

BRACKNELL TOWN COUNCIL



STATEMENT OF ACCOUNTS Year Ended 31st March 2010

Bracknell Town Council
Statement of Accounts for the year ended 31 March 2010

Brooke House
High Street
Bracknell
RG12 1LL
Tel: 01344 420079
Fax: 01344 424015
E-mail: clerk@bracknelltowncouncil.gov.uk

Table of contents

	<u>Pages</u>
Table of contents	1
Council information	1
Annual Report	2
Annual Governance Statement	4
Statement of Responsibilities for the Statement of Accounts	6
Income and Expenditure Account	7
Statement of Total Recognised Gains and Losses	8
Statement of Movement on Reserves	8
Balance Sheet	9
Statement of Accounting Policies	10
Notes to the Accounts	12
Independent Report of the External Auditors (to be issued in due course)	16

Council information

Members of the Council at 31st March 2010

Chas Baily (Town Mayor)	Roy Bailey	Mrs Heather Barber
Mrs Emma Barnard	Dr Gareth Barnard	Mrs Maureen Beadsley
Mike Beadsley	Mrs Gill Birch	Marc Brunel-Walker
Scott Burrows	Martin Davis	William Davison
Graham Ellis	David Fawcett	Alvin Finch
Mrs Diane Finch	Wilford Holness	Mrs Adrienne Jones
Trevor Kensall	Mrs Isabel Mattick	Mrs Shelagh Pile
Mark Phillips	Michael Sargeant	Andrew Street
Mary Temperton	Chris Turrell	Ms Dee Whitbread

Town Clerk and Responsible Financial Officer

Ms Mary Harris

Council offices

Brooke House
High Street
Bracknell
Berkshire
RG12 1LL
Telephone: 01344 420079
Fax: 01344 424015
Website: www.bracknelltowncouncil.gov.uk
E-mail: clerk@bracknelltowncouncil.gov.uk

Bracknell Town Council
Statement of Accounts for the year ended 31 March 2010

External auditors

Audit Commission
Collins House
Bishopstoke Road
Eastleigh
Hampshire
SO50 6AD

Annual Report

The Council and the services that it provides

Bracknell Town Council is the largest of the six parish councils within the unitary authority of Bracknell Forest Borough Council. The Parish came into existence in 1955, created as part of the overall New Town plans for the area. The Council maintains 250 acres of land providing public open spaces for sport, leisure and recreation; it also provides public seats, bins and bus shelters. The Council is also responsible for the Larges Lane cemetery and seven allotment sites. The Council supports local older people, clubs and the South Hill Park Arts Centre through annual grants. The Council's website and Town Guide publication both have a summary of the facilities and services provided. During the year there has been no major change in the Council's statutory functions.

The Council is made up of 27 Councillors who are elected into office every four years for a four year term. The next election is in May 2011. Town Councillors during 2009/10 are detailed on page 1.

The Council's accounts and financial performance

Following is a brief explanation of the financial aspects of the Council's activities drawing attention to the main aspects of its financial position as set out in these accounts, they include:

- **Income and Expenditure Account**, showing the income and expenditure across all the Council's services and activities;
- **Statement of Total Recognised Gains and Losses**, drawing together all recognised gains and losses for the year;
- **Statement of Movement on Reserves**, reconciling the movement on reserves with the total recognised gains or losses;
- **Statement of Accounting Policies**, describing the policies followed in compiling the accounts in certain material and, in some cases, subjective areas;
- **Balance Sheet**, setting out the Council's financial position at the year end;
- **Notes to the Accounts**, providing further explanatory detail regarding items in the accounts and certain supplementary information.

The accounts are accompanied by the Annual Governance Statement, which describes the Council's framework and procedures to secure effective financial controls.

The financial outturn for the year, excluding accounting adjustments for depreciation and pensions, for consistency, shows that the actual outturn was less than budget in many areas. The principal saving was in Recreation grounds etc, due in part to staff vacancies, contingency allowances for projects that were unable to be completed within the financial year due to the inclement weather or delays, and income exceeding expectations. Reductions in expenditure were achieved in central administration on staffing, training and other costs. The full comparison is as follows.

	<u>Actual</u>	<u>Budget</u>
	<u>£</u>	<u>£</u>
Recreation grounds, children's play areas, allotments	673,414	775,755
Cemetery	6,089	7,192

Bracknell Town Council
Statement of Accounts for the year ended 31 March 2010

Community services	58,200	55,100
Grants and other payments for statutory purposes and also under S137, Local Government Act	183,595	188,910
Contingency allowances for schemes not undertaken	0	119,691
Central administration	327,218	359,993
	<u>1,248,516</u>	<u>1,506,641</u>
Less interest income	-5,377	0
Net cost of services	<u>1,243,139</u>	<u>1,506,641</u>
The net cost of services was funded by:	£	
Precept on the Borough Council	1,284,270	
Amount withdrawn from earmarked reserves (net)	5,690	
	<u>1,289,960</u>	
Leaving a surplus added to General Fund of	46,821	
Added to the balance on General Fund at 1 April 2009	352,705	
General Fund balance carried forward at 31 March 2010 is thus	<u>399,526</u>	

Revenue expenditure

The Council's principal revenue expenditure related to administrative costs, grounds maintenance and staffing with in particular the introduction in 2009 of a new post of Pavilion Supervisor. Further expenditure was incurred for two by-elections following the untimely deaths of Councillors Alan Browne and Lady Barbara Smith during the fiscal year.

Capital expenditure

During the year the Council's principal capital expenditure included the installation of Swing Skate and Star (a bronze and stainless steel statue) at the Elms Park, Astroturf surfacing at Great Hollands, new vehicles and plant, bus shelters, mini-golf hazards, a changing room roof replacement, electric shutters, play equipment and safer surfacing.

Financial resources

The Council's available resources at 31 March 2010 comprise the balance on General Fund of £399,526 and earmarked reserves of £133,550, making a total of £533,076. These are considered adequate for the Council's immediate and medium-term needs. The Council is not currently planning any major capital expenditure; if that is contemplated, then funding and reserves strategies would be re-assessed accordingly, including borrowing if necessary. The Council has no borrowings at present.

Superannuation scheme obligations

The Council's staff are members of the Berkshire County Superannuation Scheme. The Scheme's actuaries have advised that the Council has net liabilities of £1,445,000 at 31 March 2010, an increase of £686,000 over the previous year. This deficit has no immediate effect on the Council's finances since it will in future be funded in accordance with statutory requirements through additional contributions by employer and employees, or from subsequent gains in asset values that may arise.

Basis of preparing the annual accounts

These accounts have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (the 'FRSSE' effective 2008), as modified for large local councils through Guidance in Part 4 of the Practitioners' Guide for Local Councils in England and Wales. This is a change from previous years, when large local councils were obliged to prepare accounts in accordance with the Code of

Bracknell Town Council
Statement of Accounts for the year ended 31 March 2010

Practice on Local Authority Accounting in the United Kingdom 2008: A Statement on Recommended Practice (SORP). Comparative amounts have been restated, where applicable, in these accounts.

Further information

Further information about the accounts is available from the Council Offices at Brooke House through the Town Clerk (see page 1 for contact details). This is part of the Council's policy of providing full information regarding 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 public notice board at Brooke House.

Annual Governance Statement

- **Scope of responsibility**

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. 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 responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions and ensuring that there is a sound system for the management of risk. The Council has approved and adopted a Code of Corporate Governance which is consistent with the principles of the CIPFA/SOLACE 'Framework Delivering Good Governance in Local Government'. A copy of the Code can be obtained from the Town Clerk (see page 1). This statement explains how the Council has complied with the code and also meets the requirements of regulation 4(2) of the Accounts and Audit Regulations 2003, as amended by the Accounts and Audit (Amendment) (England) Regulations 2006 in relation to the publication of a statement on internal control.

- **The purpose of the governance framework**

The governance framework comprises the systems and processes, culture and values, by which the Council is directed and controlled, and its activities through which it accounts to, engages with and leads the community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and 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 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.

This governance framework has been in place at the Council throughout the year ended 31 March 2010 and up to the date of approval of the annual report.

- **The governance framework**

The Council is managed by members and officers who are clear about their roles and responsibilities and who have adopted Codes of Conduct specific to their roles; support and training is available to members and officers to enable them to meet their development needs. The Council communicates its vision and purpose to its citizens and service users through its publications, meetings, and the

Bracknell Town Council
Statement of Accounts for the year ended 31 March 2010

activities of its officers and members. The Council has robust policies for managing and responding to complaints from members of the public. The Council works in partnership with the local authority and other agencies in order to maximise the effective delivery of a wide range of services.

A committee structure exists within which the Council's objectives, policies and procedures are set and which manages their delivery. This structure provides a review function to monitor whether those objectives are being achieved and the likely risks involved, primarily through the Budget Monitoring and Health and Safety Working Groups. The Town Clerk, together with her staff, informs the committee process and ensures the economical, effective and efficient use of resources whilst securing continuous improvement in the way the Council's functions are exercised. The internal audit and monitoring/scrutiny function is well developed. The Council is in the process of reviewing and consolidating its overall risk management framework.

- **Review of effectiveness**

The Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework, including its systems of internal control. This review of effectiveness is informed by the work of the managers within the Council who have responsibility for the development and maintenance of the governance environment, and also by comments made by the internal auditor, external auditors and any other review agencies.

The process applied in maintaining and reviewing the effectiveness of the system of corporate governance is devised, managed and implemented by the Town Clerk and her staff. Members of the Council set the objectives and approve the orders and regulations within which these objectives are to be delivered. In addition an internal audit function performs an independent review of the system of internal control and provides a level of assurance. Finally, external auditors review the statement of accounts and the work of the internal auditor when giving their opinion.

The Council has been advised on the implications of the review of the effectiveness of the governance framework by the Budget Monitoring Group and plans to address weaknesses and ensure continuous improvement of the system is in place.

- **Significant governance issues**

The Council is in the process of reviewing and consolidating its overall risk management framework and proposes over the coming year to complete this review and thus further enhance the governance arrangements. The Council is satisfied that these steps will address any needs identified for improvements and will monitor their implementation.

Signed on behalf of the members and senior officers of Bracknell Town Council

Councillor Chris Turrell
Leader of the Council
Dated 22 June 2010

Mary C Harris

Bracknell Town Council
Statement of Accounts for the year ended 31 March 2010

Town Clerk and Responsible Financial Officer
Dated 22 June 2010

Statement of Responsibilities for the Statement of Accounts

The Council’s responsibilities

The Council is required to:

- Make arrangements for the proper administration of its financial affairs;
- Secure that one of its officers has the responsibility for the administration of those affairs. At this Council, that officer is the Town Clerk and Responsible Financial Officer; and
- Manage its own affairs to secure economic, efficient and effective use of resources and safeguard its assets.

The Responsible Financial Officer’s responsibilities

The Responsible Financial Officer is responsible for preparation of the Council’s statement of accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE, effective 2008 as modified by the Guidance in Part 4 of the Practitioners’ Guide (the Guidance), to present fairly the financial position of the Council at the accounting date, and the income and expenditure for the year then ended.

In preparing the statement of accounts, the Responsible Financial Officer has:

- Selected suitable accounting policies and then applied them consistently;
- Made judgements and estimates that were reasonable and prudent; and
- Complied with the FRSSE and Guidance.

The Responsible Financial Officer has also kept proper accounting records which were up to date, and has taken reasonable steps for the prevention and detection of fraud and other irregularities.

Responsible Financial Officer’s certificate

I hereby certify that the statement of accounts for the year ended 31 March 2010 required by the Accounts and Audit Regulations 2006 is set out on the attached pages. I further certify that the statement of accounts presents fairly the financial position of the Council at 31 March 2010, and its income and expenditure for the year ended on that date.

Signed.....
Responsible Financial Officer
Dated 22 June 2010

I confirm that these accounts were approved by the Council at a meeting held on 22 June 2010

Bracknell Town Council
Statement of Accounts for the year ended 31 March 2010

Signed.....
Chair of Council meeting approving the accounts
Dated 22 June 2010

Income and Expenditure Account

	<u>2010</u>	<u>2009</u> <u>(restated)</u>
<u>Note</u>	<u>£</u>	<u>£</u>
Income		
Precept	1,284,270	1,221,804
Grants received	-	-
Rental income, interest and investment income	74,705	98,829
Charges made for services	181,060	171,538
Other income	3,336	1,265
	1,543,371	1,493,436
Expenditure		
Direct service costs		
Staff wages, salaries and employer contributions	597,435	513,813
Grant-aid expenditure	183,595	175,437
Other costs	509,558	1,360,127
Democratic, management and civic costs		
Staff salaries and employer contributions	175,399	169,664
Other costs	187,515	182,094
	1,653,502	2,401,135
Deficit before exceptional items	-110,131	-907,699
Exceptional items		
Gain on disposal of fixed assets	16,000	835
Net operating deficit for the year	-94,131	-906,864
Reversal of capital accounting adjustments		
Depreciation charge	148,409	125,307
Impairment charge	-	907,426
Gain on disposal of fixed assets	-16,000	-835
Inclusion of capital expenditure funded from revenue	-60,147	-54,445
Reversal of accounting adjustments for pension costs	63,000	37,000
	41,131	107,589
Transfers to(-)/from earmarked revenue reserves	5,690	-48,740
Net surplus for the year to General Fund	46,821	58,849

Bracknell Town Council
Statement of Accounts for the year ended 31 March 2010

Statement of Total Recognised Gains and Losses

	<u>2010</u> £	<u>2009</u> £
Net operating deficit from Income & Expenditure Account	-94,131	-906,864
Revaluation surplus on fixed assets (Note 5)	-	450,912
Actuarial loss in pension scheme (Note 13)	-623,000	-408,000
Aggregate losses for the year	-717,131	-863,952

Statement of Movement on Reserves

	<u>2010</u> £	<u>2009</u> £
Aggregate reserves at beginning of year	3,176,319	4,040,271
Aggregate losses as per Statement of Total Recognised Gains and Losses	-717,131	-863,952
Aggregate reserves at year end	2,459,188	3,176,319

Bracknell Town Council
Statement of Accounts for the year ended 31 March 2010

Balance Sheet

	<u>Note</u>	<u>2010</u>	<u>2009</u>
		<u>£</u>	<u>£</u>
Tangible fixed assets			
Fixed assets: operational assets			
Land & buildings	5	3,140,815	3,235,086
Vehicles, plant, furniture & equipment	5	118,283	92,157
Infrastructure	5	112,013	116,128
TOTAL TANGIBLE FIXED ASSETS		3,371,111	3,443,371
Current assets			
Debtors	6	45,245	31,680
Payments in advance		17,900	17,900
Cash at bank and in hand		601,277	556,901
		664,422	606,481
Current liabilities			
Sundry creditors and accruals	7	-126,995	-110,183
Income in advance		-4,350	-4,350
		-131,345	-114,533
TOTAL ASSETS LESS CURRENT LIABILITIES		3,904,188	3,935,319
Long term liabilities			
Net pension scheme liabilities	13	-1,445,000	-759,000
TOTAL ASSETS LESS LIABILITIES		2,459,188	3,176,319
Revaluation reserve	8	440,426	450,912
Capital financing account	9	2,930,686	2,992,462
Pensions reserve	13	-1,445,000	-759,000
Earmarked reserves	11	110,550	104,240
Other reserves	11	23,000	35,000
General Fund balance	12	399,526	352,705
TOTAL RESERVES AND BALANCES		2,459,188	3,176,319

Statement of Accounting Policies

The accounts have been prepared in accordance with the requirements of the Financial Reporting Standard for Smaller Entities (the 'FRSSE') effective 2008, as modified for large local councils through the Guidance issued by the Joint Practitioners Advisory Group within Part 4 of the Practitioners' Guide for Local Councils in England and Wales. This guidance is part of the 'proper accounting practices' that local councils are required to follow in preparing annual accounts.

The accounts are prepared on the accruals basis and under the historical cost convention, supplemented by a revaluation of operational properties as noted below.

a) Fixed assets

All expenditure on the acquisition, creation or enhancement of fixed assets is capitalised, subject to a de minimus of £2,500 for individual assets, and provided that the asset yields benefit to the Council and the services that it provides, for a period of more than one year.

Operational properties are included in the balance sheet as professionally valued at 1 March 2009 at depreciated replacement cost. Land holdings including parks and open spaces are community assets dedicated for long term public use. These are held at £nil value in the balance sheet.

Plant, equipment and furniture (including that within operational buildings), vehicles and infrastructure assets such as play equipment and street furniture are included in the balance sheet at cost less depreciation. Plant and equipment is depreciated over its estimated useful life, normally 8 years. Freehold properties are depreciated over their useful economic lives; prior to the revaluation these were estimated at 60 years, but from April 2009 these are estimated at between 21 and 43 years.

Surpluses on revaluation of fixed assets are credited to the revaluation reserve and are released over the estimated economic lives. Other gains and losses over book value on disposal are credited or charged to Income and Expenditure Account.

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

Depreciation is charged on the straight line basis over the estimated useful lives of the assets (see above). The depreciation charge and any gains or losses on disposal are offset in the General Fund by corresponding credits or debits and so there is no effect on the precept. These compensating amounts are shown in the Income and Expenditure Account.

b) Government grants and contributions

Government grants and contributions are recognised in the accounts when the conditions for their receipt have been complied with and there is reasonable assurance that the amount will be received. Grants received for purchase of assets are credited against the cost of the assets concerned.

Bracknell Town Council
Statement of Accounts for the year ended 31 March 2010

c) Stocks and work in progress

Stocks are insignificant in relation to expenditure and so are treated as consumed.

d) Pensions

Subject to certain qualifying criteria, employees are eligible to join the Local Government Pension Scheme administered by the Royal County of Berkshire Pension Fund. This is a funded defined benefit scheme, whereby employees and the Council make contributions to the Fund at a rate calculated to balance pension liabilities with investment assets. Employee contribution rates are determined by the Scheme, and the Council's contribution is determined through triennial actuarial valuations.

These accounts include the Council's share of the Scheme's assets and liabilities relating to its staff, following the FRSSE. The difference is included on the balance sheet as the pensions reserve (see (e) below). The Income and Expenditure Account bears the cost of the Council's contributions plus the net of changes in pension liabilities and returns in investments, although the latter is offset by transfer to or from the Pensions Reserve to the Income and Expenditure Account so there is no impact on the precept. The assets within the scheme are valued on a 'bid value' basis.

e) Reserves

The Council maintains earmarked revenue reserves to meet general and specific future expenditure. It also maintains a capital receipts reserve (see (a) previous) for proceeds from sale of fixed assets before being used to fund capital expenditure. It also has three accounting reserves that are not available for general purposes:

- The revaluation reserve, which represents principally the balance of surpluses and deficits arising on revaluation of fixed assets prior to 1 April 2009.
- The capital financing account, which represents revenue or capital resources applied to finance capital expenditure, and reversal of depreciation, to ensure that these amounts do not affect the amount to be raised from the precept. This account was described as the capital adjustment account prior to 1 April 2009.
- The pensions reserve (see (d) above).

The Statement of Movements on Reserves reflects all movements on reserves.

f) Leases

The Council does not own any assets under finance lease arrangements. Leases that do not meet the definition of finance leases are accounted for as operating leases. Rentals payable are charged to the relevant service revenue account on a straight-line basis over the term of the lease, generally meaning that rentals are charged when they become payable.

g) Financial assets and liabilities

These comprise amounts due to the Council for services provided, amounts payable for goods and services received, and estimates for amounts accruing due and payable. These are stated at fair value, being the obligations receivable (less allowance for potential uncollectable amounts) or payable.

Notes to the Accounts

1. Depreciation

These accounts include a charge of £148,409 for depreciation of fixed assets (2009: £125,307), and a charge of £nil (2009: £907,426) for impairment of certain fixed assets.

2. Staff remuneration

One officer received between £50,000 and £60,000 in the year (2009: one).

3. Related party transactions

Payments totalling £205 were made to councillors in respect of travel expenses in the year (2009: £29). The Mayor also received an allowance of £620 for out-of-pocket expenses (2009: £422). Eight councillors declared positions of influence within voluntary bodies receiving funding from the Council during the year (2009: thirteen). All councillors and officers declare any relevant interests at each meeting when matters relating to outside parties are discussed.

The Council makes an annual grant to South Hill Park Arts Centre, a charity on which the Council is represented through two of its councillors acting as trustees. The grant paid in the year was £135,000 (2009: £130,000); this amount is included in 'Grant-aid expenditure'.

The Council also administers the annual Mayor's Fund on behalf of the incumbent mayor through a separate bank account for this purpose. The receipts for this Fund during the current year were £2,154 (2009: £145), and £854 (2009: £nil) was paid to the beneficiaries. The balance on this account at 31 March 2009 was £1,655 (2009: £355 including £210 to be reimbursed to the Twinning Association to correct a transaction error).

4. Auditors' remuneration

The amount accrued for auditors' remuneration in respect of this year is £9,900 (2009 fees accrued £10,698). These fees were solely for audit services.

5. Fixed assets

	<u>Total</u>	<u>Land & buildings</u>	<u>Infrastructure assets</u>	<u>Vehicles, plant, etc</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<u>Cost or valuation</u>				
As at 1 April 2009	3,655,611	3,235,086	215,792	204,733
Additions	76,147	0	24,477	51,670
Disposals	-35,345	0	0	-35,345
As at 31 March 2010	3,696,413	3,235,086	240,269	221,058

Bracknell Town Council
Statement of Accounts for the year ended 31 March 2010

Depreciation

As at 1 April 2009	212,238	0	99,662	112,576
Charge for the year	148,409	94,271	28,594	25,544
Disposals adjustment	-35,345	0	0	-35,345
As at 31 March 2010	<u>325,302</u>	<u>94,271</u>	<u>128,256</u>	<u>102,775</u>

Net book value

As at 31 March 2009	3,443,373	3,235,086	116,130	92,157
As at 31 March 2010	<u>3,371,111</u>	<u>3,140,815</u>	<u>112,013</u>	<u>118,283</u>

The freehold properties that comprise the Council's property portfolio were valued by the District Valuer's Office as at 1 March 2009 at £3,235,086 as above. This valuation includes permanent plant, equipment and fittings. The net revaluation adjustment included a surplus of £450,912 on one property (Jocks Lane Pavilion) which was credited to the revaluation reserve (see Note 10).

Capital expenditure in the year was financed as summarised in Note 15. There were no capital commitments at 31 March 2010 (2009: None).

Fixed assets owned by the Council include the following:

- Pavilions with caretakers' accommodation at Jocks Lane, Braybrooke and Great Hollands
- Other sports pavilions at Wildridings, Ringmead, Birch Hill, and Mill Park
- The works depot at Braybrooke
- Chapel and cemetery lodge
- Five trucks and vans, four tractors, three road registered mowing machines, and sundry grounds maintenance equipment
- Play equipment at 34 play areas across the Town
- 246 acres of playing fields and open spaces
- Street furniture including seating, bins, bus shelters, and the town centre bandstand

6. Debtors	<u>2010</u> £	<u>2009</u> £
Amounts due in respect of Council services (all under three months old)	25,837	14,366
Sundry debtors	<u>199</u>	<u>0</u>
	26,036	14,366
Value Added Tax	19,209	17,314
	<u>45,245</u>	<u>31,680</u>

7. Creditors

	£	£
Creditors for supplies and services received	52,964	6,198
Taxation and social security	15,272	27,181
Pension scheme contributions (see Note 13)	8,695	12,079
Other creditors	14,359	29,233
Accruals	35,705	35,492
	<u>126,995</u>	<u>110,183</u>

8. Revaluation reserve

	£	£
Balance brought forward at 1 April	450,912	-
Surplus on revaluation of Jocks Lane Pavilion (see Note 5)	-	450,912
Amount released to offset depreciation charge	-10,486	-
Balance carried forward at 31 March	<u>440,426</u>	<u>450,912</u>

Bracknell Town Council
Statement of Accounts for the year ended 31 March 2010

9. Capital financing account (previously capital adjustment account)

	<u>£</u>	<u>£</u>
Balance brought forward at 1 April	2,992,462	3,969,915
Depreciation charge (Note 5)	-148,409	-125,307
Impairment of fixed assets on revaluation	-	-907,426
Release of revaluation surplus	10,486	-
Gain on disposal of fixed assets	16,000	835
Purchase of fixed assets funded from revenue (Note 14)	60,147	54,445
Balance carried forward at 31 March	2,930,686	2,992,462

10. Capital receipts reserve

	<u>2010</u> <u>£</u>	<u>2009</u> <u>£</u>
Balance brought forward at 1 April	0	0
Proceeds from sale of assets	16,000	2,800
Used to finance purchase of replacement assets	-16,000	-2,800
Balance carried forward at 31 March	0	0

11. Revenue reserves

	<u>1 April 2009</u> <u>£</u>	<u>Transfers</u> <u>£</u>	<u>31 March</u> <u>2010</u> <u>£</u>
Earmarked reserves	104,240	6,310	110,550
Contingency reserve	35,000	-12,000	23,000
	139,240	-5,690	133,550

12. General fund

	<u>2010</u> <u>£</u>	<u>2009</u> <u>£</u>
Balance brought forward at 1 April	352,705	293,856
Net surplus for the year from Income and Expenditure Account	46,821	58,849
Balance carried forward at 31 March	399,526	352,705

13. Net Pensions Liability

	<u>2010</u> <u>£</u>	<u>2009</u> <u>£</u>
The Council's share of the assets and liabilities in the Berkshire County Superannuation Scheme is as follows:		
Estimated liabilities	-3,225,000	-2,073,000
Estimated assets	1,780,000	1,314,000
Net liability	-1,445,000	-759,000

Reconciliation of opening and closing net pensions liability:

Opening net liability	-759,000	-314,000
Current service cost	-73,000	-75,000
Past service cost	-	-6,000
Cash contribution by employer	67,000	54,000
Actuarial losses	-623,000	-408,000
Net return on investments less pension liabilities interest	-57,000	-10,000
Closing net liability	-1,445,000	-759,000

Income and Expenditure Account pensions charge:

Current service costs	73,000	75,000
Past service costs	-	6,000
Net return on investments less pension liabilities interest	57,000	10,000

Bracknell Town Council
Statement of Accounts for the year ended 31 March 2010

130,000	91,000
---------	--------

Subject to certain qualifying criteria, employees are eligible to join the Local Government Pension Scheme administered by the Royal County of Berkshire Pension Fund. This is a funded defined benefit scheme, whereby employees and the Council make contributions to the Fund at rates calculated to balance pension liabilities with investment assets. Employee contribution rates are determined by the Scheme at rates between 5.5% and 7% of earnings. The Council's contribution (15.5% of earnings in 2010) is determined through triennial actuarial valuations, the most recent being 31 March 2007, and thus the next is due as at 31 March 2010.

The liabilities represent the underlying commitments that the Council has to pay for retirement benefits. Statutory arrangements are for the deficit to be funded from retirement contributions over the remaining working lives of employees, as assessed by the Scheme's actuary, so the Council's financial liability is therefore limited.

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels etc. The main assumptions used in these calculations to assess liabilities at 31 March 2010 are the rates of inflation (3.9%); increases in salaries (5.4%) and pensions (3.9%); and for discounting scheme liabilities (5.5%).

14. Financing of capital expenditure

	<u>2010</u>	<u>2009</u>
	£	£
Capital expenditure in the year per Note 5	76,147	57,245
This was financed from:		
Capital receipts (Note 10)	16,000	2,800
Precept and revenue income	60,147	54,445
	76,147	57,245

15. Operating leases

£

The Council has the following annual rental commitments under operating leases:

Land & buildings	
Rent of Council offices	77,550
Other assets; office machinery	2,565
	80,115

These rents relate to leases that expire:

During the year ending 31 March 2010	0
Between 1 April 2010 and 31 March 2014	2,565
After 31 March 2014	77,550
	80,115

The Council receives income on leases that are treated as operating leases as follows:

Sports facilities let to local Clubs for various periods	9,892
Angling rights on Mill Pond	1,575
Residential lettings for staff at community buildings	4,454
Land for car parking on 6-monthly terms	16,755
The Council has sub-leased part of the Council offices over the period of its tenancy, for which it receives annual rental income of	18,853
Other tenancy income	2,175

Bracknell Town Council
Statement of Accounts for the year ended 31 March 2010

53,704

16. Contingent liabilities

A claim has been lodged against the Council and other parties by its sub-lessee at Brooke House in respect of alleged negligence and loss of amenity. The Council is contesting this claim and is advised that it has a good defence. Until the claim has been resolved, the amount of any potential liability cannot be quantified accurately. The Council has no other contingent liabilities as at 31 March 2010 (2009: none).

Report of the external auditors (to be provided in due course)