

**Newbury Town Council**  
**Statement of Accounts**  
**for the year ended 31 March 2007**

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**for the year ended 31 March 2007**

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## **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

#### **Note:**

A new Council took office on 7 May 2007  
Councillor Adrian Edwards was elected Mayor of the new Council on 13 May 2007

#### **Chief Executive Officer**

Mr Graham Hunt

#### **Responsible Financial Officer (RFO)**

Michael Seckington, Office Manager

#### **Auditors**

UHY Hacker Young LLP, Quadrant House, 17 Thomas More Street, Thomas More Square, London,  
E1W 1YW

## Newbury Town Council

### Explanatory Foreword

31 March 2007

The Council's statements of accounts for the year ended 31 March 2007 are set out on the following pages. They consist of the following statements:

#### **The Income and Expenditure Account**

The Council's revenue account shows sources of income to the Council, and the costs of provision of services.

#### **The Balance Sheet**

This sets out the financial position of the Council at 31 March 2007, reflecting the effect of Income and Expenditure on the Assets of the Council, while maintaining a healthy reserve to cover most eventualities.

#### **The Cash Flow Statement**

This summaries incomes and outflows of cash arising from revenue and capital transactions with third parties, the receipt of the Precept and the use made of cash resources during the year.

#### **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 2007**

The following shows a comparison of the budget and outturn figures for 2006/2007

	<b>Budget</b>	<b>Actual</b>
	<b>£</b>	<b>£</b>
<b>Net expenditure</b>		
Salaries	340,000	322,764
Election Expenses	4,000	3
Administration and Town Hall Costs	84,100	83,998
Committee Costs and Projects	83,894	56,028
Section 137 Expenditure	10,000	9,989
Cemetery	-2,380	-15,815
Markets	-28,355	-16,126
Allotments	5,250	8,192
Environmental Improvements	15,100	38,212
Christmas Lights	27,000	32,798
Parks, Recreation Grounds, and Open Spaces	243,480	215,187
Interest Income	-20,000	-22,757
Section 106 Income	-	-12,675
Capital Expenditure	80,944	73,625
Net contribution to(from) reserves and other adjustments	-106,471	-
	-	-36,861
<b>Precept on District Council</b>	<b>736,562</b>	<b>736,562</b>

## **Newbury Town Council**

### **Explanatory Foreword**

**31 March 2007**

#### **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 6 and 13 September 2007, on the notice board outside the Town Hall on 3 September 2007 for 4 weeks.

When audited, and approved by the Council, the accounts to 31 March 2007 can also be viewed on the Council's website [www.newbury.gov.uk](http://www.newbury.gov.uk) .

**Newbury Town Council**

**Statement of Responsibilities for the Statements of Accounts**

**31 March 2007**

**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 2007 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 2007 required by the Accounts and Audit Regulations 2003 as amended in 2006, 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 2007, and its income and expenditure for the year ended 31 March 2007.

pp Signed: K. Hutt  
Office Manager/Responsible Financial Officer

Date: 09/03/09

**Newbury Town Council**  
**Statement of Internal Control**

**31 March 2007**

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, as amended in 2006 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: Graham Hunt  
Chief Executive Officer

Date: 9 March 2009

Signed: R. L. G...  
Leader of the Council

Date: 9/3/2009



## **Independent Auditor's Report to Newbury Town Council**

### **on the accounts for the Year ended 31 March 2007**

We have audited the financial statement of Newbury Town Council for the year ended 31 March 2007 under the Audit Commission Act 1998, which comprise the Revenue Account, the Balance Sheet, the Cash Flow Statement and related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to Newbury Town Council in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 36 of the Statement of Responsibilities of Auditors and Audited Bodies, prepared by the Audit Commission.

#### **Respective Responsibilities of the Responsible Financial Officer and Auditor**

The Responsible Financial Officer's responsibilities for preparing the financial statements in accordance with applicable laws and regulations and the Statement of Recommended Practice on Local Authority Accounting in the United Kingdom 2006 are set out in the Statements of Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements present fairly the financial position of the Council in accordance with applicable laws and regulations and the Statement of Recommended Practice on Local Authority Accounting in the United Kingdom 2006.

We review whether the statement of internal control reflects compliance with CIPFA's guidance 'The Statement on Internal Control in Local Government: Meeting the Requirements of the Accounts and Audit Regulations 2003' published on 2 April 2004. We report if it does not comply with proper practices specified by CIPFA or if the statement is misleading or inconsistent with other information we are aware of from our audit of the financial statements. We are not required to consider, nor have we considered whether the statement of internal control covers all risks and controls. We are also not required to form an opinion on the effectiveness of the Council's corporate governance procedures or its risk and control procedures.

We read the other information published with the financial statements, and consider whether it is consistent with the audited financial statements. This other information comprises the Explanatory Foreword. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

#### **Basis of audit opinion**

We conducted our audit in accordance with the Audit Commission Act 1998, the Code of Audit Practice issued by the Audit Commission and International Standards on Auditing (UK and Ireland), issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the council in the preparation of the financial statements, and of whether the accounting policies are appropriate to the council's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the statement of accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we evaluated the overall adequacy of the presentation of the information in the financial statements.

## **Independent Auditor's Report to Newbury Town Council**

**on the accounts for the Year ended 31 March 2007**

### **Opinion**

In our opinion the financial statements present fairly, in accordance with applicable laws and regulations and the Statement of Recommended Practice on Local Authority Accounting in the United Kingdom 2006, the financial position of Newbury Town Council as at 31 March 2007 and its income and expenditure for the year then ended.

### **Certificate**

We certify that we have completed the audit of the accounts in accordance with the requirements of the Audit Commission Act 1998 and the Code of Audit Practice issued by the Audit Commission.

**UHY Hacker Young LLP**

London

## Newbury Town Council

### Income and Expenditure Account

for the year ended 31 March 2007

Notes	2007 £ Gross Expenditure	2007 £ Income	2007 £ Net Expenditure	2006 £ Net Expenditure
<b>COST HEAD</b>				
Salaries	322,764	-	322,764	317,885
Election Expenses	3	-	3	-
Administration and Town Hall Costs	143,322	-54,251	89,071	80,839
Committee Costs and Projects	56,028	-	56,028	-12,919
Section 137 Expenditure	9,989	-	9,989	7,991
Cemetery	27,313	-43,128	-15,815	3,715
Markets	60,352	-76,478	-16,126	-26,150
Allotments	17,288	-9,096	8,192	7,532
Environmental Improvements	38,712	-500	38,212	34,676
Christmas Lights	38,898	-6,100	32,798	29,470
Parks, Recreation Grounds and Open Spaces	218,559	-3,372	215,187	151,055
Arts and Entertainment	-	-	-	-28,522
Valuation of Mosaic Book	-	-	-	-5,175
Depreciation	60,886	-	60,886	77,911
<b>NET COST OF SERVICES</b>	<b>994,114</b>	<b>-192,925</b>	<b>801,189</b>	<b>638,308</b>
Interest and Investment Income	2		-22,757	-18,562
Section 106 Income			-12,675	-
Precept on District Council			-736,562	708,838
<b>NET OPERATING EXPENDITURE</b>			<b>29,195</b>	<b>-89,092</b>
<b>DEFICIT/(SURPLUS) FOR YEAR</b>			<b>29,195</b>	<b>-89,092</b>
 <b>STATEMENT OF MOVEMENT ON GENERAL FUND BALANCE</b>				
General Reserve Brought forward			74,803	35,611
Transfer from Earmarked Reserves	18		307,805	229,815
Transfer to Earmarked Reserves	18		-272,682	-307,805
<u>Transfer to Capital Finance Reserve</u>				
Financing Capital Expenditure	9		-68,625	-44,821
Depreciation			60,886	77,911
Loan Repayments	17		-5,000	-5,000
Deficit/(Surplus) for Year			-29,195	89,092
General Reserve Balance Carried Forward			<b>67,992</b>	<b>74,803</b>

Newbury Town Council

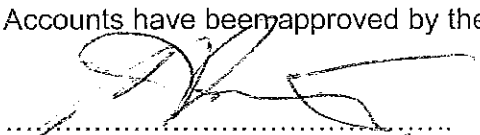
Balance Sheet

as at 31 March 2007

	Notes	£	2007 £	2006 £
<b>Fixed Assets</b>				
Tangible fixed assets	8		6,407,550	6,399,811
<b>Long Term Assets</b>				
Investments	11	2,088		2,088
Net Share of Pension Scheme Assets	7	<u>278,000</u>		<u>240,000</u>
			280,088	242,088
<b>Current Assets</b>				
Debtors	12	66,534		42,138
Cash at Bank and In-Hand	22	<u>444,173</u>		<u>499,282</u>
			510,707	541,420
<b>Current Liabilities</b>				
Public Works Loan Board due 2007/2008	14	-5,000		-5,000
Creditors and accrued expenses	13	<u>-75,336</u>		<u>-64,115</u>
<b>Net Current Assets</b>			<u>430,371</u>	<u>472,305</u>
<b>Total Assets Less Current Liabilities</b>			7,118,009	7,114,204
<b>Long Term Liabilities</b>				
Creditors - More Than One Year	14		-57,500	-62,500
Pension Scheme Liabilities	7		-393,000	-375,000
			<u>6,667,509</u>	<u>6,676,704</u>
<b>Capital and Reserves</b>				
Fixed Asset Restatement Account	16		5,976,087	5,976,087
Pension Scheme Reserve Account			-15,000	-35,000
Capital Financing Account	17		365,748	353,009
Earmarked Reserves	18		272,682	307,805
General Reserve			67,992	74,803
			<u>6,667,509</u>	<u>6,676,704</u>

The amount of Debtors includes £100 nominal value of mosaic book

Accounts have been approved by the Council.

  
 Councillor Gillian Durrant  
 Mayor

  
 Michael Seckington  
 Responsible Financial Officer

Date: 31 March

Date: 09/03/09

**Newbury Town Council**

**Cash Flow Statement**

for the year ended 31 March 2007

	2007 £	2007 £	2006 £
<b>REVENUE ACTIVITIES</b>			
<b>Cash Outflows</b>			
Paid to and on behalf of employees	-322,764		
Other operating payments	<u>-590,467</u>		
		-913,231	-893,231
<b>Cash Inflows</b>			
Precept on District Council	736,562		
Cash received for services	<u>176,129</u>		
		912,691	1,074,169
<b>Net Cash Inflow from Revenue Activities</b>		-540	180,938
 <b>SERVICING OF FINANCE</b>			
<b>Cash Outflows</b>			
Interest Paid	-3,701		-4,357
<b>Cash Inflows</b>			
Interest received (net of Bank Charges)	<u>22,757</u>		18,562
<b>Net Cash Inflow from Servicing of Finance</b>		19,056	14,205
 <b>CAPITAL ACTIVITIES</b>			
<b>Cash Outflows</b>			
Purchase of fixed assets		-68,625	-44,821
<b>Net Cash Outflow from Capital Activities</b>		<u>-50,109</u>	150,322
 <b>FINANCING AND LIQUID RESOURCES</b>			
<b>Cash Outflows</b>			
Loan repayments made		-5,000	-5,000
<b>(Decrease)/Increase in cash</b>		<u><u>-55,109</u></u>	<u><u>145,322</u></u>

## Newbury Town Council

### Notes to the Accounts

31 March 2007

#### 1. Principal Accounting Policies

##### Accounting Convention

Accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in United Kingdom 2006 (the code), which, with the Statement of Recommended Practice (the SORP) is recognised by statute.

##### 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 2006/2007, depreciation was only chargeable on vehicles, plant infrastructure assets and on no other assets of the authority.

With effect from 1 April 2006, Capital Charges are not shown in the Revenue Accounts. Assets are still depreciated as above and on release or sale of the asset any loss or profit over written down value is recorded in the Statement of Recognised Gains and Losses annexed to the Income and Expenditure Account. There are no such gains or losses in this account.

##### Investments

Investments are included at cost. Details are given at note 11.

## Newbury Town Council

### Notes to the Accounts

31 March 2007

#### 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 14.

#### 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 last actuarial valuation was to 31 March 2007 and any change in contribution rates as a result of that valuation will take effect from 1 April 2007. See note 7.

## Newbury Town Council

### Notes to the Accounts

31 March 2007

#### 2. 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%

	2007	2006
	£	£
Corporate Diamond Account - Interest	-	12,889
Special Interest Bearing Account Interest	17,644	3,158
Interest Income - General Funds	5,113	2,515
	<u>22,757</u>	<u>18,562</u>

#### 3. 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.

#### 4. 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
	£	£
Recruitment Advertising	2,745	1,627
Other Advertising	2,501	1,630
Production of Newsletter (net of advertising revenue)	2,540	1,271
Publicity	1,597	2,403
	<u>9,383</u>	<u>6,931</u>



## Newbury Town Council

### Notes to the Accounts

31 March 2007

#### 5. S.137 Expenditure

Section 137 of the Local Government Act 1972 (as amended) enables the Council to spend up to the product of £5.44 per head on the electoral roll (£5.64 from 1 April 2007) for the benefit of people in its area on activities or projects not specifically authorised by other powers. While some of the grants processed would be authorised by other powers, the specific grants given by this Council's Grant Sub-Committee are declared under this heading.

	2007	2006
	£	£
21,269 persons on Electoral Roll at 31 March 2007 @ £5.44	115,703	114,946
	<u>£</u>	<u>£</u>
Expenditure was incurred for the following purposes:		
Grants to local Voluntary Bodies	9,989	7,991
	<u>9,989</u>	<u>7,991</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.

#### 6. Employees

Once all positions had been filled (by end of February) the position was:

	2007	2006
	Number	Number
Full Time	10	8
Part Time	4	5
	<u>14</u>	<u>13</u>
Civic Staff on honoraria	6	7
	<u>20</u>	<u>20</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 2007

#### 7. Pension Costs

In 2006/2007 the Council paid employer's contributions of £18,976.78 representing 13.5% of employees' pensionable pay (plus employees' contributions, 6%, £8,434.13) 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 2007, the Employer's Assets were £278,000. However this was offset by the present value of the Scheme Liabilities of £393,000 leaving a Net Pension Asset of -£115,000. The liabilities are calculated at £260,000 employee members, £70,000 deferred pensioners and £63,000 actual pensioners.

Hymans Robertson have advised that, in accordance with SSAP24 (Accounting for Pension Costs), the Council's contribution will increase to 15.5% of pensionable pay with effect from 1 April 2007. 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 2007 for the purposes of FRS 17 is available on request from the Town Hall, Market Square, Newbury, RG14 5AA.

#### 8. Tangible Fixed Assets

	Vehicles and Equipment	Infra- structure Assets	Community Assets	Total
<b>Cost</b>	£	£	£	£
At 1 April 2006	361,447	16,052	6,314,307	6,691,806
Additions	38,906	4,040	25,679	68,625
	<u>400,353</u>	<u>20,092</u>	<u>6,339,986</u>	<u>6,760,431</u>
Revalued by	-	-	-	-
	<u>400,353</u>	<u>20,092</u>	<u>6,339,986</u>	<u>6,760,431</u>
<b>Depreciation</b>				
At 1 April 2006	280,110	11,885	-	291,995
Charged for the year	57,789	3,097	-	60,886
Released by Sales	-	-	-	-
	<u>337,899</u>	<u>14,982</u>	<u>-</u>	<u>352,881</u>
<b>Net Book Value</b>				
At 31 March 2007	<u>62,454</u>	<u>5,110</u>	<u>6,339,986</u>	<u>6,407,550</u>
At 31 March 2006	<u>81,337</u>	<u>4,167</u>	<u>6,314,307</u>	<u>6,399,811</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 2007

### 9. Financing of Capital Expenditure

	2007	2006
	£	£
The following capital expenditure was incurred during the year:		
Fixed Assets Purchased	38,906	14,932
Less: Fixed Assets sold	-	-
Additions to Infrastructure Assets	4,040	3,737
Addition to Community Assets	25,679	26,152
	<u>68,625</u>	<u>44,821</u>

and was financed by:

Drawing down reserves	44,048	11,740
Precept and Revenue Income	24,577	33,081
	<u>68,625</u>	<u>44,821</u>

## Newbury Town Council

### Notes to the Accounts

31 March 2007

#### 10. 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

#### 11. Investments

	Investments Other Than	
	Loans	Total
Cost	£	£
At 1 April 2006	2,088	2,088
At 31 March 2007	2,088	2,088
<b>Net Book Value</b>		
At 1 April 2006	2,088	2,088
At 31 March 2007	2,088	2,088

## Newbury Town Council

### Notes to the Accounts

31 March 2007

#### 12. Debtors

	2007	2006
	£	£
Trade Debtors	7,318	10,809
VAT Recoverable	30,570	22,524
Prepayments	28,546	3,630
Accrued Income	-	-
Mosaic Books in stock (nominal)	100	5,175
	<u>66,534</u>	<u>42,138</u>

#### 13. Creditors and accrued expenses

	2007	2006
	£	£
Trade Creditors	37,656	51,280
Receipts in advance	8,074	527
Accrued expenditure	26,166	9,688
Allotment key deposits	3,440	2,620
	<u>75,336</u>	<u>64,115</u>

#### 14. Loans

At the close of business on 31 March 2007 the following loans to the Council were outstanding. The Loan is repayable at £5,000 per annum until September 2019

			Years
Lender	Loan Period	Amount	Remain
		£	
Public Works Loan Board	20 years from 1999	62,500	12.5

#### 16. Fixed Asset Restatement Account

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.

	2007	2006
	£	£
Balance at 1 April 2003	5,976,087	5,958,087
By revaluation of Assets	-	18,000
	<u>5,976,087</u>	<u>5,976,087</u>

## Newbury Town Council

### Notes to the Accounts

31 March 2007

#### 17. Capital Financing Account

	2007	2006
	£	£
Opening balance	353,009	381,099
Financing capital expenditure in the year using revenue balances	68,625	44,821
Reversal of depreciation	-60,886	-77,911
	<u>360,748</u>	<u>348,009</u>
Loan repayments	5,000	5,000
Closing balance	<u>365,748</u>	<u>353,009</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

	01 April 2006	to Reserve	from Reserve	31 March 2007
	£	£	£	£
Capital Equipment Reserve	25,000	25,000	25,000	25,000
Capital Buildings Reserve	100,000	120,000	100,000	120,000
Other Earmarked Reserves (Appendix A)	182,805	127,682	182,805	127,682
Total Earmarked Reserves	<u>307,805</u>	<u>272,682</u>	<u>307,805</u>	<u>272,682</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.

#### 19. Capital Commitments

The Council had no capital commitments at 31 March 2007 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.

## Newbury Town Council

### Notes to the Accounts

31 March 2007

#### 21. Reconciliation of Revenue Cash Flow

	2007	2006
		£
(Deficit)/Surplus for the year Add/(Deduct)	-29,195	89,092
Depreciation	60,886	77,911
Interest paid	3,701	4,357
Interest and investment Income	-22,757	-18,562
(-Increase)/Decrease in Debtors	-24,396	47,257
Increase/(-Decrease) in Creditors	11,221	-19,117
	<u>-540</u>	<u>180,938</u>

#### 22. Movement in Cash

	2006	2005
Balance at 1 April		
Cash with accounting officer	200	200
Cash in bank	499,082	353,760
	<u>499,282</u>	<u>353,960</u>
Balances at 31 March	2007	2006
Cash with accounting officers	200	200
Cash at bank	443,973	499,082
	<u>444,173</u>	<u>499,282</u>
Net cash (outflow)/inflow	<u>-55,109</u>	<u>145,322</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. The stock has been reviewed for impairment and the stock has been impaired to a value of £100. This value has been shown as a debtor on the Balance sheet.

## Newbury Town Council

## Notes to the Accounts

31 March 2007

## Schedule of Earmarked Reserves

	Balance at 1 Apr 06	Contribution from reserve	Contribution to reserve	Balance at 31 Mar 07
	£	£	£	£
<b>Capital Project Reserves</b>				
Capital Equipment Reserve	25,000	25,000	25,000	25,000
Capital Building Reserve	100,000	100,000	120,000	120,000
<b>Reserves earmarked by P &amp; R Committee detailed below</b>	144,968	144,968	108,469	108,469
<b>Other Earmarked Reserves</b>				
Christmas Lights	1	1	1	1
Election Expenses	12,518	12,518	16,515	16,515
Sculpture	25,318	25,318	2,698	2,698
<b>TOTAL EARMARKED RESERVES</b>	<b>307,805</b>	<b>307,805</b>	<b>272,683</b>	<b>272,683</b>

## Reserves earmarked P and R Committee

Wash Common Jubilee Project	4,500
Wash Common recreational facilities	8,085
Section 106, 29 Essex Street	8,377
City Recreation Ground	10,080
Park enhancement Victoria Park	5,716
Balance Disability Access Shaw Chapel	2,182
Balance EIS budget re Hydro-electric scheme	1,200
Dog & Litter Bins	700
Signage St Georges	250
Arts and Leisure Committee Fund - Town Trail Symposium	500
Arts and Leisure Committee Fund - Carnival	500
NYPC	580
Flagpole	1,000
Byelaw Sign Implementation	2,000
Balance Repair Playground Equipment	1,857
Section 106 Monies 192 London Road (Victoria Park)	17,194
192 London Road (Clay Hill)	34,506
3 Howard Road (Greenham House)	4,298
36 St Michael's Road	4,944
	<u>108,469</u>