

C7 (ITEM 47 (a))

RYE TOWN COUNCIL

STATEMENTS OF ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2007

*Assisting Accountants
Gibbons Mannington
Chartered Accountants
6 Lion Street
Rye
TN31 7LB*

Rye Town Council

Statements of Accounts

For the Year Ended 31 March 2007

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Rye Town Council

Council Information

As at 31 March 2007

The Right Worshipful the Mayor of Rye

Cllr P N Osborne

Councillors

Cllr D W E Russell (Deputy Mayor)

Cllr G H Bantick

Cllr John Breeds

Cllr Jonathan Breeds

Cllr Richard Breeds (resigned 02.02.06)

Cllr Roger Breeds

Cllr P W Carey

Cllr P Dyce

Cllr J C Izod

Cllr S Holmes

Cllr Mrs J C Kirkham

Cllr G Lyus (resigned 22.06.06)

Cllr F S Palmer

Cllr I E J Potter

Cllr S H Souster

Cllr E Streeton (elected 31.08.06)

Cllr K Taylor (elected 31.08.06)

Clerk to the Council

Mr R. A. S. Farhall

Auditors

Mazars Neville Russell
Regency House
3 Grosvenor Square
Southampton
SO15 2BE

Rye Town Council

Income & Expenditure Account

For the Year Ended 31 March 2007

| | Notes | 2007 £ | 2006 £ |
|--|-------|-----------------------|----------------------|
| INCOME | | | |
| Precept on District Council | | 73,709 | 71,952 |
| Interest and Investment Income | 2 | 6,147 | 7,166 |
| In Bloom | 18 | - | 750 |
| Town Hall Cottage | | 6,502 | 7,230 |
| Town Hall | | 8,988 | 6,191 |
| Town Field | | 711 | 856 |
| Establishment/General Administration | | 2,434 | 2,846 |
| Heritage Centre and Tourist Information Centre | | - | 583 |
| Heritage Centre Rent | | 5,000 | 5,250 |
| Grants | 3 | 8,752 | 29,998 |
| Golden Jubilee Grants and Mugs | | 62 | 83 |
| Ryennium and Millennium Medals | | 3 | 24 |
| Lord Warden Booklet | | - | 27 |
| Play income | | 795 | - |
| | | <u>113,103</u> | <u>132,956</u> |
| EXPENDITURE | | | |
| Establishment/General Administration | 7, 8 | 80,569 | 79,787 |
| Election Expenses | | 5,731 | - |
| Capital Expenditure | 11 | 5,425 | 34,834 |
| External Interest Charges - Loans | | - | 21,402 |
| Operational Expenditure: | | | |
| Town Field | | 248 | 398 |
| Town Hall Cottage | | 650 | 290 |
| Town Hall | | 6,653 | 775 |
| Heritage Centre Cost of Sales | | - | - |
| Heritage Centre & TIC Running Costs | | 888 | 94 |
| Grants | 4 | 8,250 | 5,118 |
| Stand Quay - Feasibility Study | | - | 8,820 |
| Golden Jubilee and Mugs | | 140 | 122 |
| Ryennium and Millennium Medals | | 9 | 21 |
| Play expenses | | 413 | - |
| | | <u>108,976</u> | <u>151,661</u> |
| General Fund at 1 April 2006 | | 95,593 | 112,933 |
| Add: Total Income | | <u>113,103</u> | <u>132,956</u> |
| | | 208,696 | 245,889 |
| Deduct: Total Expenditure | | <u>108,976</u> | <u>151,661</u> |
| | | 99,720 | 94,228 |
| Transfers from / (to) Other Reserves | | 6,525 | 1,365 |
| General Reserve Balance as at 31 March 2007 | | <u><u>106,245</u></u> | <u><u>95,593</u></u> |

The notes on Pages 4 to 10 form part of these accounts.

Rye Town Council

Balance Sheet

As At 31 March 2007

| | Notes | 2007 £ | 2007 £ | 2006 £ | 2006 £ |
|--------------------------------|-------|----------------|----------------|----------------|----------------|
| Current Assets | | | | | |
| Stock | 12 | 6,423 | | 6,572 | |
| Debtors and Prepayments | 13 | 26,072 | | 57,334 | |
| Cash at Bank and In Hand | | 144,384 | | 108,100 | |
| | | <u>176,879</u> | | <u>172,006</u> | |
| Current Liabilities | | | | | |
| Creditors and Accrued Expenses | 14 | 2,804 | | 2,058 | |
| Net Current Assets | | | | | |
| | | | <u>174,075</u> | | <u>169,948</u> |
| Capital and Reserves | | | | | |
| Earmarked Reserves | 15 | | 67,830 | | 74,355 |
| General Reserve | | | 106,245 | | 95,593 |
| | | | <u>174,075</u> | | <u>169,948</u> |

The statements of accounts represent fairly the financial position of the Council as at 31 March 2007 and reflect its Income and Expenditure for the year.

These accounts have been approved by the Council

Cllr P. N. Osborne
The Right Worshipful the Mayor of Rye

Date: 28/8/07


Mr R. A. S. Farhall
Responsible Financial Officer

Date: 28/8/07

Rye Town Council
Notes to the Accounts
For The Year Ended 31 March 2007

1 Principal Accounting Policies

Accounting Convention

The accounts have been prepared in accordance with the Accounts and Audit Regulations 2003, as amended by the Accounts and Audit Regulations 2006, and with guidance from Governance and Accountability in Local Councils in England and Wales: A Practitioners Guide.

Fixed Assets

All expenditure on the acquisition, creation or enhancement of fixed assets is reported in the notes to the accounts, provided that the fixed asset yields benefits to the authority and the services it provides, for a period of more than one year. The year end values are stated on the following basis:

Land, operational properties and other operational assets are reported in the notes to the accounts at current insurance values as approximating to the lower of current replacement cost and net realisable value.

During the year the following valuations were amended:

Vehicles and Equipment decreased by £1,784
Infrastructure Assets increased by £4,748

Debtors and Creditors

The revenue accounts of the Council are maintained on an accruals basis in accordance with the guide. That is that 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. telephone, 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.

Stocks and Work In Progress

Stocks of 'Ryennium', the Millennium Medal and the Golden Jubilee Mug held at the Town Hall are valued at cost. All other stocks have been treated as consumed because their value was not material.

Leases

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

Rye Town Council
Notes to the Accounts
For The Year Ended 31 March 2007

1 Principal Accounting Policies Continued

Reserves

The Council maintains certain reserves to meet general and specific future expenditure. The purpose of the Council's reserves is explained in Note 15.

Interest Income

All interest receipts are credited initially to general funds.

Pensions

The pension costs that are charged to the Council's accounts in respect of its employees are equal to the contributions paid to the funded pension scheme for these 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 last actuarial valuation was undertaken as at 31 March 2001 and the change in contribution rates as a result of that valuation took effect from 1 April 2002 with annual adjustments thereafter. An interim valuation was undertaken as at 31 March 2006, effective 1 April 2006.

Rye Town Council
Notes to the Accounts
For The Year Ended 31 March 2007

| 2 Interest and Investment Income | 2007 | 2006 |
|---|--------------|--------------|
| | £ | £ |
| Interest Income - General Funds | 6,147 | 7,166 |
| | <u>6,147</u> | <u>7,166</u> |

| 3 Grant Income | 2007 | 2006 |
|---|--------------|---------------|
| | £ | £ |
| Rye & District Council for Voluntary Service - Skate Park Grant | 3,500 | 29,000 |
| Other - Skate Park Grant | 252 | - |
| Rye Partnership - Strand Quay Car Park Feasibility Study Grant | 5,000 | - |
| Christmas Lighting | - | 998 |
| | <u>8,752</u> | <u>29,998</u> |

| 4 Grant Expenditure | 2007 | 2006 |
|---|--------------|--------------|
| | £ | £ |
| Rye In Bloom | 250 | 750 |
| Christmas Lighting | 2,000 | 1,748 |
| Rye Trafalgar 200 | - | 175 |
| Rye Community Centre - Central Heating | - | 1,000 |
| Rye Community Centre - Rebuilding of Wall | 5,000 | - |
| Rye Partnership - Town Initiative Review | - | 1,000 |
| Rye Maritime Festival 2006 | 250 | - |
| Rye Football Club - Grant re New Mini Goals | 250 | - |
| Rye Station - Station Signage | - | 445 |
| Rock Salts Festival | 500 | - |
| | <u>8,250</u> | <u>5,118</u> |

5 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.

Rye Town Council
Notes to the Accounts
For The Year Ended 31 March 2007

6 Tenancies

During the year the following tenancies were held:

Council as landlord

| Tenant | Property | Rent p.a. £ | Repairing/ Non Repairing |
|-------------------------------------|-----------------------------|------------------------|-------------------------------------|
| P Strapoc, J Pidarie and P Baronlon | Town Hall Cottage | 7,800 | Non Repairing |
| Rye Rugby Football Club Limited | South Side of New Road, Rye | 500 | Repairing |

Council as tenant

| Landlord | Property | Rent p.a. £ | Repairing/ Non Repairing |
|-------------------------|--------------------------------|------------------------|-------------------------------------|
| Rother District Council | Cricket Salts (Rye Skate Park) | 20 | Non Repairing |

7 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:

| | 2007 £ | 2006 £ |
|---------------------------|-------------------|-------------------|
| Town Council Publicity | 3,000 | 2,964 |
| Heritage Centre Publicity | - | - |
| | <u>3,000</u> | <u>2,964</u> |

8 S.137 Expenditure

| | 2007 £ | 2006 £ |
|---|-------------------|-------------------|
| The total amount available for this purpose was | <u>17,517</u> | <u>16,838</u> |

£1,239 of such expenditure was incurred during the year.

Rye Town Council
Notes to the Accounts
For The Year Ended 31 March 2007

9 Pensions

For the year of account the Council's contributions equal 15.4 % of the employees' pensionable pay.

These contributions will need to increase to 17.6% in 2007/2008 so as to provide adequately for known liabilities.

Approved by: Hymans Robertson
 (Actuaries to the Pensions Fund)

10 Fixed Assets

| | 2007 | 2006 |
|--|-------------------------|-------------------------|
| | £ | £ |
| | Value | Value |
| As at 31 March 2007 the following assets were held: | | |
| <u>Freehold Land and Buildings</u> | | |
| Town Hall | 350,000 | 350,000 |
| Cottage | 190,000 | 190,000 |
| Heritage Centre | 190,000 | 190,000 |
| Skate Park | 19,000 | 19,000 |
| | <u>749,000</u> | <u>749,000</u> |
| <u>Vehicles and Equipment</u> | | |
| Office Furniture | 455 | 516 |
| Other Furniture | 24,095 | 24,510 |
| Equipment - Office and Other | 1,603 | 2,220 |
| Sundry | 23,362 | 24,053 |
| | <u>49,515</u> | <u>51,299</u> |
| <u>Infrastructure Assets</u> | | |
| Street Furniture | 8,237 | 8,237 |
| Street Columns and Lamps | 4,748 | - |
| | <u>12,985</u> | <u>8,237</u> |
| <u>Community Assets</u> | | |
| Playing Field (979 year lease) - Subject to a sub tenancy of 25 years to Rye Rugby Football Club Limited in 2005 | 11,000 | 11,000 |
| Town Model | 40,000 | 40,000 |
| Other Community Assets | 361,780 | 361,780 |
| | <u>412,780</u> | <u>412,780</u> |
| | <u>1,224,280</u> | <u>1,221,316</u> |

The basis of valuation of the above assets is set out in the Accounting Policies (Note 1)

Rye Town Council
Notes to the Accounts
For The Year Ended 31 March 2007

| 11 Fixed Assets - Additions and Disposals | 2007 | 2006 |
|---|----------------------|----------------------|
| | £ | £ |
| | Cost | Cost |
| During the year the following assets were purchased | | |
| Operational Land and Buildings | - | 34,475 |
| Vehicles and Equipment | 677 | 359 |
| Infrastructure Assets | 4,748 | - |
| Community Assets | - | - |
| | <u>5,425</u> | <u>34,834</u> |
| | <u><u>5,425</u></u> | <u><u>34,834</u></u> |
| 12 Stocks | 2007 | 2006 |
| | £ | £ |
| Heritage Centre | - | - |
| Town Hall | 6,423 | 6,572 |
| | <u>6,423</u> | <u>6,572</u> |
| | <u><u>6,423</u></u> | <u><u>6,572</u></u> |
| 13 Debtors | 2007 | 2006 |
| | £ | £ |
| Trade Debtors | 5,012 | 34,860 |
| Stock Loan (Heritage Centre) | 20,993 | 20,382 |
| Other Debtors | - | - |
| VAT Recoverable | 67 | 2,092 |
| | <u>26,072</u> | <u>57,334</u> |
| | <u><u>26,072</u></u> | <u><u>57,334</u></u> |
| 14 Creditors and Accrued Expenses | 2007 | 2006 |
| | £ | £ |
| Trade Creditors | 431 | 800 |
| Accruals | 883 | 683 |
| Rental Deposits | 865 | 575 |
| Deferred income | 625 | - |
| | <u>2,804</u> | <u>2,058</u> |
| | <u><u>2,804</u></u> | <u><u>2,058</u></u> |

Rye Town Council
Notes to the Accounts
For The Year Ended 31 March 2007

15 Earmarked Reserves

| | Balance at 1/4/2007 £ | Contribution to reserve £ | Contribution from reserve £ | Balance at 31/3/2007 £ |
|--------------------------|-----------------------------|---------------------------------|-----------------------------------|------------------------------|
| Asset Renewal Reserves | 56,713 | 4,808 | (6,585) | 54,936 |
| Other Earmarked Reserves | 17,642 | 5,671 | (10,419) | 12,894 |
| Total Earmarked Reserves | 74,355 | 10,479 | (17,004) | 67,830 |

The Asset Renewal Reserves are maintained to fund the maintenance of certain assets and the periodic replacement of certain equipment. They are credited normally with amounts equivalent to the notional depreciation charges on such assets.

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

The Earmarked Reserves at 31 March 2007 are set out in Appendix A.

16 Management Agreement

Rye Town Council entered into a 5 year management agreement with Rye Town Services with effect from 1 April 2006 for them to manage the Heritage Centre and tourist office. The Council remains responsible for the upkeep of the fabric of the building premises and thus the replacement reserves have been continued at the year end. The Council has also loaned Rye Town Services the use of the stock held at the year end on condition that stock of equal value is returned to them at the end of the management agreement.

17 Contingent Liabilities

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

18 Rye in Bloom

The Council does not run The Rye in Bloom competition and receives grant funding from Rother District Council which it passes onto Rye in Bloom, a registered Charity.

Rye Town Council
Notes to the Accounts
For The Year Ended 31 March 2007

Earmarked Reserves

Appendix A

| | Balance at 01/04/2006 £ | Provided £ | Used £ | Balance at 31/03/2007 £ |
|----------------------------------|-------------------------------|----------------------|----------------------|-------------------------------|
| Asset Renewal Reserves | | | | |
| Capital Fund Heritage Centre | 2,301 | 3,200 | 65 | 5,436 |
| Capital Fund Town Model | 20,000 | - | - | 20,000 |
| Heritage Centre Computer Renewal | 3,000 | - | 2,000 | 1,000 |
| Capital Town Hall Fund | 19,728 | 1,200 | 4,193 | 16,735 |
| Capital Fund Cottage | 10,092 | 283 | - | 10,375 |
| Town Hall Computer Fund | 404 | - | 327 | 77 |
| Robes and Regalia | 593 | 25 | - | 618 |
| Black and Gold Finger Posts | 595 | 100 | - | 695 |
| | <u>56,713</u> | <u>4,808</u> | <u>6,585</u> | <u>54,936</u> |
| Other Earmarked Reserves | | | | |
| Computer Software and Training | 1,223 | - | 42 | 1,181 |
| Ryennium | 627 | - | 627 | - |
| Landgate Illuminations | 500 | - | - | 500 |
| Rye TIC Contract Bid | 1,000 | - | - | 1,000 |
| Heritage Centre Business Plan | 2,000 | - | 2,000 | - |
| Asset Valuations | 870 | - | - | 870 |
| New Lord Warden Installation | 137 | - | - | 137 |
| Web Site | 2,000 | - | 2,000 | - |
| New Scout Hut | 3,000 | - | - | 3,000 |
| Tilling Green Street Lighting | 4,750 | - | 4,750 | - |
| Skateboard Park | 35 | 3,750 | - | 3,785 |
| Detached Youth Work | 1,500 | - | - | 1,500 |
| Rye Town Initiative Review | - | 1,000 | 1,000 | - |
| Alarm Upgrade | - | 921 | - | 921 |
| | <u>17,642</u> | <u>5,671</u> | <u>10,419</u> | <u>12,894</u> |
| Total Earmarked Reserves | <u><u>74,355</u></u> | <u><u>10,479</u></u> | <u><u>17,004</u></u> | <u><u>67,830</u></u> |