



WELLINGTON TOWN COUNCIL

INCOME AND EXPENDITURE ACCOUNT 2019 - 2020

SUMMARY OF FUNDS AS AT 31 MARCH 2020

INTRODUCTION

This report relates to the Council's financial accounts for the year ended 31 March 2020 and includes various explanatory notes.

The Council's accounts are prepared under Regulations 7 and 9 of the Audit and Accounts Regulations 2011 as amended by Statutory Instrument SI 2020/404 The Accounts and Audit (Coronavirus) (Amendment) Regulations 2020.

The accounts are published subject to audit by the accountancy firm of PKF Littlejohn LLP, 1 Westferry Circus, Canary Wharf, London E14 4HD. The audit is expected to be completed by the end of November 2020.

These accounts are expected to be approved by resolution of the Town Council at a virtual, but lawfully conducted meeting on 3rd August 2020.

Kathryn Hemensley,
Town Clerk and Responsible Financial Officer,
Wellington Town Council,
28 Fore Street,
Wellington,
Somerset TA21 8AQ

01823 662855
07983 697740
kathryn@wellingtontowncouncil.co.uk

WELLINGTON TOWN COUNCIL

Notes to the Receipts and Payments Account for the year ended 31 March 2020.

1. Statement of Accounting Policies

The general principles adopted in the preparation of these accounts and the Summary of Funds are those recommended by the Chartered Institute of Public Finance and Accountancy (CIPFA).

In the 2015 – 2016 Financial year, Wellington Town Council reached the threshold for Councils with either a budgeted income or expenditure over £200,000. This required within 3 financial years (that is to say by the 2018-2019 financial year) that the accounting statements be prepared in a different format than previously. The Council did not achieve this requirement and was therefore instructed by the external auditor to migrate to the new reporting system in the 2019-20 financial year. As part of this year's annual audit the Council were instructed to resubmit the previous year's (2018-2019) accounting statements in the required 'income and Expenditure' format.

Income and Expenditure format

The Council's annual accounts were previously reported on a 'receipts and payments' basis which took a snapshot at the year end, with no adjustment. The new 'Income and Expenditure' format takes the year-end position then adjusts recorded annual income and costs to include any amounts owed to or by the Council (known as Debtors and Creditors). The final (adjusted) accounting statements therefore reflect the financial situation if all sums payable and receivable for the financial year had actually been processed at year end. Future annual accounts will also be prepared on an Income and Expenditure format.

2. Fixed Assets

Date of Acquisition	Description	Location	Cost	Insured Value
01/04/1974	Allotments 3.64 acres. Transferred from Wellington UDC.	Basins	£1	
12/08/1985	Play area 0.62 acres. Donated by Barrett Bristol Ltd.	Tonedale	£1	
01/04/1974 & 06/04/2009	Civic insignia including Mayoral Robes. Transferred from Wellington UDC and donated by Mr D Lentall.	Council Offices, 28 Fore Street	£3,000	£7,299
04/09/2000	Street Light	Rackfield, Westford	£1	£719
04/09/2000	4 town name twinning signs	Town Entrances	£1	£2,137
02/09/2002	Public notice boards	Town Centre, Rockwell Green, Burrough Way	£1	£3,347

02/09/2002	Popham historical sign at playing field	Wellington	£1	£1,399
19/11/2003 and 31/01/2019 March 2020	4 benches 4 new benches	High Street Fore Street Longforth Road Entrance to North Street car park	£500 £2,000	£3,600
18/01/ 2007	MUGA	Tone Play Area	£1	£21,301
30/11/2004	Play equipment	Tone Play Area	£5,000	£15,558
03/04/2006	2 relocatable CCTV cameras and laptop (dismantled and no longer in use)	Office	n/a	n/a
01/04/1974	Filing Cabinet	Office	£30	
01/04/1974	8 tables, 18 chairs	Chamber	£200	
05/11/1990	30 polypropylene chairs	Chamber	£257	
02/02/2010	2 x 22" PC and monitor and 1laptop	Office	£550	£6,707 for all equipment
August 2019	laptop upgrade and new PC	Office	£860	
06/03/2006	2 desks, 2 cabinets & 2 chair	Office	£200	
01/02/2017	Public Convenience,	Longforth Road	£30,000	£75,835
10/03/2011 And June 2018	10 Grit bins	Wellington	£1,750	Cover included in play area sum
10/03/2011	8 Dog bins	Wellington	£500	
10/03/2011	Community resilience shed	Wellington School	£1	
05/11/2013	A3 Laminator	Office	£20	
2012/2013	Brush, Rake, Snow shovel	Office	£75	
05/01/2015	Mayoral Chain case and collar	Office	£50	
06/10/2017	2 x Defibrillator and case Manufacturer: CU Medical Model: iPad SP1 Serial Number: G1P06C47	Longforth Road public convenience building and Rockwell Green Christian Fellowship Centre	£5,000	£5,150
Total			£50,000	

3. Section 137 Expenditure

Section 137 of the Local Government Act 1972 (as amended) grants local councils power to spend up to a maximum of an annual allowance per head of electorate on the register as at 1st April. Known as the 'power of last resort' S137 expenditure is permitted only where no other legal power exists. Proposed expenditure must be balanced against the benefits, which must be solely for parish residents, and agreement to fund costs via S137 must be by formal resolution. Expenditure must be expressly reported. The 2019 -

2020 allowance was £8.12 per elector for an electorate of 12,067 which gave a total of allowable expenditure of £97,984.04.

The following activities were funded from S137 expenditure:-

Payee	£
War Grave Flowers	253.35
Poppy Wreaths x 2 Remembrance Sunday & Armed Forces Day	92.50
Donation to Police Horse Blanket	300.00
Pop up shop (rents/legals/electric)	8,012.64

SubTotal	8,658.49
St John's Primary School (crossing patrols)	357.00

Total	9,015.49

4. Deposit Reserve

This deposit reserve as at 31 March 2020 stands at £256,436.

5. Overall Financial Reserves

The Council has an overall cash balance of £400,078 as at 31 March 2020 (see table below) This operational reserve was taken into account when setting the 2019 - 2020 budget, and subsequently raising the precept. A decision was taken to draw down funds of £80,000 to be made available for specific (earmarked) funding during the year, and therefore lessen the charge to Council tax for the year ahead. The Council aims to hold reserves equivalent to one year's operational costs plus the capacity to consider introducing additional services to replace those lost as a result of efficiency savings and devolution of services by the principal authorities.

Bank reconciliation as at 31/03/2020

There were no unrepresented cheques at year end:-

RECEIPTS AND PAYMENTS RECONCILIATION			
			£ : p
Period 1st April 2019 to 31st March 2020			
Balance brought forward at 1st April 2019			£328,766.86
Interest on Investment			£443.10
Add cashbook receipts cumulative to 31st March 2020			<u>£309,007.43</u>
Total			£638,217.39
Less cashbook expenditure cumulative to 31st March 2020			£238,138.99
Balance brought forward as 31st March 2020			£400,078.40
Lloyds Current Account No. 2195145	Statement no: 38		£88,112.72
Lloyds Deposit A/C No. 07788306	Statement no: 29		£256,436.56
Lloyds Treasury Deposit placed 13.04.19			£55,529.12
Total			£400,078.40
Less unrepresented cheques			£0.00
Total			£400,078.40

6. Leases

The town council has a rolling lease with Taunton Deane Borough Council to occupy two rooms at 28 Fore Street Wellington at a yearly rent of £1,000. As a tenant, the Town Council is required to pay 10% of the cost of maintaining the common parts.

The Town Council sub-lets these two rooms to Wellington Museum and Local History Society at cost value. An annual grant is then applied for by the Museum to offset this overhead. This ensures accountability and transparency in the Council's support for the Museum.

During the year two new leases were taken on. Firstly, an additional room at the Council offices at 28 Fore Street, Wellington TA21 8AQ. This provides additional office space for the growing staff team. The initial term is for 3 years from 4 December 2019 at an annual rent of £1,260. The second was a two-year lease was for the premises at 31 Fore Street, Wellington TA21 8AG, which is the Council's pop up shop. Annual rent is £6,000.

7. Superannuation

The Clerk and Deputy have joined the Superannuation Scheme. The Town Council therefore pay 17.8 % of each salary as the employer's contribution to the scheme. In addition a monthly sum (recalculated annually) is paid to cover the deficit within the pension fund and the total paid for the year to 31st March 2020 was £936.

8. Income and Expenditure summary

Income

As can be seen on the year end accounts, as at 31st March 2020, total income for the year, adjusted for year-end debtors amounted to £309,947, made up as follows:-

2019 – 2020 Precept received	£268,358	AGAR* return Box 2
Income generated by Council activities and services	£42,032	AGAR return Box 3
TOTAL INCOME	£310,390	

*Annual Governance and Accountability Return

Expenditure

Expenditure for the 2019 – 2020 financial year, adjusted for creditors totalled £266,762. Staffing costs are split out on the AGAR form, and overall costs were made up as follows:-

Staffing Costs	£69,773	AGAR return Box 4
Other operational costs	£196,989	AGAR return Box 6
TOTAL EXPENDITURE	£266,762	

Having taken into account the balance and reserves brought forward from the previous financial year (£308,064 as shown in AGAR Box 1), then adding this year's income and deducting this year's expenditure the carried forward balance of reserves as at 31st March 2020 was £351,692. This is shown in AGAR Box 7.

9. Creditors and Debtors

Although the financial year ended on 31 March 2020 there were a number of payments due for services or activities within the 2019 - 2020 financial year which were unpaid at the year end. These are known as creditors. Likewise, there was income generated during the year which was received after the year end. These are referred to as debtors. Both are set out in the table below.

	Description	Creditor or Debtor	Amount: £	Date Paid
Somerset County Council	Superannuation for March 2020	Creditor	984.35	May 2020
AIS contract cleaning	Office cleaning to 31 March 2020	Creditor	100.36	3 rd April 2020
Cllr J Lloyd	Travel Expenses	Creditor	77.85	8 th April 2020
Idverde	Community Warden Feb to April 2020	Creditor	3738.30	12 th May 2020
Idverde	Longforth Road Toilets Cleaning 1/1/20 to 3/4/20	Creditor	1484.70	12 th May 2020
Wellington Community Support Services	Contribution towards Mantle Street Youth Centre for the period August 2019 to March 2020	Creditor	13,110.00	27 th April 2020
Somerset West & Taunton Council	Contested Parish Election Fee - May 2019	Creditor	1861.45	27 th April 2020
Somerset West & Taunton Council	Uncontested Parish Election Fee – May 2019	Creditor	300.00	27 th April 2020
Somerset West & Taunton Council	Emptying of litter bins and dog waste bins	Creditor	3822.00	Invoice received 5 th June 2020
British Gas	Pop Up Shop Electric – 16 th March to 16 th April 2020	Creditor	41.20	21 st April 2020
Glasdon	4 Benches	Creditor	1984.52	8 th April 2020
Konica Minolta	Photocopier rental 6 th March to 6 th April 2020 (pro rata)	Creditor	36.87	8 th April 2020
Konica Minolta	Photocopier copies 7 th December 2019 to 6 th March 2020	Creditor	101.71	8 th April 2020
HWCS	Window Cleaning 30 th Sept and 31 st Oct 2019	Creditor	20.00	8 th April 2020
Somerset West & Taunton	Installation of Christmas Lights December 2019	Creditor	22738.38	15 th April 2020
British Gas	Pop up Shop Electric – 12 th Feb to 16 th March 2020	Creditor	63.62	3 rd April 2020

HT Perry & Son	Pop up Shop Insurance 14 th Oct to 31 st Oct 2019	Creditor	25.00	8 th April 2020
Handmade Pop Up – Jo Alway	Pop Up Shop – Rent £75.00 and Deposit £70.00 refund 23 rd March to 29 th March 2020	Creditor	145.00	15 th April 2020
Wellington Majorettes	Pop Up Shop – Deposit Refund 17 th Feb to 1 st March 2020	Creditor	35.74	9 th April 2020
United Reformed Church	Hall Hire for Council meetings – Jan to March 2020 (3 months)	Creditor	96.00	23 rd April 2020
TOTAL	Total amount owed to Creditors as at 31st March 2020		£50,767.05	
Supplier	Description	Debtor	Amount £	Date Received
C & C Motor Services	Hire Cost – Promotional Space, High Street, Wellington – Saturday 7 th March 2019	Debtor	50.00	1 st April 2020
Somerset County Council	Contribution to Resurfacing of footpath at Crosslands, Wellington – February 2019	Debtor	1250.00	22 nd May 2020
Somerset West & Taunton	Contribution to Cleaning Costs for Housing Team Office and Hire of Chamber – 28 Fore Street, Wellington 1 st April 2019 to 31 st March 2020	Debtor	1080.00	22 nd May 2020
TOTAL	Total amount owed by Debtors as at 31st March 2020		£2,380.00	

10. Petty Cash

Petty cash is used mostly for small day-to-day items and the float is topped up to £50.00 when the need arises. All expenditure is recorded on a petty cash voucher, which when accompanied with the receipt for the purchase, enables a refund to the payee. Petty cash records are balanced monthly, and expenditure allocated to its specific budget heading at year end. The balance of petty cash held at year end was £28.71.

11. Financial Risk Assessment and Management

On the recommendation of the Council's Internal Auditor the Clerk has undertaken a risk assessment of the Council's financial procedures and management. See also item 12.

12. Risk Assessment and Management 2019 - 2020

A new risk management scheme was introduced during the year, and although adoption was delayed until May due to the coronavirus pandemic, its principles were followed throughout the year. The scheme document is re-presented to Council along with this report and year-end financial statements.

17th July 2020