

Llanelli Rural Council

Unaudited Financial Statements

For the year ended 31 March 2017

Llanelli Rural Council

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31 March 2017

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Llanelli Rural Council

Council Information

31 March 2017

(Information current at 29th June 2017)

Chairman

Cllr H. J. Evans

Councillors

Cllr S. M. Caiach (Vice Chairman)

Cllr F. Akhtar

Cllr M. V. Davies

Cllr S. L. Davies

Cllr T. Devichand

Cllr T. M. Donoghue

Cllr S. M. Donoghue

Cllr P. M. Edwards

Cllr J. P. Hart

Cllr T. J. Jones

Cllr S. N. Lewis

Cllr A. G. Morgan

Cllr R. J. Najmi

Cllr J. S. Phillips

Cllr J. S. Randall

Cllr C. A. Rees

Cllr A. Rogers

Cllr E. Simmons

Cllr W. V. Thomas

Cllr G. H. Wooldridge

Clerk to the Council

Mr Mark Galbraith. A.C.I.S

Responsible Financial Officer (R.F.O.)

Mrs Wendy Evans

Auditors

Grant Thornton UK LLP
11/13 Penhill Road, Cardiff
CF11 9UP

Internal Auditors

Auditing Solutions Limited
Clackerbrook Farm, 46 The Common
Bromham, Chippenham, Wiltshire
SN15 2JJ

Llanelli Rural Council
Annual Governance Statement
31 March 2017

Scope of Responsibility

Llanelli Rural Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

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 which includes arrangements 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. 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 (Wales) (Amendment) Regulations 2005 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, and 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.

The governance framework has been in place at Llanelli Rural Council for the year ended 31 March 2017 and up to the date of approval of the annual report and accounts.

The governance framework

The key elements of Llanelli Rural Council's systems and processes that comprise the governance arrangements are:-

- The Council identifies its visions as part of its programme setting process and communicates its intentions and intended outcomes to its citizens and service users via its web site, local news leaflet and press releases.
- The definition and documenting of the roles within the authority are as contained within the Council's constitution document. The Council's disciplinary and grievance procedures cover the staff element and the Council Members are covered by the national code of conduct adopted by the Council.
- The Council procedures are updated when required to take account of changes in legislation and the changing needs of the authority. The Finance & General Purposes Committee acts as the Committee for assuring adherence with financial matters and is the Committee responsible also in regard to matters of complying with all laws and regulations.
- The Council has a complaints procedure for the public and whilst no formally whistle blowing procedure is in place the Council's grievance procedure would permit such matters to be dealt with properly.
- The Council has clear channels of communication with all sectors and welcomes the public to attend its meetings.
- The Council has agreed as a fundamental policy partnership working with other local authorities and organisations where benefit can be shown by such partnership working.

Llanelli Rural Council
Annual Governance Statement
31 March 2017

Review of effectiveness

Llanelli Rural Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the control exercised by members and the work of the internal auditor and the executive managers within the Council, who have responsibility for the development and maintenance of the governance framework. It is further enhanced by reports and comments made by the external auditors and other review agencies and inspectors.

We continue to be advised on the implications of the result of the review of the governance framework by the Council, relevant committees, officers and the internal auditor, and plan to address weaknesses as they arise and thus ensure continuous improvement of the system is in place.

Significant governance issues

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

Approval of Statement

This statement was approved at a meeting of the council held on 29th June 2017 when authority was given for the Chairman and the Clerk to the Council to sign.

Signed:

Cllr H. J. Evans
Chairman

.....
Mr Mark Galbraith. A.C.I.S
Clerk to the Council

Date: 29.6.17

Llanelli Rural Council
Statement of Responsibilities
31 March 2017

The Council's Responsibilities

The council is required:

- to make arrangements for the proper administration of its financial affairs,
- to secure that one of its officers (R.F.O.) has the responsibility for the administration of those affairs. At this council that officer is the Deputy Clerk (Administration), and
- to manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.

The Responsible Financial Officer's Responsibilities

The R.F.O. is responsible for the preparation of the council's Unaudited Financial Statements in accordance with Part 4 of the Governance and Accountability for Local Councils – A Practitioners Guide (Wales) (the guide), so far as is applicable to this council, to present a true and fair view of the financial position of the council at 31 March 2017 and its income and expenditure for the year then ended.

In preparing the Unaudited Financial Statements, 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 guide.

The R.F.O. has also:

- kept proper accounting records, which were up to date, and
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

Responsible Financial Officer's Certificate

I hereby certify that the Unaudited Financial Statements for the year ended 31 March 2017 required by the Accounts and Audit Regulations 2010 (as amended) are set out in the following pages.

I further certify that the Unaudited Financial Statements present a true and fair view of the financial position of Llanelli Rural Council at 31 March 2017, and its income and expenditure for the year ended 31 March 2017.

Signed: *WEvans*

Mrs Wendy Evans- Deputy Clerk

Date: *29-6-17*

Llanelli Rural Council
Statement of Accounting Policies
31 March 2017

Auditors

The name and address of the External Auditors is provided for information only.

These Statements are not subject to audit and the External Auditors have no responsibility for them.

Accounting Convention

The accounts have been prepared, for the first time, in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) (FRSSE) issued by the Accounting Standards Board, as applied to Local Councils by part 4 of Governance and Accountability for Local Councils – A Practitioners Guide (Wales) (the guide). Comparative figures have been restated to conform to the revised formats where appropriate.

These accounts have been prepared having regard to the fundamental accounting concepts of: Going Concern, Prudence, Accruals, Relevance, Consistency, Reliability, Comparability, Understandability and Materiality.

The accounts have been prepared under the historical cost convention.

Fixed Assets

All expenditure on the acquisition, creation or enhancement of fixed assets above the council de-minimis (currently £1000) is capitalised on an accruals basis in the accounts. Expenditure on fixed assets is capitalised, provided that the fixed asset yields benefits to the authority, and the services it provides, for a period of more than one year.

In accordance with FRSSE depreciation is provided on all operational buildings (but not land), as well as other assets.

Following the adoption of the FRSSE, as interpreted by the guide, the council has elected to retain the book value of fixed assets at the balance sheet valuations current on 31st March 2009 together with subsequent acquisitions and enhancements at cost, in accordance with the transitional provisions of paragraph 4.40 of the guide.

Disposals of fixed assets are reported in the Income and Expenditure Account and, in accordance with the guide, the net book value of asset disposals is reversed out to the Capital Financing Account in order not to constitute a charge to the council's revenue reserves.

Depreciation Policy

Buildings and leasehold land are depreciated over the shorter of 50 years or the anticipated remaining useful lives on a straight line basis.

Llanelli Cemetery Land and Buildings are not depreciated.

Freehold land is not depreciated.

Non Operational Assets (including Investment Properties) are not depreciated.

Vehicle, plant, equipment and furniture are depreciated over 4 to 10 years on a straight line basis.

Play equipment is depreciated over 10 years at 10% per annum straight line.

Infrastructure assets are depreciated over 10 to 25 years at 4% to 10% per annum straight line.

Community assets are not depreciated, because they are either intrinsic or purely nominal value.

Other Llanelli Cemetery assets are depreciated by 100% in the year of purchase.

Grants or Contributions from Government or Related Bodies

Capital Grants

The council has elected, as permitted under the guide, to continue with the previous policy with regard to capital grants. Where a fixed asset has been acquired or improved with the financing either wholly or in part by a grant or contribution from government or a related body, e.g. Sports Council, the amount of the grant has been credited to Deferred Grants Account and carried forward. Grants so credited are released back to revenue over the life of the asset to match, and thereby offset wholly or in part, depreciation charged.

Llanelli Rural Council
Statement of Accounting Policies
31 March 2017

Revenue Grants

Revenue grants are credited to income when conditions attached thereto have been fulfilled and/or equivalent expenditure has been incurred. Grants received in respect of which the conditions have not been fulfilled, or expenditure incurred, are carried forward as deferred revenue grants.

Debtors and Creditors

The revenue accounts of the council are maintained on an accruals basis in accordance with the regulations. That is sums due to or from the council during the year are included whether or not the cash has actually been received or paid in the year. Exceptions to this are payment of regular quarterly and other accounts (e.g. telephones, electricity). This policy is applied consistently each year. Therefore, it will not have a material effect on the year's accounts or on the council's annual budget.

The council reviews the level of its commercial debtors on a regular basis and provisions are made, as required, where the likelihood of amounts proving ultimately collectable is in doubt.

Value Added Tax

Income and Expenditure excludes any amounts related to VAT, as all VAT suffered/collected is recoverable from or payable to HM Revenue and Customs. Any amounts not so recoverable are treated as a separate expense.

External Loan Repayments

The council accounts for loans on an accruals basis. Details of the council's external borrowings are shown at note 15.

Rentals payable under operating leases are charged to revenue on an accruals basis. Details of the council's obligations under operating leases are shown at note 18.

Reserves

The council maintains certain reserves to meet general and specific future expenditure. The purpose of the council's reserves is explained in notes 19 to 20.

Certain reserves are maintained to manage the accounting processes for tangible fixed assets, available for sale investments and retirement benefits. They do not represent usable resources for the council:

Capital Financing Account – represent the council's investment of resources in such assets already made.

Interest Income

All interest receipts are credited initially to general funds.

Interest is reallocated to certain reserves based on the level of their fund balance.

Cost of Support Services

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

Pensions

The pension costs that are charged against precept in the council's accounts, in respect of its employees, are equal to the contributions paid to the funded pension scheme for those employees.

These contributions are determined by the fund's actuary on a triennial basis and are set to meet 100% of the liabilities of the pension fund, in accordance with relevant government regulations.

The next actuarial valuation is due at 31st March 2019 and any change in contribution rates as a result of that valuation will take effect from 1st April 2020.

Llanelli Rural Council
Income and Expenditure Account
31 March 2017

	Notes	2017 £	2016 £
Income			
Precept on County Council		1,003,230	979,710
Grants Receivable		13,144	8,000
Rents Receivable, Interest & Investment Income		4,787	5,893
Charges made for Services		1,664,184	1,575,591
Other Income		848	39
Total Income		2,686,193	2,569,233
Expenditure			
Direct Service Costs:			
Salaries & Wages		(761,268)	(1,054,987)
Grant-aid Expenditure		(38,210)	(38,210)
Other Costs	1	(1,191,538)	(1,019,207)
Democratic, Management & Civic Costs:			
Salaries & Wages		(361,144)	(350,758)
Other Costs	1	(286,827)	(229,233)
Total Expenditure		(2,638,987)	(2,692,395)
Excess of Income over Expenditure/(Expenditure over Income) for the year.		47,206	(123,162)
Exceptional Items			
Profit on the disposal of fixed assets		8,489	1,399
Net Operating Surplus/(Deficit) for Year		55,695	(121,763)
STATUTORY CHARGES & REVERSALS			
Statutory Charge for Capital (i.e. Loan Capital Repaid)		(46,860)	(44,850)
Capital Expenditure charged to revenue	11	(227,005)	(157,292)
Reversal of annual depreciation and impairment		182,812	194,268
Reverse profit on asset disposals		(8,489)	(1,399)
Reversal of grant amortisation		(23,697)	(28,697)
Transfer from/(to) Earmarked Reserves	20	256,968	(147,024)
Surplus/(Deficit) for the Year to/(from) General Fund		205,264	(305,357)
Net (Deficit) for the Year		(51,704)	(158,333)
The above (Deficit) for the Year has been (funded) for the Year (from) as follows:			
Transfer from/(to) Earmarked Reserves	20	(256,968)	147,024
Surplus/(Deficit) for the Year to/(from) General Fund		205,264	(305,357)
		(51,704)	(158,333)

The council had no other recognisable gains and/or losses during the year.

The notes on pages 13 to 22 form part of these unaudited statements.

Llanelli Rural Council
Statement of Movement in Reserves
31 March 2017

Reserve	Purpose of Reserve	Notes	2017 £	Net Movement in Year £	2016 £
Capital Financing Account	Store of capital resources set aside to purchase fixed assets	19	2,387,023	107,399	2,279,624
Earmarked Reserves	Amounts set aside from revenue to meet general and specific future expenditure	20	536,143	(256,968)	793,111
General Fund	Resources available to meet future running costs		421,997	205,264	216,733
Total			3,345,163	55,695	3,289,468

The notes on pages 13 to 22 form part of these unaudited statements.

Llanelli Rural Council

Balance Sheet

31 March 2017

	Notes	2017 £	2017 £	2016 £
Fixed Assets				
Tangible Fixed Assets	10		3,563,745	3,526,903
Current Assets				
Debtors and prepayments	13	338,806		282,736
Cash at bank and in hand		975,956		1,068,248
		<u>1,314,762</u>		<u>1,350,984</u>
Current Liabilities				
Current Portion of Long Term Borrowings		(45,845)		(43,738)
Current Portion of Deferred Liabilities		(1,821)		(3,122)
Creditors and income in advance	14	<u>(296,624)</u>		<u>(281,141)</u>
Net Current Assets			970,472	1,022,983
Total Assets Less Current Liabilities			4,534,217	4,549,886
Long Term Liabilities				
Long-term borrowing	15		(752,080)	(797,925)
Deferred liabilities	16		-	(1,822)
Deferred Grants	17		(436,974)	(460,671)
Total Assets Less Liabilities			<u>3,345,163</u>	<u>3,289,468</u>
Capital and Reserves				
Capital Financing Reserve	19		2,387,023	2,279,624
Earmarked Reserves	20		536,143	793,111
General Reserve			421,997	216,733
			<u>3,345,163</u>	<u>3,289,468</u>

The Unaudited Financial Statements represent a true and fair view of the financial position of the Council as at 31 March 2017, and of its Income and Expenditure for the year.

These accounts were approved by the Council on 29th June 2017 .

Signed: H. J. Evans
Cllr H. J. Evans
Chairman

W Evans
Mrs Wendy Evans
Responsible Financial Officer

Date: 29.6.17

29.6.17

The notes on pages 13 to 22 form part of these unaudited statements.

Llanelli Rural Council

Cash Flow Statement

31 March 2017

	Notes	2017 £	2017 £	2016 £
REVENUE ACTIVITIES				
<i>Cash outflows</i>				
Paid to and on behalf of employees		(1,136,165)		(1,399,230)
Other operating payments		(1,308,218)		(1,100,926)
			(2,444,383)	(2,500,156)
<i>Cash inflows</i>				
Precept on County Council		1,003,230		979,710
Cash received for services		1,625,977		1,625,325
Revenue grants received		13,144		8,000
			2,642,351	2,613,035
Net cash inflow from Revenue Activities	23		197,968	112,879
SERVICING OF FINANCE				
<i>Cash outflows</i>				
Interest paid		(38,572)		(40,582)
Interest element of Finance Lease/HP Installments		(281)		(281)
<i>Cash inflows</i>				
Interest received		4,906		5,868
Net cash (outflow) from Servicing of Finance			(33,947)	(34,994)
CAPITAL ACTIVITIES				
<i>Cash outflows</i>				
Purchase of fixed assets		(225,293)		(208,252)
<i>Cash inflows</i>				
Sale of fixed assets		15,840		1,400
Capital grant received		-		50,960
Net cash inflow before Financing			(45,432)	(78,008)
FINANCING AND LIQUID RESOURCES				
<i>Cash outflows</i>				
Loan repayments made			(43,738)	(41,728)
Hire Purchase and Lease repayments made			(3,122)	(3,122)
Net cash (outflow) from financing and liquid resources			(46,860)	(44,850)
(Decrease) in cash	24		(92,292)	(122,858)

The notes on pages 13 to 22 form part of these unaudited statements.

Llanelli Rural Council

Notes to the Accounts

31 March 2017

1 Other Costs Analysis

Other Costs reported in the council's Income and Expenditure Account comprise the following:

Direct Service Costs

	2017	2016
	£	£
Community Centres	73,869	100,536
Sports Development & Community Recreation	8,463	8,511
Indoor Sports & Recreation Facilities	-	8,086
Outdoor Sports & Recreation Facilities	154,374	122,547
Cemeteries	(42,066)	11,061
Community Development	14,320	14,291
Routine Repairs (other roads)	49	958
Street Lighting	22,723	30,987
Training Department	998,016	760,440
Less: Grant-aid Expenditure	(38,210)	(38,210)
Total	1,191,538	1,019,207

Democratic, Management & Civic Costs

	2017	2016
	£	£
Corporate Management	224,867	167,853
Democratic Representation & Management	2,017	858
Civic Expenses	2,899	3,176
Chairman's Allowance	8,129	5,170
Members' Allowances	10,062	11,313
Interest Payable	38,853	40,863
Total	286,827	229,233

As reported in the Statement of Accounting Policies, apportionment of central costs is not reflected in the above analysis.

2 Interest Payable and Similar Charges

	2017	2016
	£	£
External Interest Charges - Loans	38,572	40,582
External Interest Charges - Lease/H.P.	281	281
	38,853	40,863

Llanelli Rural Council

Notes to the Accounts

31 March 2017

3 Interest and Investment Income

	2017	2016
	£	£
Interest Income - General Funds	3,883	4,803
Interest Income - Earmarked Funds	904	1,090
Discount in Year	-	-
	<u>4,787</u>	<u>5,893</u>

4 Agency Work

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

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

5 Related Party Transactions

The council had arms length trading transactions with one business controlled by Councillor C A Rees.

Transactions during the year were as follows:

Name	Transaction details	2017	2016
		£	£
D R Taxis	Purchased – vehicle and taxi hire	138	0
D R Taxis	Income – training services	2,750	600

No amounts due remained unpaid at 31 March 2017 or at 31 March 2016.

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

6 Audit Fees

The council is required to report and disclose the cost of services provided by its external auditors.

These may be summarised as follows:

	2017	2016
	£	£
Fees for statutory audit services	400	321
Total fees	<u>400</u>	<u>321</u>

7 Employees

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

	2017	2016
	Number	Number
Full-time	32	44
Part-time	5	7
Temporary	-	2
	<u>37</u>	<u>53</u>

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

Llanelli Rural Council

Notes to the Accounts

31 March 2017

8 Members' Allowances

	2017 £	2016 £
Members of Council have been paid the following allowances for the year:		
Chairman's Allowance	8,129	5,170
Members' Allowances	10,062	11,313
	<u>18,191</u>	<u>16,483</u>

9 Pension Costs

The council participates in the Dyfed Pension Fund. The Dyfed Pension Fund is a defined benefit scheme, but the council is unable to identify its share of the underlying assets and liabilities because all town and parish councils in the scheme pay a common contribution rate.

The cost to the council for the year ended 31 March 2017 was £140,683 (31 March 2016 - £163,503).

The most recent actuarial valuation was carried out as at 31st March 2016, and the council's contribution rate is confirmed as being 14.60% of employees' pensionable pay, plus a lump sum of £17,400 with effect from 1st April 2017 (year ended 31 March 2017 – 14.60%, , plus a lump sum of £16,700).

Financial Reporting Standard 17 (FRS17): "Retirement Benefits" sets out accounting requirements for pension costs. For schemes such as Dyfed Pension Fund, paragraph 9(b) of FRS17 requires the council to account for pension costs on the basis of contributions actually payable to the scheme during the year.

Llanelli Rural Council

Notes to the Accounts

31 March 2017

10 Tangible Fixed Assets

	Operational Freehold Land and Buildings	Operational Leasehold Land and Buildings	Vehicles and Equipment	Infra- structure Assets	Community Assets	Total
Cost	£	£	£	£	£	£
At 31 March 2016	2,565,012	1,275,585	942,327	789,815	14,726	5,587,465
Additions	71,585	-	153,986	1,434	-	227,005
Disposals	-	-	(33,160)	-	-	(33,160)
Reclassification						
	2,636,597	1,275,585	1,063,153	791,249	14,726	5,781,310
Depreciation						
At 31 March 2016	(326,783)	(292,518)	(844,097)	(597,164)	-	(2,060,562)
Charged for the year	(47,105)	(31,112)	(69,569)	(35,026)	-	(182,812)
Eliminated on disposal	-	-	25,809	-	-	25,809
Reclassification						
	(373,888)	(323,630)	(887,857)	(632,190)	-	(2,217,565)
Net Book Value						
At 31 March 2017	2,262,709	951,955	175,296	159,059	14,726	3,563,745
At 31 March 2016	2,238,229	983,067	98,230	192,651	14,726	3,526,903

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

Fixed Asset Valuation

The freehold and leasehold properties that comprise the council's properties have been valued as at 31st March 2006 by external independent valuers, Messrs Lambert Smith Hampton, Chartered Surveyors. Valuations have been made on the basis set out in the Statement of Accounting Policies, except that not all properties were inspected. This was neither practical nor considered by the valuer to be necessary for the purpose of valuation. Plant and machinery that form fixtures to the building are included in the valuation of the building. Following the adoption of the FRSSSE, the council elected to retain the depreciated valuation as the book value of such assets.

Assets Held under Finance Agreements

	2017 £	2016 £
Value as at 31 March 2016	4,597	6,895
Depreciation Charged in Year	(2,298)	(2,298)
Value as at 31 March 2017	2,299	4,597

Llanelli Rural Council

Notes to the Accounts

31 March 2017

11 Financing of Capital Expenditure

	2017 £	2016 £
The following capital expenditure during the year:		
Fixed Assets Purchased	227,005	208,252
	<u>227,005</u>	<u>208,252</u>
was financed by:		
Capital Receipts	15,840	1,400
Capital Grants	-	50,960
Revenue:		
Capital Projects Reserve	-	49,684
Precept and Revenue Income	211,165	106,208
	<u>227,005</u>	<u>208,252</u>

12 Information on Assets Held

Fixed assets owned by the council include the following:

Operational Land and Buildings

Council Offices Vauxhall
Felinfoel Community Resource Centre
Works Depots – 1
Changing Rooms – at 1 recreation grounds
Community Centres – 8
Llanelli Cemetery (Jointly owned with Llanelli Town Council)
Llanelli Crematorium (Jointly owned with Llanelli Town Council)

Vehicles and Equipment

Cars – 4
Light Vans – 6
Commercial Vehicles - 0
Passenger Vehicles - 1
Tractors – 2
Sundry grounds maintenance equipment
Play Equipment
Llanelli Cemetery Equipment (Jointly owned with Llanelli Town Council)

Infrastructure Assets

Street lights - 348
Footpaths – 135
Llanelli Cemetery infrastructure (Jointly owned with Llanelli Town Council)

Community Assets

Recreation grounds and playing fields – 3
Childrens' play areas - 11

Llanelli Rural Council

Notes to the Accounts

31 March 2017

13 Debtors

	2017	2016
	£	£
General Debtors	7,412	12,452
Training Department Debtors	221,204	179,535
Cemetery Debtors	21,584	20,591
Trade Debtors	250,200	212,578
VAT Recoverable	35,625	21,838
Other Debtors	13,149	-
Prepayments	8,129	5,225
Accrued Income	31,575	42,848
Accrued Interest Income	128	247
	338,806	282,736

14 Creditors and Accrued Expenses

	2017	2016
	£	£
Trade Creditors	85,000	94,674
Other Creditors	117,916	94,445
Superannuation Payable	20,871	25,681
Payroll Taxes and Social Security	16,636	24,015
Accruals	31,280	19,560
Income in Advance	23,209	22,766
Capital Creditors	1,712	-
	296,624	281,141

15 Long Term Liabilities

	2017	2016
	£	£
Public Works Loan Board	797,925	841,663
	797,925	841,663

The above loans are repayable as follows:

	2017	2016
	£	£
Within one year	45,845	43,738
From one to two years	48,054	45,845
From two to five years	158,514	151,223
From five to ten years	319,448	304,742
Over ten years	226,064	296,115
Total Loan Commitment	797,925	841,663
Less: Repayable within one year	(45,845)	(43,738)
Repayable after one year	752,080	797,925

Llanelli Rural Council

Notes to the Accounts

31 March 2017

16 Deferred Liabilities

	2017	2016
	£	£
H.P. and Lease Creditors	1,821	4,944

	2017	2016
	£	£
The above liabilities are repayable as follows:		
Within one year	1,821	3,122
From one to two years	-	1,821
Total Deferred Liabilities	1,821	4,943
Less: Repayable within one year	(1,821)	(3,122)
	-	1,821

17 Deferred Grants

	2017	2016
	£	£
Capital Grants Unapplied		
At 01 April	60,000	60,000
Grants received in the year	-	50,960
Applied to finance capital investment	-	(50,960)
At 31 March	60,000	60,000
Capital Grants Applied		
At 01 April	400,671	378,408
Grants Applied in the year	-	50,960
Released to offset depreciation	(23,697)	(28,697)
At 31 March	376,974	400,671
Total Deferred Grants		
At 31 March	436,974	460,671
At 01 April	460,671	438,408

Capital Grants are accounted for on an accruals basis and grants received have been credited to Deferred Grants Account. Amounts are released from the Deferred Grants Account to offset any provision for depreciation charged to revenue accounts in respect of assets that were originally acquired with the assistance of such grants.

18 Financial Commitments under Operating Leases

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

Llanelli Rural Council

Notes to the Accounts

31 March 2017

	2017 £	2016 £
Obligations expiring within one year	1,105	-
Obligations expiring between two and five years	-	3,250
Obligations expiring after five years	333	-
	1,438	3,250

19 Capital Financing Account

	2017 £	2016 £
Balance at 01 April	2,279,624	2,243,054
Financing capital expenditure in the year		
Additions - using capital receipts	15,840	1,400
Additions - using revenue balances	211,165	155,892
Loan repayments	46,860	44,850
Disposal of fixed assets	(33,160)	(8,839)
Depreciation eliminated on disposals	25,809	8,838
Reversal of depreciation	(182,812)	(194,268)
Deferred grants released	23,697	28,697
Balance at 31 March	2,387,023	2,279,624

The Capital Financing Account represents revenue and capital resources applied to finance capital expenditure or for the repayment of external loans. It also includes the reversal of depreciation to ensure it does not impact upon the amount to be met from precept. It does not represent a reserve that the council can use to support future expenditure.

20 Earmarked Reserves

	Balance at 01/04/2016 £	Contribution to reserve £	Contribution from reserve £	Balance at 31/03/2017 £
Share of Llanelli Joint Committee	89,717	13,142	-	102,859
Asset Renewal Reserves	-	-	-	-
Other Earmarked Reserves	703,394	444,314	(714,424)	433,284
Total Earmarked Reserves	793,111	457,456	(714,424)	536,143

The Capital Projects Reserves are credited with amounts set aside from revenue to part finance specific projects which are part of the council's capital programme.

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

The Other Earmarked Reserves at 31 March 2017 are set out in detail at Appendix A.

21 Capital Commitments

The council had no other capital commitments at 31 March 2017 not otherwise provided for in these accounts.

22 Contingent Liabilities

Llanelli Rural Council

Notes to the Accounts

31 March 2017

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

23 Reconciliation of Revenue Cash Flow

	2017 £	2016 £
Net Operating Surplus/(Deficit) for the year	47,206	(123,162)
Add/(Deduct)		
Reversal of Depreciation less Deferred Grants Released	159,115	165,571
Interest Payable	38,853	40,863
Interest and Investment Income	(4,906)	(5,868)
(Increase)/Decrease in debtors	(56,070)	42,992
Increase/(Decrease) in creditors	13,771	(7,517)
Revenue activities net cash inflow	197,969	112,879

24 Movement in Cash

	2017 £	2016 £
Balances at 01 April		
Cash with accounting officers	400	300
Cash at bank	1,067,848	1,190,806
	1,068,248	1,191,106
Balances at 31 March		
Cash with accounting officers	450	400
Cash at bank	975,506	1,067,848
	975,956	1,068,248
Net cash (outflow)	(92,292)	(122,858)

25 Reconciliation of Net Funds/Debt

	2017 £	2016 £
(Decrease) in cash in the year	(92,292)	(122,858)
Cash outflow from repayment of debt	46,860	44,850
Net cash flow arising from changes in debt	46,860	44,850
Movement in net debt in the year	(45,432)	(78,008)
Cash at bank and in hand	1,068,248	1,191,106
Total borrowings	(846,607)	(891,457)
Net funds at 01 April	221,641	299,649
Cash at bank and in hand	975,956	1,068,248
Total borrowings	(799,746)	(846,607)
Net funds at 31 March	176,210	221,641

Llanelli Rural Council

Notes to the Accounts

31 March 2017

26 Post Balance Sheet Events

There are no significant Post Balance Sheet events since the preparation of these accounts, up to the date of their final adoption (on 29th June 2017), which would have a material impact on the amounts and results reported herein.

Llanelli Rural Council

Appendices

31 March 2017

Appendix A

Schedule of Earmarked Reserves

	<u>Balance at</u> <u>01/04/2016</u>	<u>Contribution</u> <u>to reserve</u>	<u>Contribution</u> <u>from reserve</u>	<u>Balance at</u> <u>31/03/2017</u>
	£	£	£	£
<u>Llanelli Joint Burial Committee</u> <u>(Llanelli Rural Council share)</u>				
General Fund	51,752	3,000		54,752
Earmarked Funds	37,965	10,142		48,107
	89,717	13,142	0	102,859

Asset Replacement Reserves

None				0
	0	0	0	0

Other Earmarked Reserves

Training Department Restructuring	110,000		110,000	0
Furnace Hall	10,000		10,000	0
Felinfoel Community Resource Centre	0			0
MUGA Maintenance		10,000		10,000
Committed Grants	27,844	20,614	27,844	20,614
Capital Schemes	237,390	60,440	142,110	155,720
Pwll Pavilion Car Park	1,890		1,890	0
Play Areas	80,000	75,300	80,000	75,300
Vauxhall Buildings	69,860	67,140	62,190	74,810
Resources	34,730	154,780	168,150	21,360
Miscellaneous Projects	131,680	56,040	112,240	75,480
	703,394	444,314	714,424	433,284
TOTAL EARMARKED RESERVES	793,111	457,456	714,424	536,143

Llanelli Rural Council

31 March 2017

Annual Report Tables

Table. 1 – Budget & Actual Comparison

	Budget £	Actual £
Net Expenditure		
Recreation & Sport	518,336	602,943
Cemetery, Cremation & Mortuary	65,860	31,854
Planning & Development Services (including Markets)	162,266	17,933
Highways Roads (Routine)	57,925	78,158
Street Lighting	32,032	22,723
Transport Training Department	175,350	23,441
Net Direct Services Costs	1,011,769	777,052
Corporate Management	-	78,694
Democratic & Civic	66,905	66,212
Net Democratic, Management and Civic Costs	66,905	144,906
Interest & Investment Income	(3,900)	(4,787)
Loan Charges	82,310	85,713
Capital Expenditure	544,260	227,005
Proceeds of Disposal of Capital Assets	-	(15,840)
Transfers to/(from) other reserves	(563,660)	(256,968)
Reversal of Statutory Adjustments	(134,454)	(159,115)
(Deficit from)/Surplus to General Reserve	-	205,264
Precept on County Council	1,003,230	1,003,230

Llanelli Rural Council

31 March 2017

Annual Report Tables

Table. 2 – Service Income & Expenditure

	Notes	2017 £	2017 £	2017 £	2016 £
		Gross Expenditure	Income	Net Expenditure	Net Expenditure
CULTURAL & RELATED SERVICES					
Recreation & Sport		617,148	(14,205)	602,943	625,691
ENVIRONMENTAL SERVICES					
Cemetery, Cremation & Mortuary		120,534	(88,680)	31,854	113,280
PLANNING & DEVELOPMENT SERVICES					
Community Development		17,933	-	17,933	18,035
HIGHWAYS, ROADS & TRANSPORT SERVICES					
Highways Roads (Routine)		79,358	(1,200)	78,158	72,519
Street Lighting		22,723	-	22,723	30,987
OTHER SERVICES					
Transport Training Department		1,596,684	(1,573,243)	23,441	127,873
CENTRAL SERVICES					
Corporate Management		78,869	(175)	78,694	14,582
Democratic & Civic		45,795	-	45,795	45,276
Civic Expenses		21,090	(673)	20,417	19,659
Net Cost of Services		2,600,134	(1,678,176)	921,958	1,067,902

Summary of Accounts

<u>Consolidated Revenue Account</u>	<u>Net</u>	<u>Expenditure</u>	<u>Income</u>
Net Cost of Services	922239	2600415	-1678176
Interest Payable	38572	38572	
Interest Receivable	-4787		-4787
Movement in Reserves	-256968		
Sale of Assets	-15840		-15840
Capital Expenditure (tfr to CAA)	227005	227005	
Loan Repayments (tfr to CAA)	46860	46860	
Depreciation	-182812	-182812	
Deferred Grants	23697	23697	
Precept	-1003230		-1003230
Surplus Deficit for the Year	<u>-205264</u>	2753737	-2702033
Deduct Loan Charges		-85432	Box 5
Staff Costs (Note:)		-1122412	Box 4
Precept		1003230	Box 2
Add Capital Receipts/Expended			
Loan Receipts/Expended		0	0
Deferred Grants Expended		0	0
Rounding			
		1545893	-1698803
		Box 6	Box 3

Balance Sheet

Fixed Assets	3563745		3563745	
Add: Depreciation			2217565	
			5781310	Box 12
Current Assets	1314762			
Cash/Bank/Inv	975956	975956		
Other	338806			Box 8
Current Liabilities	-344290			
Loans	-45845		-45845	
Lease/HP	-1821			
Other	-296624		-296624	
Long Term Liabilities	-752080		-752080	
Deferred Liabilities	0		Unspent	
Deferred Grants	-436974		-60000	
	3345163	975956	-797925	
	Box 9	Box 13	-356624	Box 10
Represented by:				
Council Investment in Fixed Assets				
Rev Rsv				
C A A	2387023			
Expendable Reserves	2387023			
C R R				
E M R	536143			
Gen Fund	421997			
	958140	Box 7		
	3345163			

Annual Return Statement of Accounts

	<u>Last Year</u>	<u>This Year</u>		<u>Variance</u>
	<u>£</u>	<u>£</u>		<u>£</u>
1 Balances brought forward	1168177	1009844		-13.55%
2 (+) Annual Precept	979710	1003230		2.40%
3 (+) Total other receipts	1641883	1698803		3.47%
4 (-) Staff costs	-1405745	-1122412		-20.16%
(-) Loan interest/capital				
5 repayments	-85432	-85432		0.00%
6 (-) Total other payments	-1288749	-1545893		19.95%
7 (=) Balances carried forward	1009844	958140	Agreed	-5.12%
8 (+) Debtors & Stock Balances	282736	338806		19.83%
9 (+) Total Cash & Investments	1068248	975956		-8.64%
10 (-) Creditors	-341141	-356624		4.54%
Rounding	1	2		
11 (=) Balances carried forward	1009844	958140	Agreed	3.47%
12 Total Fixed Assets	5587465	5781310		
13 Total Borrowings	-841663	-797925		
14 Trust Funds Disclosure	0	0		