

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 £
<b>INCOME</b>			
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>
<b>EXPENDITURE</b>			
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 £
<b>Current Assets</b>					
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>	
<b>Current Liabilities</b>					
Creditors and Accrued Expenses	14	2,804		2,058	
<b>Net Current Assets</b>					
			<u>174,075</u>		<u>169,948</u>
<b>Capital and Reserves</b>					
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**

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

<b>3 Grant Income</b>	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
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>

<b>4 Grant Expenditure</b>	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
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**

<b>Tenant</b>	<b>Property</b>	<b>Rent p.a. £</b>	<b>Repairing/ Non Repairing</b>
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**

<b>Landlord</b>	<b>Property</b>	<b>Rent p.a. £</b>	<b>Repairing/ Non Repairing</b>
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:

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

**8 S.137 Expenditure**

	<b>2007 £</b>	<b>2006 £</b>
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**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
	<b>Value</b>	<b>Value</b>
As at 31 March 2007 the following assets were held:		
<b><u>Freehold Land and Buildings</u></b>		
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>
<b><u>Vehicles and Equipment</u></b>		
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>
<b><u>Infrastructure Assets</u></b>		
Street Furniture	8,237	8,237
Street Columns and Lamps	4,748	-
	<u>12,985</u>	<u>8,237</u>
<b><u>Community Assets</u></b>		
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><b>1,224,280</b></u>	<u><b>1,221,316</b></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**

<b>11 Fixed Assets - Additions and Disposals</b>	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
	<b>Cost</b>	<b>Cost</b>
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>
<b>12 Stocks</b>	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
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>
<b>13 Debtors</b>	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
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>
<b>14 Creditors and Accrued Expenses</b>	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
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	<u>74,355</u>	<u>10,479</u>	<u>(17,004)</u>	<u>67,830</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 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 £
<b>Asset Renewal Reserves</b>				
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>
<b>Other Earmarked Reserves</b>				
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>
<b>Total Earmarked Reserves</b>	<u><u>74,355</u></u>	<u><u>10,479</u></u>	<u><u>17,004</u></u>	<u><u>67,830</u></u>