

Newbury Town Council
Statement of Accounts
for the year ended 31 March 2006

Newbury Town Council
Statement of Accounts
for the year ended 31 March 2006

Contents

Page No(s)

3.	Council Information
4. to 5.	Explanatory Foreword
6.	Statement of Responsibilities Responsible Financial Officer's Certificate
7. to 8.	Statement of Internal Control
9.	Consolidated Revenue Account
10.	Balance Sheet
11.	Cash Flow Statement
12. to 22.	Notes to the Accounts

Newbury Town Council

Council Information

Town Mayor

Cllr. Gillian Durrant

Councillors

Cllr. Vera Barnett

Cllr. Val Bull

Cllr. Adrian Edwards

Cllr. Mavis Greenhalgh

Cllr. Peter Greenhalgh

Cllr. Ian Grose

Cllr. Clive Hillman

Cllr. Gina Houghton

Cllr. Richard Howison-Johnstone

Cllr. Roger Hunneman

Cllr. Arthur Johnson

Cllr Mike Johnston

Cllr. Gabrielle McGarvey

Cllr. Lyn Messenger

Cllr. Marion Paterson

Cllr. Barbara Peel

Cllr. Mike Rodger

Cllr. Ron Rookes

Cllr. Julian Swift-Hook

Cllr. Michaela Tod

Cllr. Paul Walter

Cllr. Emma Webster

Chief Executive Officer

Mr Graham Hunt

Responsible Financial Officer (RFO)

Michael Seckington, Office Manager

Auditors

UHY Hacker Young, St. Alphege House, 2 Fore Street, London. EC2Y 5DH.

Newbury Town Council

Explanatory Foreword

31 March 2006

The Council's statements of accounts for the year ended 31 March 2006 are set out on the following pages. They consist of the following statements:

The Consolidated Revenue Account

The Council's revenue account, covering income and expenditure on all services.

The Balance Sheet

This sets out the financial position of the Council at 31 March 2006, i.e. its assets and liabilities at that date.

The Cash Flow Statement

This summaries incomes and outflows of cash arising from revenue capital transactions with third parties.

Notes to the Accounts

These provide further information on the amounts included in the financial statements.

This foreword provides a brief explanation of the financial aspects of the Council's activities and draws attention to the main characteristics of its financial position, including the year's budget, as summarised below.

Budget Comparison for the year ended 31 March 2006

The following shows a comparison of the budget and outturn figures for 2005/2006

	Budget	Actual
	£	£
Net expenditure		
Salaries	331,700	317,885
Election Expenses	4,000	-
Administration and Town Hall Costs	77,016	80,379
Committee Costs and Projects	50,040	-12,920
Section 137 Expenditure	8,000	7,991
Cemetery	-4,816	3,716
Markets	-32,900	-26,150
Allotments	2,450	7,532
Environmental Improvements	35,700	34,676
Christmas Lights	26,000	29,470
Parks, Recreation Grounds, and Open Spaces	210,514	151,055
Arts and Entertainments	-	-28,522
Interest Income	-12,500	-18,562
Capital Expenditure	13,634	49,820
Net contribution to/(from) reserves and other adjustments	-	112,468
Precept on District Council	708,838	708,838

Newbury Town Council

Explanatory Foreword

31 March 2006

Further Information

Further information about the accounts is available from the Town Hall, Market Place, Newbury, Berkshire, RG14 5AA. This is part of the Council's policy of providing full information about 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 was advertised in the local press on 15 and 22 March 2007, and on the notice board outside the Town Hall on 16 April 2007 for 4 weeks.

When audited, and approved by the Council, the accounts to 31 March 2006 can also be viewed on the website.

Newbury Town Council

Statement of Responsibilities for the Statements of Accounts

31 March 2006

The Council's Responsibilities

The Council is required:

- to make arrangements for the proper administration of its financial affairs;
- to ensure that one of its Officers (RFO) has the responsibility for the administration of those affairs. At this Council, that officer is the Office Manager;
- to manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.

The Responsible Financial Officer's Responsibilities

The RFO is responsible for the preparation of the Council's statements of accounts in accordance with the 'Code of Practice on Local Authority Accounting in Great Britain' (the code). He must, so far as is applicable to this Council, fairly present the financial position of the Council at 31 March 2006 and its income and expenditure for the year then ended.

In preparing the statements of accounts, the RFO has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent,
- complied with the code.

The RFO has also:

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

Responsible Financial Officer's Certificate

I hereby certify that the statements of accounts for the year ended 31 March 2006 required by the Accounts and Audit Regulations 2003 are set out in the following pages.

I further certify that the statements of accounts present fairly the financial position of Newbury Town Council at 31 March 2006, and its income and expenditure for the year ended 31 March 2006.

Signed:
Office Manager/Responsible Financial Officer

Date:

Newbury Town Council

Statement of Internal Control

31 March 2006

This statement is given in respect of the statement of accounts for Newbury Town Council. We acknowledge our responsibility for ensuring that an effective system of internal control is maintained and operated in connection with the resources concerned.

The system of internal control can provide reasonable assurance that assets are safeguarded, that transactions are properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.

The system of internal control is based on:-

- A framework of regular management information and instruction, disseminated from the Council, its Committees and Sub-Committees through the Chief Executive Officer; to all Officers
- Financial Regulations and Standing Orders, reviewed regularly by the Policy and Resources Committee;
- Administrative procedures and controls, including segregation of duties, as stipulated in the Financial Regulations;
- Management supervision, with a system of delegation and accountability as defined in the Financial Regulations;
- Adherence to the criteria that established Newbury Town Council as a Quality Council and taking into account the Council's pre-published "Strategy for 2006 and Beyond".
- The appointment of an internal auditor.

Development and maintenance of the system is undertaken by Officers within the Council. In particular, the system includes:-

- Comprehensive budgeting systems;
- Regular reviews of periodic and annual financial reports which indicate financial performance against the budget forecasts;
- Setting targets to measure financial and other performance;
- The preparation of regular financial reports which indicate actual expenditure against forecasts;
- Clearly defined capital expenditure guidelines;
- Appropriate formal project management disciplines.

The Council has appointed an internal auditor, Banks & Co, Accountants and Business Advisors, who are independent of the Council. They are instructed to work within a clearly defined programme to internally audit Newbury Town Council, in particular their financial records and procedures. The audit is undertaken to ensure the accountancy and controls comply with acknowledged best practice in the accountancy profession, with reliance on:-

- The Accounts and Audit Regulations 2003 applicable to Public Sector Bodies;
- The Code and Practice of Local Authority Accounting in the United Kingdom 2006;
- Newbury Town Council's own Financial Regulations and Standing Orders.

Reporting arrangements are through the Responsible Financial Officer, the Chief Executive Officer, the Policy and Resources Committee and the Council. The Internal Auditor gives a written report and is available to attend appropriate committee meetings when required.

Our review of the effectiveness of the system of internal control is confirmed by:

- The work of Officers within the Council;
- The work of the internal auditor as described above;
- The external auditors in their annual audit report.

Signed:
Chief Executive Officer

Date:

Signed.....
Leader of the Council

Date.....

Newbury Town Council
Consolidated Revenue Account
for the year ended 31 March 2006

Notes	2006 £ Gross Expenditure	2006 £ Income	2006 £ Net Expenditure	2005 £ Net Expenditure
COST HEAD				
Salaries	317,885	-	317,885	315,741
Election Expenses	-	-	-	-
Administration and Town Hall Costs	447,584	58,978	388,606	404,820
Committee Costs and Projects	60,024	72,943	-12,919	50,701
Section 137 Expenditure	7,991	-	7,991	10,000
Cemetery	44,517	40,802	3,715	-20,756
Markets	48,864	75,014	-26,150	-39,284
Allotments	12,768	5,236	7,532	6,748
Environmental Improvements	34,976	300	34,676	31,609
Christmas Lights	29,470	-	29,470	27,867
Parks, Recreation Grounds and Open Spaces	187,333	36,278	151,055	171,217
Arts and Entertainment	-	28,522	-28,522	-90,023
Valuation of Mosaic Book	-	5,175	-5,175	
TOTAL	1,191,412	323,248	868,164	868,640
Tr.from Asset Management Revenue Account	2		-229,856	-227,045
Interest and Investment Income	3		-18,562	-15,723
NET OPERATING EXPENDITURE			619,746	625,872
<u>Transfer to Capital Financing Reserve</u>				
Financing Capital Expenditure	10 & 17		44,821	141,162
Reversal of Depreciation	17		-77,911	-83,483
Loan Repayments	17		5,000	5,000
			591,656	688,551
Transfer from Earmarked Reserves	18		-229,815	-127,789
Transfer to Earmarked Reserves	18		307,805	120,651
AMOUNT TO BE MET FROM PRECEPT			669,646	681,413
Precept on District Council			708,838	677,040
SURPLUS/(DEFICIT) FOR YEAR			-39,192	4,373
GENERAL RESERVE				
General Reserve Balance Brought Forward			35,611	39,984
Surplus/(Deficit) for Year			39,192	-4,373
General Reserve Balance Carried Forward			74,803	35,611

Newbury Town Council

Balance Sheet

as at 31 March 2006

	Notes	£	2006 £	2005 £
Fixed Assets				
Tangible fixed assets	9		6,399,811	6,414,900
Long Term Assets				
Investments	12	2,088		2,088
Net share of Pension Scheme Assets	8	<u>240,000</u>		173,000
			242,088	
Current Assets				
Debtors	13	42,138		89,853
Cash at Bank and In-Hand	22	<u>499,282</u>		<u>353,960</u>
			541,420	
			<u>7,183,319</u>	<u>7,033,801</u>
Current Liabilities				
Public Works Loan Board due 2006/2007	15	-5,000		-5,000
Creditors and accrued expenses	14	<u>-64,115</u>		<u>-83,691</u>
Net Current Assets			<u>-69,115</u>	
Total Assets Less Current Liabilities			7,114,204	6,945,110
Long Term Liabilities				
Creditors - More Than One Year	15	-62,500		-67,500
Net share of Pension Scheme Liabilities	8	<u>-375,000</u>		-273,000
			-437,500	
			<u>6,676,704</u>	<u>6,604,610</u>
Capital and Reserves				
Fixed Asset Restatement Account	16		5,976,087	5,957,087
Pension Scheme Reserve Account			-35,000	1,000
Capital Financing Account	17		353,009	381,099
Earmarked Reserves	18		307,805	229,815
General Reserve			74,803	35,609
			<u>6,676,704</u>	<u>6,604,610</u>

Accounts have been approved by the Council.

.....
Councillor Gillian Durrant
Mayor

Date:

.....
Michael Seckington
Responsible Financial Officer

Date:

Newbury Town Council

Cash Flow Statement

for the year ended 31 March 2006

	Notes	2006 £	2006 £	2005 £
REVENUE ACTIVITIES				
Cash Outflows				
Paid to and on behalf of employees		-317,885		
Other operating payments		<u>-580,979</u>		
			-898,864	-794,572
Cash Inflows				
Precept on District Council		708,838		
Cash received for services		<u>365,331</u>		
			<u>1,074,169</u>	<u>895,255</u>
Net Cash Inflow from Revenue Activities	21		175,305	100,683
 SERVICING OF FINANCE				
Cash Outflows				
Interest Paid		-4,357		-4,969
Cash Inflows				
Interest received (net of Bank Charges)		<u>18,562</u>		15,723
Net Cash Inflow from Servicing of Finance			14,205	
 CAPITAL ACTIVITIES				
Cash Outflows				
Purchase of fixed assets			-44,821	-141,162
Net Cash Inflow/(Outflow) from Capital Activities			<u>144,689</u>	<u>-29,725</u>
 FINANCING AND LIQUID RESOURCES				
Cash Outflows				
Loan repayments made			-5,000	-5,000
Increase/(Decrease) in cash			<u><u>139,689</u></u>	<u><u>-34,725</u></u>

Newbury Town Council

Notes to the Accounts

31 March 2006

1. Principal Accounting Policies

Accounting Convention

Accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in United Kingdom 2005 (the code), which is recognised by statute as representing proper accounting practices.

It is also a requirement of the code that service revenue accounts now include capital charges for all fixed assets used in the delivery of services.

Fixed Assets

All expenditure on the acquisition, creation or enhancement of fixed assets 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. Fixed assets are valued on the basis recommended by CIPFA and in accordance with the statements of asset valuation principles and guidance notes issued by the Royal Institution of Chartered Surveyors (RICS).

The closing balances are stated on the following Basis:

- Land, operational properties and other operational assets, having been professionally revalued during 2003 to 2005 are included in the balance sheet at the lower of net current replacement cost and net realisable value;
- Land, operational properties and other operational assets are reported in notes to the accounts at current insurance values as approximating to the lower of net current replacement cost and net realisable value;
- Infrastructure assets are included at historical cost, net of depreciation.

The surplus arising on the initial valuation of fixed assets has been credited to the Fixed Asset Restatement Account. Subsequent revaluations of fixed assets are planned at five yearly intervals, although material changes to asset valuations will be adjusted in the interim period, should they occur.

The Council's policy is to carry out a maintenance programme so that, as far as possible, its fixed assets' lives remain the same. Therefore in 2005/2006, depreciation was only chargeable on vehicles, plant infrastructure assets and on no other assets of the authority.

Investments

Investments are included at cost/current market value. Details are given at note 12.

Newbury Town Council

Notes to the Accounts

31 March 2006

Debtors and Creditors

The revenue accounts of the Council are maintained on an accruals basis in accordance with the code. 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 insurance premiums and regular quarterly 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.

External Loan Repayments

Details of the Council's external borrowings are shown on note 15.

Leases

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

Reserves

The Council maintains certain reserves to meet general and specific future expenditure. The purpose of the Council's reserves is explained in note 18.

The introduction of the new system of capital accounting in 1998/99 required the establishment of two reserve accounts in the consolidated balance sheet:

- **The Fixed Asset Restatement Account**, which represents principally the balance of the surpluses or deficits arising on the periodic revaluation of fixed assets.
- **The Capital Financing Account**, which represents revenue or capital resources applied to finance expenditure of a capital nature or for the repayment of external loans and the reversal of depreciation to ensure it does not impact on the amount to be met from precept.

In addition, in 2004, Newbury Town Council established two new Capital Reserve Accounts to protect the Council from potential commitment of expenditure. These are:

- **The Capital Equipment Reserve** to be used to fund the replacement of large items of capital equipment as this becomes necessary.
- **The Capital Buildings Reserve** which will be built up as funds become available to protect the Council's finances in any one year should major repairs become necessary to the fabric of Council property

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.

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.

The 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 31 March 2006 and any change in contribution rates as a result of that valuation will take effect from 1 April 2007. See note 8.

Newbury Town Council

Notes to the Accounts

31 March 2006

2. Asset Management Revenue Account

	2006	2005
	£	£
Income		
Capital Charges	-312,124	-315,497
Expenditure		
Provision for Depreciation	77,911	83,483
External Interest Charges - Loans	4,357	4,969
	<u>-229,856</u>	<u>-227,045</u>

The asset management revenue account is maintained to convert the net cost of services (which include notional capital charges) into net operating expenditure (which is the actual cost of providing services). It does this by replacing notional interest charges, intended to represent the cost of tying up resources in assets, with actual external loan repayments.

3. Interest and Investment Income

On 30 January 2006, the Corporate Diamond Account which was paying 3.5% interest was closed and a Special Interest Bearing Account was opened paying a margin of 0.4% under base. At that date the prevailing rate was 4.1%

	2006	2005
	£	£
Corporate Diamond Account - Interest	12,889	13,993
Special Interest Bearing Account Interest	3,158	-
Interest Income - General Funds	2,515	1,730
	<u>18,562</u>	<u>15,723</u>

4. Agency Work

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

During the year the Council had services provided to it by West Berkshire District Council in respect of property taken over from that Authority. In order to present a more meaningful report of this Council's activities, such costs have been reported, together with the Council's own costs, under the relevant functions rather than as agency services purchased.

5. 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
	£	£
Recruitment Advertising	1,627	-
Other Advertising	1,630	2,251
Publicity	3,674	4,783
	<u>6,931</u>	<u>7,034</u>

Newbury Town Council

Notes to the Accounts

31 March 2006

6. S.137 Expenditure

Section 137 of the Local Government Act 1972 (as amended) enables the Council to spend up to the product of £5.30 per head on the electoral roll (£5.44 from 1 April 2006) for the benefit of people in its area on activities or projects not specifically authorised by other powers.

	2006 £	2005 £
The total amount available for this purpose was (Electoral Role on 31/3/2006 22,363)	<u>114,946</u>	<u>113,969</u>
Expenditure was incurred for the following purposes:		
Grants to local Voluntary Bodies	8,000	10,000
	<u>8,000</u>	<u>10,000</u>

It should be noted that grants to bodies such as the Citizens Advice Bureau are made under other specific legal powers and so are not included in the above figures.

7. Employees

	2006 Number	2005 Number
The total number of employees at 31 March 2006 was		
Full Time	8	12
Part Time	5	3
	<u>13</u>	<u>15</u>
Civic Staff on honoraria	7	6
Total Employees	<u>20</u>	<u>21</u>

All employees (with the exception of the Chief Executive Officer) are paid in accordance with nationally agreed pay scales.

One officer receives a salary in excess of £40,000.

Newbury Town Council

Notes to the Accounts

31 March 2006

8. Pension Costs

In 2005/2006 the Council paid employer's contributions of £16,314.11 representing 11.5% of employees' pensionable pay (plus employees contributions, 6%, £8631.38) into Royal County of Berkshire's pension fund, which provides members with defined benefits based on pay and service. The contribution rate is determined by the fund's actuary, Hymans Robertson. The Actuary estimates that at 31 March 2006, the Employer's Assets were £240,000. However this was offset by the present value of the Scheme Liabilities of £375,000 leaving a Net Pension Asset of -£135,000. The liabilities are calculated at £234,000, employee members, £74,000 deferred pensioners and £67,000 actual pensioners.

Hymans Robertson have advised that, in accordance with SSAP24 (Accounting for Pension Costs), the Council's contribution will increase to 15% of pensionable pay with effect from 1 April 2006. Further information can be found in Royal County of Berkshire's pension fund annual report which is available on request from Town Hall, St Ives Road, Maidenhead, Berkshire SL6 1RF. An Actuarial Valuation as at 31 March 2006 for the purposes of FRS 17 is available on request from the Town Hall, Market Square, Newbury, RG14 5AA.

9. Tangible Fixed Assets

	Vehicles and Equipment	Infra- structure Assets	Community Assets	Total
Cost	£	£	£	£
At 1 April 2005	346,515	12,315	6,270,155	6,628,985
Additions	14,932	3,737	26,152	44,821
	<u>361,447</u>	<u>16,052</u>	<u>6,296,307</u>	<u>6,673,806</u>
Revalued by	-	-	18,000	18,000
	<u>361,447</u>	<u>16,052</u>	<u>6,314,307</u>	<u>6,691,806</u>
Depreciation				
At 1 April 2005	206,114	7,970	-	214,084
Charged for the year	73,996	3,915	-	77,911
	<u>280,110</u>	<u>11,885</u>	<u>-</u>	<u>291,995</u>
Net Book Value				
At 31 March 2006	<u>81,337</u>	<u>4,167</u>	<u>6,314,307</u>	<u>6,399,811</u>
At 31 March 2005	<u>139,889</u>	<u>4,856</u>	<u>6,270,155</u>	<u>6,414,900</u>

Fixed Asset Valuation

The freehold and leasehold properties which comprise the Council's property have been valued as at 31 March 2003 by external independent valuers, Messrs Dreweatt Neate, Chartered Surveyors. Valuations have been made on the basis set out in the Statement of Accounting Policies (Note 1), 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.

Newbury Town Council

Notes to the Accounts

31 March 2006

10. Financing of Capital Expenditure

	2006	2005
	£	£
The following capital expenditure was incurred during the year:		
Fixed Assets Purchased	14,932	116,675
Less: Fixed Assets sold	-	-1,206
Additions to Infrastructure Assets	3,737	2,542
Addition to Community Assets	26,152	23,151
	<u>44,821</u>	<u>141,162</u>
and was financed by:		
Drawing down reserves	11,740	15,000
Precept and Revenue Income	33,081	126,162
	<u>44,821</u>	<u>141,162</u>

Newbury Town Council

Notes to the Accounts

31 March 2006

11. Information on Assets Held

Fixed assets owned by the Council include the following:

Vehicles and Equipment

Ford Ranger 2.5 diesel truck
Martin diesel 1 tonne truck
Tractors, mowers and grass maintenance machinery
Storage building at Shaw Cemetery
Christmas street lighting and fittings
Sundry office equipment
Bus shelters, non-adopted street lighting and public seats
I.T. Equipment and office furniture
Photocopier (on lease)
Telephone system including facsimile

Infrastructure Assets

Street lights
Seats and other street furniture
Dog bins and litter bins

Community Assets

The Town Hall
Victoria Park (on a 99 year lease)
The War Memorial
The Clock House
Shaw Cemetery and Newtown Road Cemetery including Chapels
Allotments
Recreation grounds and other open spaces
Works of Art, Civic Regalia, Trophies and Chains of Office

12. Investments

	Investments Other Than	
	Loans	Total
Cost	£	£
At 1 April 2005	2,088	2,088
At 31 March 2006	2,088	2,088
Net Book Value		
At 1 April 2005	2,088	2,088
At 31 March 2006	2,088	2,088

Newbury Town Council

Notes to the Accounts

31 March 2006

13. Debtors

	2006	2005
	£	£
Trade Debtors	10,809	5,006
VAT Recoverable	22,524	29,860
Prepayments	3,630	8,795
Accrued Income		46,192
Mosaic Books in stock (at cost)	5,175	-
	<u>42,138</u>	<u>89,853</u>

14. Creditors and accrued expenses

	2006	2005
	£	£
Trade Creditors	51,280	65,191
Receipts in advance	527	3,727
Accrued expenditure	9,688	14,773
Allotment key deposits	2,620	-
	<u>64,115</u>	<u>83,691</u>

15. Loans

At the close of business on 31 March 2006 the following loans to the Council were outstanding. The Loan is repayable at £5,000 per annum until September 2019

Lender	Loan Period	Amount	Years Remain
Public Works Loan Board	20 years from 1999	£ 67,500	13.5

16. Fixed Asset Restatement Account

	2006	2005
	£	£
Balance at 1 April	5,958,087	5,957,087
By revaluation of assets	18,000	
	<u>5,976,087</u>	<u>5,957,087</u>

The system of accounting for local Councils requires the establishment of a Fixed Asset Restatement Account. The balance on this reserve represents the value of assets included in the Balance Sheet for the first time in 1996/97. This reserve will increase or reduce as and when assets are revalued or disposed of.

Newbury Town Council

Notes to the Accounts

31 March 2006

17. Capital Financing Account

	2006	2005
	£	£
Opening balance	381,099	318,421
Financing capital expenditure in the year using revenue balances	44,821	141,161
Reversal of depreciation	-77,911	-83,483
	<u>348,009</u>	<u>376,099</u>
Loan repayments	5,000	5,000
Closing balance	<u>353,009</u>	<u>381,099</u>

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 on the amount to be precept. It does not represent a reserve, which the Council can use to support future expenditure.

18. Earmarked Reserves

	Balance at 01 April 2005	Contribution to Reserve	Contribution from Reserve	Balance at 31 March 2006
	£	£	£	£
Capital Equipment Reserve	25,000	-	-	25,000
Capital Buildings Reserve	100,000	7,638	7,638	100,000
Other Earmarked Reserves (Appendix A)	104,815	150,192	72,202	182,805
Total Earmarked Reserves	<u>229,815</u>	<u>157,830</u>	<u>79,840</u>	<u>307,805</u>

The Capital Projects (Equipment and Building) Reserves are credited with amounts set aside from revenue to part finance specific projects which may become necessary as 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.

Details of the above reserves are given at Appendix A.

Newbury Town Council

Notes to the Accounts

31 March 2006

19. Capital Commitments

The Council had no capital commitments at 31 March 2006 not otherwise provided for in these accounts.

20. Contingent Liabilities

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

21. Reconciliation of Revenue Cash Flow

	2006	2005
	£	£
Surplus/(Deficit) for the year Add/(Deduct)	34,018	-4,373
Interest paid	4,357	4,969
Contributions to provisions and reserves	-229,815	-127,789
Contributions from provisions and reserves	307,805	120,651
Revenue contribution to capital	49,821	146,162
Interest and investment Income	-18,562	-15,723
Decrease/(-Increase) in Debtors	47,257	-45,332
(-Decrease)/Increase in Creditors	-19,576	22,118
	<u>175,305</u>	<u>100,683</u>

22. Movement in Cash

	2005	2004
Balance at 1 April		
Cash with accounting officer	200	200
Cash in bank	353,760	388,485
	<u>353,960</u>	<u>388,685</u>
Balances at 31 March	2006	2005
Cash with accounting officers	200	200
Cash at bank	499,082	353,760
	<u>499,282</u>	<u>353,960</u>

23. Valuation of Stocks

As at 31 March 2006, there was in stock at Newbury Town Hall 1,358 copies of the book of the Mayor's Mosaic valued at cost of production at £5,175. This valuation is shown as a debtor on the Balance Sheet.

Newbury Town Council

Notes to the Accounts

31 March 2006

Schedule of Earmarked Reserves

	Balance at 1 Apr 05	Contribution from reserve	Contribution to reserve	Balance at 31 Mar 06
	£	£	£	£
Capital Project Reserves				
Capital Equipment Reserve	25,000	-	-	25,000
Capital Building Reserve	100,000	7,638	7,638	100,000
Reserves earmarked by P & R Committee detailed below	68,249	68,249	144,969	144,969
Other Earmarked Reserves				
Christmas Lights	1	-	-	1
Election Expenses	8,163	-	4,354	12,517
Sculpture	24,449	-	869	25,318
Mosaic	3,953	3,953	-	0
P.H.Sellwood, Christ's Hospital Trust	0	-	-	0
TOTAL EARMARKED RESERVES	<u>229,815</u>	<u>79,840</u>	<u>157,830</u>	<u>307,805</u>

Reserves earmarked P and R Committee

	£
Wash Common Jubilee Project	4,500
Wash Common recreational facilities	8,085
City Recreation Ground	10,080
Park Enhancement Victoria Park	14,807
Balance Disability Access Shaw Chapel	2,182
Insurance amount received Newtown Road Cemetery Wall	8,000
Newtown Road Cemetery maintenance	3,249
Balance repair Playground Equipment	8,500
Greenham House Gardens	7,091
Christmas Lights stress test	3,825
Balance EIS budget re hydro-electric scheme	1,200
Installation cost REACT unit	505

Section 106 Monies Received in 2005/6:

192 London Road (allocated to Victoria Park)	17,194
192 London Road (allocated to northern playgrounds)	50,807
St Michael's Road	4,944
	<u>144,969</u>