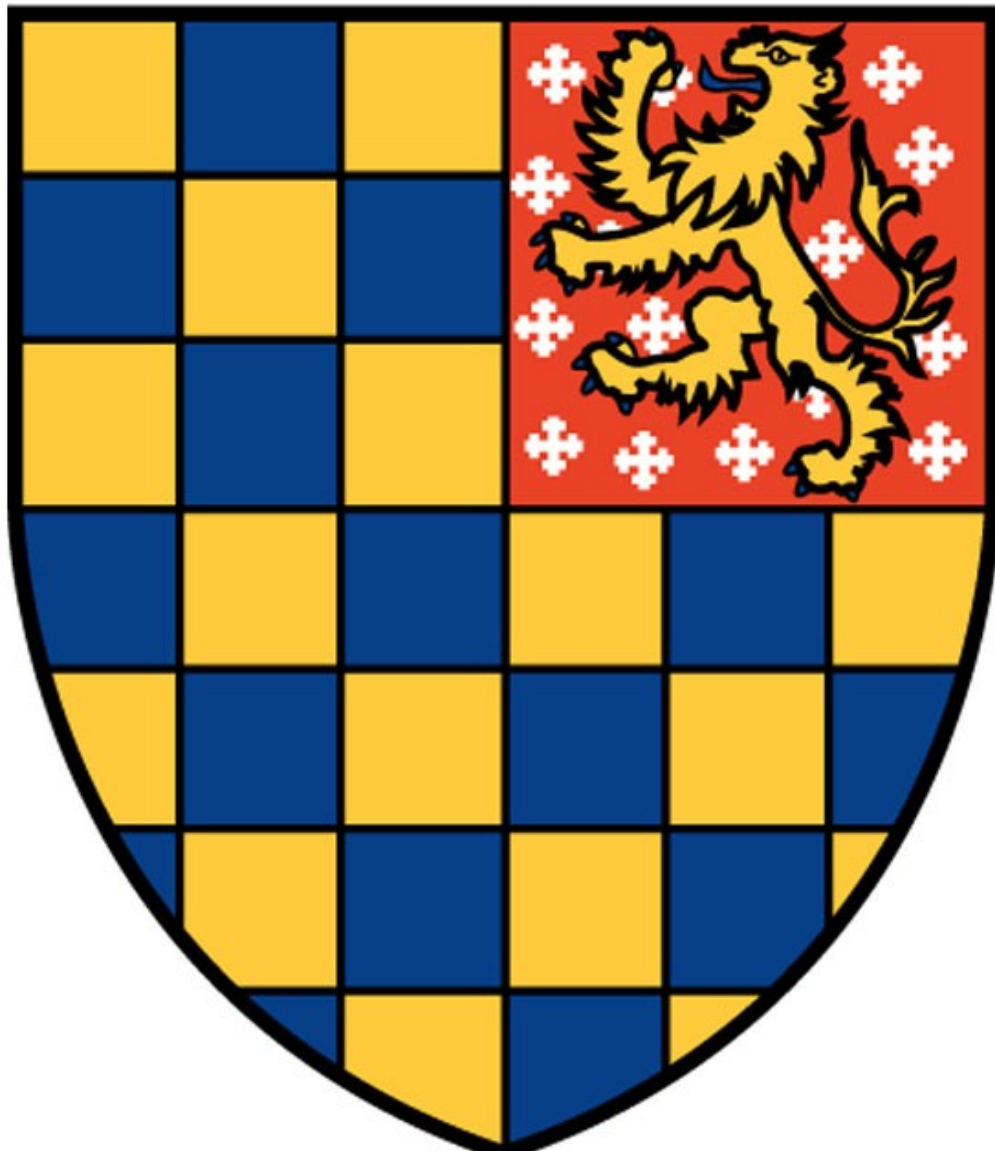


# LEWES TOWN COUNCIL



**FINANCIAL ACCOUNTS**  
for the year  
1<sup>st</sup> April 2019 to 31<sup>st</sup> March 2020  
**SUBJECT TO AUDIT**

**Council Information**  
**For the Year ended 31 March 2020**

**Councillors**

**Clr Janet BAAH**

**Clr Matthew BIRD**

**Clr Richard BURROWS**

**Clr Guy EARL**

**Clr Robert HANDY**

**Clr Oliver HENMAN**

**Clr James HERBERT**

**Clr John LAMB**

**Clr Imogen MAKEPEACE**

**Clr Dr Wendy MAPLES**

**Clr Dr Graham MAYHEW**

**Clr Merlin MILNER**

**Clr Ruth O'KEEFFE**

**Clr Shirley-Anne SAINS**

**Clr Jonathan VERNON**

**Clr Richard WARING**

**Clr Stephen WISCHHUSEN (known as CATLIN)**

**Clr Catherine WOOD**

**Town Clerk and Responsible Finance Officer**

Steve Brigden

**Auditors (external)**

Littlejohn LLP  
Ref: SBA  
15 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 2020**

The Council's statements of accounts for the year ended 31<sup>st</sup> 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 31<sup>st</sup> March, *ie* its assets and liabilities at that date.

#### **Statement of Total Movement in Reserves**

This summarises the total gains and losses of 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.

#### **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](http://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.

## Responsibilities for the Statement of Accounts

Year ended 31 March 2020

### 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 31<sup>st</sup> 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 31<sup>st</sup> March 2020 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 31<sup>st</sup> March 2020, and its income & expenditure for the year ended 31<sup>st</sup> March 2020.

Signed:.....

Date:.....

**Steve Brigden**

**Town Clerk and Responsible Finance Officer**

## **Statement of Internal Control**

**Year ended 31 March 2020**

### **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

## 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 .....  
Clr John Lamb  
Mayor of Lewes 2019-21

Signed .....  
Steve Brigden  
Town Clerk & Responsible Financial Officer

Date .....

Date .....

**Lewes Town Council**  
**Income and Expenditure Account**  
**for the Year ended 31st March 2020**

2019 Nett Expenditure	Cost Centres	Notes	2020 Gross Expenditure	2020 Gross Income	2020 Nett Expenditure
126,742	Corporate Admin		135,875		135,875
124,628	Civic Admin		103,421	452	102,969
48,291	Mayoralty		57,174	2,188	54,986
160,140	Town Hall		248,618	91,690	156,928
91,039	All Saints		151,941	57,860	94,081
26,771	Malling Community Centre	17	81,740	608,147	(526,407)
54,413	Pells		48,907	383	48,524
116,634	Open Spaces		162,828	655	162,173
24,808	Allotments		33,965	8,911	25,054
0	Election Expenses		18,040		18,040
26,480	S137/GPoC Expenditure	5	45,000		45,000
-15,519	Other Grants and Sponsorship		88,023	44,947	43,076
<hr/>			<hr/>	<hr/>	<hr/>
784,428	COST OF SERVICES		1,175,532	815,233	360,299
(1,036,301)	Precept Received			1,093,814	(1,093,813)
(2,323)	Interest and Investment Income	2		3,054	(3,054)
10,056	Loan Repayment		10,056		10,056
11,055	VAT Unclaimable	14	8,768		8,767
<hr/>			<hr/>	<hr/>	<hr/>
-233,086			1,194,356	1,912,100	(717,745)
(761,420)	Balance Brought Forward				(994,506)
<hr/>					<hr/>
(994,506)	Balance Carried Forward				(1,712,251)
<hr/>					<hr/>
638,439	Earmarked Reserve Balance B/F	18		858,653	
348,035	Transferred from General Fund			881,170	
(127,821)	Transferred to General Fund			(250,035)	
858,653	Earmarked Reserve Balance C/F				1,489,788
122,981	General Fund Balance Brought Forward			135,853	
(11,083)	Surplus/(Deficit) for the Year			86,610	
122,981	General Fund Balance C/F				222,463
<hr/>					<hr/>
994,506	Balance Carried Forward				1,712,251
<hr/>					<hr/>

NOTE: Totals may be affected by "rounding" convention

**Lewes Town Council  
Balance Sheet  
as at 31st March 2020**

Year Ended 31 March 2019	Notes	Year Ended 31 March 2020
£		£
	<b>CURRENT ASSETS</b>	
4,378	Stock <span style="float: right;">8</span>	2,615
13,910	Debtors <span style="float: right;">9</span>	7,872
30,713	Payment in Advance	5,138
35,982	VAT Recoverable <span style="float: right;">14</span>	48,624
938,081	Cash in Hand	1,724,477
1,023,065	<b>TOTAL ASSETS</b>	1,788,726
	<b>CURRENT LIABILITIES</b>	
24,861	Creditors <span style="float: right;">10</span>	38,475
3,698	Receipts in Advance	
0	Accruals	38,000
0	VAT Payable	
28,559	<b>TOTAL LIABILITIES</b>	76,475
	<b>NET ASSETS</b>	
994,506		1,712,251
	<b>Represented by:</b> <span style="float: right;">18</span>	
135,853	General Fund	222,463
858,653	Earmarked funds	1,489,788
994,506		1,712,251

.....  
Cllr John Lamb  
Mayor 2019-21

.....  
Steve Brigden  
Responsible Finance Officer

Date:.....

Date:.....



**Lewes Town Council****Notes to the Accounts****Year Ended 31 March 2020****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.

<b>2. Interest and Investment Income</b>	<b>2019</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Interest Income – General Funds	2,323	3,054

**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:

	<b>2019</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Recruitment Advertising	656	0
Marketing Advertising	266	300
Other Publicity	1,145	1,126
Community Cinema operating advertisements	160	0
<b>TOTAL</b>	<b>2,227</b>	<b>1,426</b>

**Lewes Town Council****Notes to the Accounts****Year Ended 31 March 2020****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 16<sup>th</sup> 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](http://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 is 14 (8 full-time; 6 part-time).

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

	2019	2020
	£	£
Chief Executive Officer/Head of Paid Service (Town Clerk)		
Gross salary received	65,933	66,263
Employer’s contribution to LGPS	11,375	11,602
This represents a multiple of 2.71 compared with the <i>median</i> of all salaries		
Members’ Allowances paid in the year	4,252	4,965

**7. Auditors remuneration**

Fees due to Littlejohn LLP, external auditors, were £2,000 (2019: £2,000).

Fees paid to Mulberry & Co, internal auditors, were £447 (2019: £447)

**8. Stock**

	2019	2020
	£	£
Resale & civic items; protective clothing; materials	1,940	not available
Town Hall consumable stores	474	690
All Saints consumable stores	671	1779
Stationery	*1,293	*146
<b>TOTAL</b>	<b>4,378</b>	<b>2,615</b>

\* includes stock pre-printed items, at valuation

**Lewes Town Council****Notes to the Accounts****Year Ended 31 March 2020****9. Debtors**

	<b>2019</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Trade debtors (No debts were more than 3 months old)	13,910	7,872
VAT (see Note 14)	35,982	48,624
<b>TOTAL</b>	<b>49,893</b>	<b>56,496</b>

**10. Creditors and Accrued Expenses**

	<b>2019</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Creditors	24,861	38,475
Receipts in Advance	3,698	0
Accruals	0	38,000
<b>TOTAL</b>	<b>28,559</b>	<b>76,475</b>

**11. Operating Lease Commitments**

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

	<b>2019</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Photocopier and doormats	2,450	2,694

**12. Loans (amounts outstanding)**

	<b>2019</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Public Works Loan Board (1999 – 2023)	44,577	36,437
Loan taken out on 18 <sup>th</sup> 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.		

	<b>2019</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Public Works Loan Board (2020 – 2035)	0	600,000
Loan taken out on 20 <sup>th</sup> 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 17.4% of employees' pensionable pay plus a fixed sum of £19,000. Scheme administrators have notified employer contribution rates for the following year as: 2020/21: 'Primary rate' 18.2%, plus a 'Secondary rate' of 3.9%.

## Lewes Town Council

### Notes to the Accounts

#### Year Ended 31 March 2020

#### 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.

The amount shown is the value of recoverable tax, *ie* owed to the Council by HM Revenue & Customs.

#### 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

These include items such as Council Tax Reduction Support Grant (CTRSG). Government changes in 2012 gave Principal councils freedoms to remove/alter existing exemptions and discounts from local council tax. 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.

Not all Billing Authorities in England have done this, but Lewes District Council has passed-on the following payments of this grant:

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 increases the calculated Band ‘D’ equivalent value; regardless of any change in Lewes Town Council’s budget requirement.

This entry also includes receipts such as Community Infrastructure Levy, which is received from the Planning Authority (South Downs National Park Authority). This was £12,324 in 2019/20

#### 17. Mallong Community Centre

Lewes Town Council is regenerating the Mallong (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. Works will be funded from accrued balances in Earmarked Reserves and a loan from the Public Works Loan Board. This loan (£600,000) is included on our Income & Expenditure account as gross income, which is the reason for the apparent high value. This value is now held in the Earmarked Reserve and will be expended in 2020/21, as the project reaches completion.

**Lewes Town Council**  
**Notes to the Accounts**  
**31 March 2020**

18

	Opening Balance	Transfer from General Fund	Transfer to General Fund	Total
	£	£	£	£
<b>Earmarked Reserves</b>				
<b>R1</b> Town Hall	52,000	60,000	0	112,000
<b>R2</b> All Saints Centre	27,800	10,000	6,980	30,820
<b>R3</b> Open Spaces	7,000	1,000	0	8,000
<b>R4</b> Lewes Priory	280	280	0	560
<b>R5</b> Pells Lake	11,929	20,000	0	31,929
<b>R6</b> The Pells	123,239	10,000	0	133,239
<b>R7</b> Commemorations Fund	2,092	2,000	0	4,092
<b>R8</b> Environment Enhancement Fund	17,727	1,000	0	18,727
<b>R9</b> Town Clocks	300	1,800	0	2,100
<b>R10</b> Malling Community Centre	352,500	677,790	53,000	977,290
<b>R11</b> Placeholder for future projects	0	0	0	0
<b>R12</b> Neighbourhood road-salt bin grants fund	2,583	0	0	2,583
<b>R13</b> Election costs reserve	11,805	11,000	17,805	5,000
<b>R14</b> Devolution process	0	0	0	0
<b>R14A</b> Devolution process (tranche 2 Prov'n)	66,600	0	0	66,600
<b>R15</b> ICT Replacement	7,250	5,000	12,250	0
<b>R16</b> Renewable Energy	30,000	10,000	0	40,000
<b>Projects committed or in progress</b>				
<b>P1</b> Our Pictures Project	0	1,000	0	1,000
<b>P2</b> Historic plaques programme (with FoL)	28	300	0	328
<b>P3</b> Magic Circle (with FoL)	36,000	0	36,000	0
<b>P4</b> New Website	5,820	2,000	7,000	820
<b>P5</b> Neighbourhood Plan	1,200	1,000	0	2,200
<b>P6</b> Placeholder for future projects	0	0	0	0
<b>P7</b> Bus service Support	0	17,000	17,000	0
<b>P8</b> Allotments improvements	0	0	0	0
<b>P9</b> Pedestrian crossings (contribn to ESCC)	52,500	0	0	52,500
<b>P10</b> General Fund Reinstatement	50,000	50,000	100,000	0
	<u>858,653</u>	<u>881,170</u>	<u>250,035</u>	<u>1,489,788</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	135,853	86,610	222,463

\* 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.

**Lewes Town Council****Accounts****31 March 2020****Information on Assets Held**

	31/03/2019	Movement in the Year Acquisitions	31/03/2020	Method of Valuation
	£	£	£	
<b>Operational Land and Buildings</b>				
Lewes Town Hall	1,925,926	0	1,925,926	*
All Saints Centre	362,727	0	362,727	*
Pells Swimming Pool	131,250	0	131,250	*
<b>Non-Operational Land and Buildings</b>				
Malling Community Centre	85,000	0	85,000	**
<b>Equipment</b>				
Computer Equipment	10,948	0	10,948	*
Franking Machine	472	0	472	*
<b>Infrastructure Assets</b>				
Bus Shelters	42,193	0	42,193	*
Town Seats and Benches	21,707	0	21,707	*
Waste Bins	3,027	0	3,027	*
Town Signs	5,877	0	5,877	*
<b>Community Assets</b>				
Lewes Priory site	24,000	0	24,000	**
The Pells Land	15,000	0	15,000	**
Allotments	26,500	0	26,500	**
The Town Plate	237,790	0	237,790	**
Works of Art	252,500	0	252,500	**
St. Michael's Town Clock	21,000	0	21,000	**
Civic Robes	35,670	0	35,670	**
Antique House Clock	2,370	0	2,370	**
Antique Books	2,100	0	2,100	**
War Memorial	1	0	1	***
Land at Landport Bottom (50% share with Lewes District Council)	1	0	1	***
Love Lane Tree Belt	1	0	1	***
Tom Paine Statue, Library terrace [private gift to town]	30,000	0	30,000	****
	<b>3,236,060</b>	<b>0</b>	<b>3,236,060</b>	

\* 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)

\*\* Valued at open market value at 1/4/2004

\*\*\* Nominal value/community asset

\*\*\*\* Valuation for insurance purposes

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