MAKEPEACE

Cllr Dr Wendy MAPLES

Cllr Dr Graham MAYHEW

Cllr Merlin MILNER

Cllr Ruth O'KEEFFE

Cllr Shirley-Anne SAINS

Cllr Jonathan VERNON

Cllr Richard WARING

Cllr Stephen WISCHHUSEN (known as CATLIN)

Cllr Catherine WOOD

Town Clerk and Responsible Finance Officer

Steve Brigden

Auditors (external)

Littlejohn LLP
Ref: SBA
2nd Floor 1 Westferry Circus
Canary Wharf
LONDON E14 4HD

Auditors (internal)

Mulberry & Co
Chartered Certified Accountants,
Registered Auditors & Chartered
Tax Advisers
9 Pound Lane
GODALMING
Surrey GU7 1BX

LEWES TOWN COUNCIL

Explanatory Foreword

For the Year ended 31 March 2021

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

The Income and Expenditure Account

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

The Balance Sheet

This sets out the financial position of the Council at 31st March, *ie* its assets and liabilities at that date.

Statement of Movement in Reserves

This summarises the movements between incoming precept and earmarked and general Reserves, and their use to fund projects and works, showing the effect on the Council's total reserves during the year.

Notes to the Accounts

These provide further information on 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.

Further Information

Further information about the accounts, and the financial administration of the Council, is available from the Town Hall, High Street, Lewes BN7 2QS. 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 on the notice board outside the Council Offices, and on the Council's website (www.lewes-tc.gov.uk). Other aspects of the Council's financial operations are published during the year on the website and may be obtained on request.

LEWES TOWN COUNCIL

Responsibilities for the Statement of Accounts

Year ended 31 March 2021

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 has the responsibility for the administration of those affairs. At this Council, that officer is the Town Clerk
- to manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.

The "Responsible Finance Officer" Responsibilities

The R.F.O. is responsible for the preparation of the Council's statement of accounts in accordance with the 'Code of Practice on Local Authority Accounting in Great Britain' (the code), so far as it is applicable to this Council, to present fairly the financial position of the Council at 31st March 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 Finance Officer's Certificate

I hereby certify that the statements of accounts for the year ended 31st March 2021 required by the Accounts and Audit Regulations 2015 (SI2015/234) are set out in the following pages.

I further certify that the statements of accounts present fairly the financial position of Lewes Town Council at 31st March 2021, and its income & expenditure for the year ended 31st March 2021.

Signed:.....

Date:.....

Steve Brigden

Town Clerk and Responsible Finance Officer

LEWES TOWN COUNCIL

Statement of Internal Control

Year ended 31 March 2021

Scope and Responsibility

Lewes Town Council (“the 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.

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.

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 risks 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 effectively and economically.

The Internal Control Environment

The Council’s systems:

- Establish and monitor the achievements of the Council’s objectives
- Facilitate policy and decision making
- Ensure compliance with established policies, procedures, laws and regulations
- Identify, assess and manage the risks to the Council, including how risk management is embedded in the activity of the Council, how leadership is given to the risk management process, and how staff are trained or equipped to manage risk in a way appropriate to their role
- Control the financial management of the Council and the reporting of financial information

LEWES TOWN COUNCIL

Review of Effectiveness

The Council has responsibility for conducting, at least annually, a review of the effectiveness of the system of internal control, and of its arrangements for internal audit.

The review of the effectiveness of the system of internal control is informed by the work of the internal auditor and the executive officers within the Council who have responsibility for the development and maintenance of the internal control environment, and also any comments made by the external auditor or other review agencies and inspectorates.

Our review of the effectiveness of the system of internal control is completed by:

- The work of officers within the Council
- Routine oversight by our Audit & Governance Panel
- The work of the internal auditor
- The external auditors in their annual audit report


We have been advised on the result of the review of the effectiveness of the system of internal control by our officers, and plan to address any weaknesses and strive for continuous improvement of the systems in place.

We have reviewed the effectiveness of our Internal Audit operations and have taken account of guidance issued in this regard by the Joint Panel on Accounting Guidance (JPAG). JPAG is responsible for issuing guidance on proper practices in relation to the accounts of “smaller authorities” as defined in the Accounts and Audit Regulations. Membership consists of sector representatives from the Society of Local Council Clerks, the National Association of Local Councils and the Association of Drainage Authorities, together with stakeholder partners representing the Department of Communities and Local Government, the Department of Environment, Food and Rural Affairs, the Chartered Institute of Public Finance and Accountancy, the National Audit Office, and a representative of the external audit firms appointed to smaller authorities.

We are satisfied on all counts that our arrangements are effective and meet expected standards.

Signed
Cllr Stephen Wischhusen (known as ‘Catlin’)
Mayor of Lewes 2021-22

Date

Signed 
Steve Brigden
Town Clerk & Responsible Financial Officer

Date11th June 2021.....

Lewes Town Council
Income and Expenditure Account
for the Year ended 31st March 2021

2020 Nett Expenditure	Cost Centres	Notes	2021 Gross Expenditure	2021 Gross Income	2021 Nett Expenditure
135,875	Corporate Admin		122,339	86	122,253
102,970	Civic Admin		13,689	2,000	11,689
54,986	Mayoralty		44,482	0	44,482
156,928	Town Hall		218,001	15,928	202,073
94,082	All Saints		140,574	5,737	134,837
-526,407	Malling Community Centre	18	973,025	1,752	971,274
48,523	Pells		38,694	90	38,604
162,173	Open Spaces		107,168	1,001	106,166
25,054	Allotments		28,338	2,139	26,199
18,040	Election Expenses			0	0
45,000	Section 137 Expenditure	5	0	0	0
43,076	Other Grants and Sponsorship	16	127,152	27,833	99,319
<hr/>			<hr/>	<hr/>	<hr/>
360,299	COST OF SERVICES		1,813,462	56,565	1,756,897
(1,093,815)	Precept Received			1,213,829	(1,213,829)
(3,054)	Interest and Investment Income	2		1,270	(1,270)
10,056	Loan Repayment		58,374		58,374
8,768	VAT Unclaimable	14	8,290		8,290
<hr/>			<hr/>	<hr/>	<hr/>
-717,745			1,880,126	1,271,664	608,462
(994,506)	Balance Brought Forward				(1,712,251)
<hr/>					<hr/>
(1,712,251)	Balance Carried Forward				(1,103,789)
<hr/>					<hr/>
858,653	Earmarked Reserve Balance B/F			1,489,788	
881,170	Transferred from General Fund			262,200	
250,035	Transferred to General Fund			1,024,000	
1,489,788	Earmarked Reserve Balance C/F	19			727,988
135,853	General Fund Balance Brought Forward			222,463	
86,610	Surplus/(Deficit) for the Year			153,338	
222,463	General Fund Balance C/F				375,801
<hr/>					<hr/>
1,712,251	Balance Carried Forward				1,103,789
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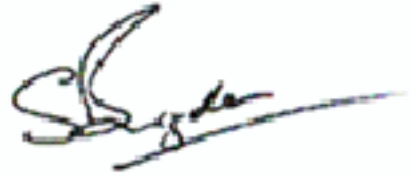
NOTE: Totals may be affected by "rounding" convention

Lewes Town Council
Balance Sheet
as at 31st March 2021

Year Ended 31 March 2020		Year Ended 31 March 2021
£	CURRENT ASSETS	£
2,616	Stock	2,090
7,872	Debtors	879
5,138	Payment in Advance	
48,624	VAT Recoverable	213,308
1,724,477	Cash in Hand	912,206
1,788,727	TOTAL ASSETS	1,128,483
	CURRENT LIABILITIES	
38,475	Creditors	22,751
	Receipts in Advance	1,424
38,000	Accruals	519
0	VAT Payable	
76,475	TOTAL LIABILITIES	24,694
1,712,252	NET ASSETS	1,103,789
	Represented by:	
222,463	General Fund	375,801
1,489,788	Earmarked funds	727,988
1,712,251		1,103,789

.....
Cllr S Wischhusen (Catlin)
Mayor 2021/22

Date:.....



Steve Brigden
Responsible Finance Officer

Date: ...11th June 2021.....

Lewes Town Council**Notes to the Accounts****Year Ended 31 March 2021****1. Principal 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.

Debtors and Creditors

The revenue accounts of the Council are maintained in accordance with the Code. 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, and therefore, it will not have a material effect on the year's accounts or on the Council's annual budget.

Leases

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

Earmarked Reserves

Earmarked Reserves are a means of building up funds to meet known or predicted liabilities in the coming years.

2. Interest and Investment Income	2020	2021
	£	£
Interest Income – General Funds	3,054	1,270

3. Agency Work

During the year the Council did not undertake any agency work on behalf of other authorities or commission any agency work to be performed by other authorities.

4. 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:

	2020	2021
	£	£
Recruitment Advertising	0	1,652
Marketing Advertising	300	156
Other Publicity	1,126	0
TOTAL	1,426	1,808

Lewes Town Council

Notes to the Accounts

Year Ended 31 March 2021

5. S.137/General Power of Competence

Section 137 of the Local Government Act 1972 (as amended) enables the Council to spend a fixed amount per head on the electoral roll for the benefit of people in its area on activities or projects *not specifically authorised by other powers*; known as a “power of last resort” but this is not required so long as the Council remains eligible to use the General Power of Competence (*see below*), which is a “first resort” power with no financial cap, exercisable at the discretion of the Council.

General Power of Competence

Minute extract: Council meeting of 16th May 2019

Ref **FC2019/14.1** “Lewes Town Council declares that it meets the conditions, prescribed in Article 2 paragraph 2 of The Parish Councils (General Power of Competence) (Prescribed Conditions) Order 2012 (SI2012/965), and hereby resolves to adopt the General Power of Competence as provided in the Localism Act 2011 ss1-8. This declaration has effect until the Council’s Annual Meeting 2023.”

All grants are listed on our website www.lewes-tc.gov

6. Employees and Members

The average weekly number of ‘full-time equivalent’ employees during the year was 11.57. The establishment at year-end is 17 (10 full-time; 7 part-time).

The government’s Code of Recommended Practice for Local Authorities on Data Transparency promotes the following statement of senior employees’ remuneration:

	2020	2021
	£	£
Chief Executive Officer/Head of Paid Service (Town Clerk)		
Gross salary received	66,263	67,109
Employer’s contribution to LGPS	11,602	12,469
This represents a multiple of 2.53 compared with the <i>median</i> of all salaries		
Members’ Allowances paid in the year	4,965	4,320

7. Auditors remuneration

Fees due to Littlejohn LLP, external auditors, were £2,000 (2020: £2,000).
Fees paid to Mulberry & Co, internal auditors, were £486 (2020: £447)

8. Stock

	2020	2021
	£	£
Resale & civic items; protective clothing; materials	0	0
Town Hall consumable stores	690	857
All Saints consumable stores	1779	1,100
Stationery	*146	*133
TOTAL	2,615	2,090

* includes stock pre-printed items, at valuation

Lewes Town Council**Notes to the Accounts****Year Ended 31 March 2021****9. Debtors**

	2020	2021
	£	£
Trade debtors (No debts were more than 3 months old)	7,872	879
VAT (see Note 14)	48,624	213,308
TOTAL	56,496	214,817

10. Creditors and Accrued Expenses

	2020	2021
	£	£
Creditors	38,475	22,751
Receipts in Advance	0	1,424
Accruals	38,000	519
TOTAL	76,475	24,694

11. Operating Lease Commitments

The Council had the following annual commitments under operating leases at 31 March.

	2020	2021
	£	£
Photocopier and doormats	2,694	2,772

12. Loans (amounts outstanding)

	2020	2021
	£	£
Public Works Loan Board (1999 – 2023)	36,437	27,926
Loan taken out on 18 th January 1999 for works to the Town Hall, in the sum of £150,000 at fixed interest rate of 4.5%pa, with instalments payable half-yearly over 25 years.		

	2020	2021
	£	£
Public Works Loan Board (2020 – 2035)	600,000	566,652
Loan taken out on 20 th February 2020 for works to Malling Community Centre, in the sum of £600,000 at fixed interest rate of 2.53%pa, with instalments payable half-yearly over 15 years.		

13. Pensions

For the year ended 31 March 2020 the Council's contributions were 18.2% of employees' pensionable pay plus a secondary rate of 3.9%. Scheme administrators have notified employer contribution rates for the following year as: 2021/22: 'Primary rate' 18.2%, plus a 'Secondary rate' of 3.4%.

Lewes Town Council

Notes to the Accounts

Year Ended 31 March 2021

14. Value Added Tax (VAT)

Subject to certain conditions, local councils may treat as “non-business” for purposes of VAT some activities that would normally be “business”, even when charges are made (*Value Added Tax Act 1994 s33*). It is possible to agree a “partial-exemption” formula, whereby a proportion of an activity can be defined as “non-business” eg a building containing both public halls and the council’s own offices offer a percentage of its floor area as space available for exempt uses, and the rest is defined as its business base. Expenditure and VAT paid on operation of the building can then be apportioned. VAT paid (input tax) in relation to “exempt” activities can be reclaimed provided that the total amount does not exceed £7,500 for the year (average £625 per month) AND represents less than 5% of the total VAT paid on *all* goods/services in the year. These values are unchanged since 1992.

15. Contingent Liabilities

The Council is not aware of any contingent liabilities at the date of these accounts. It has accounted-for accrued commitments.

16. Other grants and sponsorship

Incoming grants include items such as Council Tax Reduction Support Grant (CTRSG). The Government decided that Parish tax bases would be lowered to reflect new local council tax support scheme discounts. Funding provided included a specified amount attributable to parish areas and the Government made clear the expectation that it would be used to mitigate the inflationary effect of the tax base reduction on their notional Band ‘D’ equivalent charge. Lewes District Council passed-on this grant on a reducing basis until the year ended March 2020:

2013/14: £89,271 2014/15: £73,534 2015/16: £62,504 2016/17: £53,128 2017/18 £45,159
2018/19: £37,190: 2019/20 £32,624 The support funding is now ended and there will be no further payments of this grant.

The programmed reduction in the amount of CTRSG increased the calculated Band ‘D’ equivalent value, regardless of any change in Lewes Town Council’s budget requirement. This line entry also includes receipts such as Community Infrastructure Levy, which is received from the Planning Authority (South Downs National Park Authority). This was £27,833 in 2020/21

17. Community Infrastructure Levy (CIL)

The Community Infrastructure Levy (CIL) is a charge on development which was adopted by the South Downs National Park Authority (SDNPA). The funds are spent on infrastructure needed in the National Park, and some of this money is also directly paid to parishes in which the development occurred. If Parishes do not spend the money within 5 years of receipt or spend it other than in accordance with prevailing regulations, the money must be refunded. Lewes Town Council has a Neighbourhood Plan, which was adopted as policy (“made”) in 2019 and since then has received the uncapped 25% parish share of relevant CIL each year, as:

Received	YE 2018	YE 2019	YE 2020
Amount £	4,388	12,324	27,833
Must be used by	2023	2024	2025
Amount used to date	0	0	0

Lewes Neighbourhood Plan contains a section (*s11 p146*) outlining the community’s wishes for application of CIL funds, and the Council has decided to ask the public to help prioritize the projects listed there.

18. Malling Community Centre

Lewes Town Council is regenerating the Malling (Bridgeview) Community Centre, involving major alteration and refurbishment works. The newly renovated building will offer a vibrant community space, with links to outdoor facilities, spaces for public hire, sports changing rooms, and social area/café. The design includes a ground-source heat pump to provide sustainable heating. Works commenced on-site in March 2020 and finished in March 2021. The project is being funded from accrued balances in Earmarked Reserves and a loan from the Public Works Loan Board. This loan (£600,000) was originally included on our Income & Expenditure account as gross income, which is the reason for the apparent high value. The sum was held in an Earmarked Reserve and now appears as expenditure in 2020/21. The building is expected to re-open in June 2021.

Lewes Town Council
Notes to the Accounts
31 March 2021

19. Movement in Reserves

	Opening Balance	Transfer from General Fund (precepted)	Transfer to General Fund	Total
	£	£	£	£
Earmarked Reserves				
R1 Town Hall	112,000	60,000	0	172,000
R2 All Saints Centre	30,820	10,000	0	40,820
R3 Open Spaces	8,000	45,000	0	53,000
R4 Lewes Priory	560	500	0	1,060
R5 Pells Lake	31,929	20,000	0	51,929
R6 The Pells	133,239	10,000	0	143,239
R7 Commemorations Fund	4,092	2,000	0	6,092
R8 Environment Enhancement Fund	18,727	1,000	0	19,727
R9 Town Clocks	2,100	1,800	0	3,900
R10 Malling Community Centre	977,290	0	906,000	71,290
R11 HSTA Christmas Lighting <i>3yrs ending 2021/22</i>	0	10,000	10,000	0
R12 Neighbourhood road-salt bin grants fund	2,583	0	0	2,583
R13 Election costs reserve	5,000	5,000	0	10,000
R14 <i>Placeholder for future projects</i>	0	0	0	0
R14A Devolution process (Provision)	66,600	5,000	0	71,600
R15 ICT Replacement	0	3,000	0	3,000
R16 Renewable Energy	40,000	10,000	30,000	20,000
Projects committed or in progress				
P1 Our Pictures Project	1,000	0	0	1,000
P2 Historic plaques programme (with FoL)	328	400	0	728
P3 <i>Placeholder for future projects</i>	0	0	0	0
P4 New Website	820	0	0	820
P5 Neighbourhood Plan	2,200	0	0	2,200
P6 Lightbox' project support <i>(5yrs to 2024/25)</i>	0	3,000	3,000	0
P7 Bus service Support	0	25,000	25,000	0
P8 Allotments improvements	0	500	0	500
P9 Pedestrian crossings (contribution to ESCC)	52,500	0	0	52,500
P10 General Fund Reinstatement	0	50,000	50,000	0
	<u>1,489,788</u>	<u>262,200</u>	<u>1,024,000</u>	<u>727,988</u>

Movements this year relate to:

Budgeted contributions from income to reserve funds, and use of those reserves for their defined purpose.

General Fund*

	Opening Balance	Surplus /Deficit	Closing Balance
	£	£	£
Brought Forward	222,463	153,338	375,801

* The "General Fund" is the amount not committed to projects or earmarked reserves, which permits day-to-day liquidity and prudent allowance for unforeseeable demands.

It is maintained at a target level roughly equal to 50% of gross annual expenditure, although may fluctuate.

** Accounts marked have no further purpose, and balances have been re-appropriated to the General Fund.

Lewes Town Council
Accounts
31 March 2021

20. Information on Assets Held

	31/03/2020	Movement in the Year Acquisitions	31/03/2021	Principle of Valuation
	£	£	£	
Operational Land and Buildings				
Lewes Town Hall	1,925,926	0	1,925,926	1
All Saints Centre	362,727	0	362,727	1
Pells Swimming Pool	131,250	0	131,250	1
Non-Operational Land and Buildings				
Malling Community Centre	85,000	979,563	1,064,363	5
Equipment				
Computer Equipment	10,948	3,114	14,062	1A
Franking Machine	472	0	472	1
E-bike (Town Ranger)		3,300	3,300	1A
Infrastructure Assets				
Bus Shelters	42,193	0	42,193	1
Town Seats and Benches	21,707	0	21,707	1
Waste Bins	3,027	0	3,027	1
Town Signs	5,877	0	5,877	1
Community Assets				
Lewes Priory site	24,000	0	24,000	2
The Pells Land	15,000	0	15,000	2
Allotments	26,500	0	26,500	2
The Town Plate	237,790	0	237,790	2
Works of Art	252,500	0	252,500	2
St. Michael's Town Clock	21,000	0	21,000	2
Civic Robes	35,670	0	35,670	2
Antique House Clock	2,370	0	2,370	2
Antique Books	2,100	0	2,100	2
War Memorial	1	0	1	3
Land at Landport Bottom (50% share with Lewes District Council)	1	0	1	3
Love Lane Tree Belt	1	0	1	3
Tom Paine Statue, Library terrace [private gift to town]	30,000	0	30,000	4
	3,236,060	985,977	4,221,837	

Principles of valuation:

1 Valued at open market value less depreciation prior to 31/3/05 (depreciation not charged subsequently, due to change in local councils' statutory accounting regime).

1A Subsequent acquisitions etc valued at purchase cost.

2 Valued at open market value at 1/4/2004

3 Nominal value/community asset

4 Valuation for insurance purposes

5 originally valued on principle **1** - adjusted for refurbishment expenditure 2020/21

Assets are insured at replacement cost values, except the Priory and War Memorial, which are insured on a first-loss basis.