

RYE TOWN COUNCIL

STATEMENTS OF ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2006

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

Rye Town Council

Statements of Accounts

For the Year Ended 31 March 2006

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Rye Town Council

Council Information

As at 31 March 2006

The Right Worshipful the Mayor of Rye

Cllr I. E. J. Potter

Councillors

Cllr P N Osborne (Deputy Mayor)

Cllr G. H. Bantick

Cllr John Breeds

Cllr Jonathan Breeds

Cllr Richard Breeds

Cllr Roger Breeds

Cllr P. W. Carey

Cllr P Dyce

Cllr J. C. Izod

Cllr Mrs J. C. Kirkham

Cllr G. Lyus

Cllr F. S. Palmer

Cllr Mrs J. Parks (resigned 7.2.06)

Cllr D. W. E. Russell

Cllr S. H. Souster

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 2006

	Notes	2006 £	2005 £
INCOME			
Precept on District Council		71,952	66,245
Interest and Investment Income	2	7,166	5,940
In Bloom	19	750	750
Town Hall Cottage		7,230	7,040
Town Hall		6,191	3,370
Town Field		856	1,298
Establishment/General Administration		2,846	1,397
Heritage Centre and Tourist Information Centre		583	138,905
Heritage Centre Rent		5,250	-
Grants	3	29,998	58,766
Golden Jubilee Grants and Mugs		83	54
Ryennium and Millennium Medals		24	22
Lord Warden Booklet		27	-
		<u>132,956</u>	<u>283,787</u>
EXPENDITURE			
Establishment/General Administration	7, 8	79,787	70,628
Election Expenses		-	-
Capital Expenditure	11	34,834	1,883
External Interest Charges - Loans	15	21,402	5,728
Operational Expenditure:			
Town Field		398	1,979
Town Hall Cottage		290	3,866
Town Hall		775	3,022
Heritage Centre Cost of Sales		-	54,587
Heritage Centre & TIC Running Costs		94	100,535
Grants	4	5,118	8,856
Stand Quay - Feasibility Study		8,820	-
Golden Jubilee and Mugs		122	57
Ryennium and Millennium Medals		21	39
		<u>151,661</u>	<u>251,180</u>
General Fund at 1 April 2005		112,933	93,404
Add: Total Income		<u>132,956</u>	<u>283,787</u>
		245,889	377,191
Deduct: Total Expenditure		<u>151,661</u>	<u>251,180</u>
		94,228	126,011
Transfers from / (to) Other Reserves		1,365	(13,078)
General Reserve Balance as at 31 March 2006		<u>95,593</u>	<u>112,933</u>

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

Rye Town Council

Balance Sheet

As At 31 March 2006

	Notes	2006 £	2006 £	2005 £	2005 £
Current Assets					
Stock	12	6,572		26,503	
Debtors and Prepayments	13	57,334		1,680	
Cash at Bank and In Hand		108,100		166,779	
		<u>172,006</u>		<u>194,962</u>	
Current Liabilities					
Creditors and Accrued Expenses	14	2,058		6,309	
Net Current Assets					
			<u>169,948</u>		<u>188,653</u>
Capital and Reserves					
Earmarked Reserves	16		74,355		75,720
General Reserve			95,593		112,933
			<u>169,948</u>		<u>188,653</u>

The statements of accounts represent fairly the financial position of the Council as at 31 March 2006 and reflect it's 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: 14 August 2003

Mr R. A. S. Farhall
Responsible Financial Officer

Date: 14 August 2006

Rye Town Council
Notes to the Accounts
For The Year Ended 31 March 2006

1 Principal Accounting Policies

Accounting Convention

The accounts have been prepared in accordance with the Accounts and Audit Regulations 2003 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:
Freehold Land and Buildings increased by £19,000
Vehicles and Equipment reduced by £3,657
Infrastructure Assets increased by £8,237

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.

External Loan Payments

The Council is not required to incorporate external borrowings in its Balance Sheet. Details are shown in Note 15.

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 2006

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 16.

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 2006

2 Interest and Investment Income	2006	2005
	£	£
Interest Income - General Funds	7,166	5,940
	<u>7,166</u>	<u>5,940</u>
3 Grant Income	2006	2005
	£	£
Rother D.C. - Tourist Information Centre Grant	-	51,250
Rother D.C. - Skate Park Grant	29,000	-
SEETB - Tourist Information Centre Grant	-	360
Access Audit Grant	-	200
Christmas Lighting	998	6,956
	<u>29,998</u>	<u>58,766</u>
4 Grant Expenditure	2006	2005
	£	£
In Bloom	750	950
Christmas Lighting	1,748	7,706
VE/VJ Day Celebrations	-	200
Rye Trafalgar 200	175	-
Rye Community Centre - Central Heating	1,000	-
Rye Partnership - Town Initiative Review	1,000	-
Rye Station - Station Signage	445	-
	<u>5,118</u>	<u>8,856</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 2006

6 Tenancies

During the year the following tenancies were held:

Council as landlord

Tenant	Property	Rent p.a. £	Repairing/ Non Repairing
Mr A & Mrs J Guainiere	Town Hall Cottage	7,320	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:

	2006 £	2005 £
Town Council Publicity	2,964	3,195
Heritage Centre Publicity	-	4,024
	<u>2,964</u>	<u>7,219</u>

8 S.137 Expenditure

	2006 £	2005 £
The total amount available for this purpose was	<u>16,838</u>	<u>16,469</u>

£1,590 of such expenditure was incurred during the year.

Rye Town Council
Notes to the Accounts
For The Year Ended 31 March 2006

9 Pensions

For the year of account the Council's contributions equal 13.3 % of the employees' pensionable pay. These contributions will need to increase to 15.4% in 2006/2007 so as to provide adequately for known liabilities.

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

10 Fixed Assets

	2006	2005
	£	£
As at 31 March 2005 the following assets were held:	Value	Value
<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	-
	<u>749,000</u>	<u>730,000</u>
<u>Vehicles and Equipment</u>		
Office Furniture	516	719
Other Furniture	24,510	24,800
Equipment - Office and Other	2,220	4,098
Sundry	24,053	25,339
	<u>51,299</u>	<u>54,956</u>
<u>Infrastructure Assets</u>		
Street Furniture	8,237	-
	<u>8,237</u>	<u>-</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>1,221,316</u>	<u>1,197,736</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 2006

11 Fixed Assets - Additions and Disposals	2006	2005
	£	£
	Cost	Cost
During the year the following assets were purchased		
Operational Land and Buildings	34,475	-
Vehicles and Equipment	359	1,883
Infrastructure Assets	-	-
Community Assets	-	-
	<u>34,834</u>	<u>1,883</u>
12 Stocks	2006	2005
	£	£
Heritage Centre	-	19,788
Town Hall	6,572	6,715
	<u>6,572</u>	<u>26,503</u>
13 Debtors	2006	2005
	£	£
Trade Debtors	34,860	720
Stock loan (Heritage Centre)	20,382	-
Other Debtors	-	270
VAT Recoverable	2,092	690
	<u>57,334</u>	<u>1,680</u>
14 Creditors and Accrued Expenses	2006	2005
	£	£
Trade Creditors	800	2,292
Accruals	683	1,462
Rental Deposits	575	575
VAT provision	-	1,980
	<u>2,058</u>	<u>6,309</u>

15 Loans

At the close of business on 31 March 2006 the following loans to the Council were outstanding

Lender	Loan Period	Amount	Years
		£	Remaining
Public Works Loan Board	20 years from January 1989	-	-

The loan was due to be repaid by 2009 but the Council repaid the loan in full during the year.

Rye Town Council
Notes to the Accounts
For The Year Ended 31 March 2006

16 Earmarked Reserves

	Balance at 1/4/2005 £	Contribution to reserve £	Contribution from reserve £	Balance at 31/3/2006 £
Asset Renewal Reserves	56,340	373	-	56,713
Other Earmarked Reserves	19,380	11,915	(13,653)	17,642
Total Earmarked Reserves	<u>75,720</u>	<u>12,288</u>	<u>(13,653)</u>	<u>74,355</u>

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 2006 are set out in Appendix A.

17 Management Agreement

Rye Town Council entered into a 12 month management agreement with Rye Town Services with effect from 1 April 2005 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. A new agreement was entered into during the period for the five years commencing 1 April 2006 on broadly similar terms.

18 Contingent Liabilities

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

19 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 2006

Earmarked Reserves

Appendix A

	Balance at 01/04/2005 £	Provided £	Used £	Balance at 31/03/2006 £
Asset Renewal Reserves				
Capital Fund Heritage Centre	2,301	-	-	2,301
Capital Fund Town Model	20,000	-	-	20,000
Heritage Centre Computer Renewal	3,000	-	-	3,000
Capital Town Hall Fund	19,728	-	-	19,728
Capital Fund Cottage	10,092	-	-	10,092
Town Hall Computer Fund	404	-	-	404
Robes and Regalia	370	223	-	593
Black and Gold Finger Posts	445	150	-	595
	<u>56,340</u>	<u>373</u>	<u>-</u>	<u>56,713</u>
Other Earmarked Reserves				
Computer Software and Training	1,223	-	-	1,223
Ryennium	627	-	-	627
Safety Fund	325	-	325	-
Landgate Illuminations	500	-	-	500
Rye TIC Contract Bid	2,000	-	1,000	1,000
Heritage Centre Business Plan	2,000	-	-	2,000
Asset Valuations	870	-	-	870
New Lord Warden Installation	500	-	363	137
Strand Car Park Pedset	5,000	-	5,000	-
Web Site	2,000	-	-	2,000
New Scout Hut	1,500	1,500	-	3,000
Tilling Green Street Lighting	2,835	1,915	-	4,750
Skateboard Park - Capital	-	5,000	5,000	-
Skateboard Park - Revenue	-	1,000	965	35
Detached Youth Work	-	1,500	-	1,500
Rye Town Initiative Review	-	1,000	1,000	-
	<u>19,380</u>	<u>11,915</u>	<u>13,653</u>	<u>17,642</u>
Total Earmarked Reserves	<u><u>75,720</u></u>	<u><u>12,288</u></u>	<u><u>13,653</u></u>	<u><u>74,355</u></u>