



EARLEY TOWN COUNCIL

**UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

Earley Town Council

Explanatory foreword to the financial statements for the year ended 31 March 2023

The Council's financial statements for the year ended 31 March 2023 are set out on the pages attached and consist of the following:

- **The Income & Expenditure Account**, showing income and expenditure on all services.
- **The Balance Sheet**, setting out the Council's financial position at the year end.
- **Notes to the financial statements**, providing information on amounts included

This Foreword provides a brief summary highlighting the more important aspects of the Council's activities and its financial position, and it facilitates a greater understanding of these matters.

Basis of preparing the financial statements

As the Council's income is less than £6,500,000, the Council's financial statements follow the directions for medium-sized councils in the Practitioner's Guidance, which is endorsed by CIPFA and is thus regarded as proper practice. The balance sheet therefore excludes fixed assets such as premises, equipment and infrastructure and any associated external loans, and depreciation is not charged.

Audit opinion on accounts

As the Council falls within the limited assurance audit regime, the statutory accounts are included in Section 2 of the annual return for external audit, as a summary of the year's income and expenditure, reserves, fixed assets and long-term borrowings as detailed in these unaudited financial statements. The external auditors' opinion will be given in due course on the accounts within the annual return, which was approved at the Council meeting on 21 June 2023.

Outturn for the year

The outturn for the year is set out in the Income & Expenditure Account on page 4 and may be summarised as follows:

	£
Net cost of services after income from fees and charges	748,968
Less: Interest received	6,021
Amount to be met by precept	742,947
Precept on the Borough Council	988,054
Community Infrastructure Levy (CIL)	1,355
Net income for the year	246,462
Transfers to earmarked reserves (net)	-115,376
Amount added to General Reserves for the year	131,086
General Reserves balance brought forward	967,520
General Reserves balance carried forward	1,098,606

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Review of the year's activities

In line with most organisations during the year, the Council continued to face financial pressures from the impacts of the pandemic, sky-high utilities costs and high inflation. As public confidence began to return, income from hall hire gradually increased although remaining below pre-pandemic levels however, the lack of government caps on increases to gas and electric charges for businesses meant the Council faced huge increases as existing contracts came to an end. The Council's gas supplier went into administration at the start of the utilities' crisis which, in hindsight, was a positive as it meant the overnight increase to our gas charges was 400%, lower than many other businesses faced later on. For the period 2022/23, inflation was at 10.1% (CPI), the effect of this being that the majority of ETC's suppliers increased their charges, in some cases, multiple times during the year. The Council's cautious approach to budgeting and its on-going adaptive approach to deal with an ever-changing situation meant it was well equipped to handle these significant challenges and continue to deliver high quality services to our residents.

The economic climate remained uncertain, the Council continued to take a proactive approach and plan for the longer term. Existing contracts and expenditure were reviewed to ensure that best value was being obtained in all areas. An example of this was the comprehensive overhaul of insurance requirements, including meeting with providers, to ensure that the right cover was obtained and avoiding the 50% increases other councils were faced with. The Council returned Laurel Park Pavilion to Wokingham Borough Council as the income it was receiving did not meet the costs to ETC of delivering WBC services and there was no longer any reasonable prospect of a transfer of land to the Town Council. Throughout the year Members were provided with financial updates and the budget setting process was transparent and open to all councillors.

Despite these challenges, Earley Town Council continued its drive to improve standards and move forwards with its plans. The transformation of the old social club space at Radstock Community Centre was completed, resulting in the launch of the Elizabeth Room, a unique informal space perfectly suited to use by charities and support groups, especially those tackling social isolation and mental health issues. The feedback from hirers has been hugely positive and the facility has attracted totally new services to Earley. Investment in the Council's assets continued, with an emphasis on modernisation and health and safety. Building access control systems were installed at Radstock Community Centre and Maiden Place Community Centre, improving security of the buildings and the safeguarding of its users. The exit road at Mays Lane Cemetery was resurfaced; a rolling programme of replacing dilapidated bus shelters was started, and a project to replace old wooden notice boards with high quality, covered boards, complete with town council branding, was begun. Two red telephone boxes were adopted by the Council, one, in Wychwood Crescent, was refurbished and a community defibrillator installed. A commemorative tree and plaque were planted at Dinton Pastures marking the 50th anniversary of the Loddon Viaduct disaster. In keeping with the Council's green agenda, tree planting took place at Paddick Drive open space, the wild flower beds around Earley were replanted and the Green Fair returned, bigger and better. Officers updated the lake's emergency plan, lodging the document with DEFRA, and purchased equipment to deal with any flooding, some of which was funded by a £2,100 grant from SSE's Communities Fund. During the year, the Council increased its earmarked reserve funds by £115,376 to provide for some of the significant projects which will be undertaken in 2023/24.

In the year the Council received £1,355 under the Community Infrastructure Levy (CIL) scheme and utilised £11,307 of the fund on replacing bus shelters, purchasing flood emergency equipment and contributing to a community garden scheme, leading to a reduction in the total CIL funds to £58,121

Earley Town Council

Explanatory foreword to the financial statements for the year ended 31 March 2023

at 31 March 2023. This fund is to be spent on suitable community projects within five years from receipt.

Throughout the year the Council continued to invest in its staff, appointing a new Operations Manager and an extra maintenance officer and staff training was a priority, ensuring that the Council could carry out work in-house rather than use more expensive contractors and that staff could work confidently and safely.

Progress of two of the Council's major projects, the expansion of Mays Lane Cemetery and the reopening of youth services were delayed due to events beyond our control namely, WBC's published plans to replace the footbridge over the railway and A329, and the requirement by Maiden Erlegh Trust that the Town Council vacate the Silverdale Centre. However, preparatory works have continued and funds for both projects have been ring-fenced by the Council.

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Explanatory foreword to the financial statements for the year ended 31 March 2023

Statement of responsibilities for the financial statements

The Council is required to:

- Make arrangements for the administration of its financial affairs;
- Secure that one of its officers (referred to as the Responsible Financial Officer) is responsible for the administration of those affairs. At this Council, that officer is the Town Clerk.
- Manage its affairs to secure economic, efficient and effective use of resources and to safeguard its assets

The Responsible Financial Officer is responsible for ensuring the preparation of the Council's financial statements in accordance with proper practices so far as applicable to this Council, to present fairly the financial position of the Council at 31 March 2023 and its income and expenditure for the year then ended. In relation to the preparation of the financial statements, the Responsible Financial Officer has ensured that:

- Suitable accounting policies have been selected and consistently applied;
- That the judgements that were made were reasonable and prudent; and
- Guidance has been complied with.

The Responsible Officer has also ensured that:

- Proper accounting records were kept that were up to date at year end;
- Reasonable steps were taken for the prevention and detection of fraud and other irregularities.

Signed

Chair of the Council

Dated 21 June 2023

Council Offices
Radstock Lane
Earley
Reading
RG6 5UL

Earley Town Council
Income & Expenditure Account for the year ended 31 March 2023

Services	Note	Year Ended 31 March 2023		2022	
		Expense £	Income £	Net £	Net £
Community centres		51,696	-123,079	-71,383	-33,032
Parks and sports pitches		40,621	-15,407	25,214	25,035
Maiden Erlegh Nature Reserve		10,576	-2,733	7,843	1,751
Other amenities and open spaces		13,051	-4,078	8,973	4,653
Cemetery		19,846	-85,414	-65,568	-92,616
Help Shop		0	-14,206	-14,206	-14,000
Grants and community support	2	18,191	-2,101	16,090	15,469
Capital expenditure	6	33,119	0	33,119	24,222
General administration		808,944	-58	808,886	757,289
Net cost of services		996,044	-247,076	748,968	688,771
Interest and investment income				6,021	214
Net operating expenditure				742,947	688,557
Precept on the Borough Council				988,054	988,054
Community Infrastructure Levy (CIL)				1,355	12,721
Net income/expenditure(-) for the year				246,462	312,218
Movement on General Reserves balance:					
Balance brought forward				967,520	770,522
Transfers (net) to earmarked reserves	10			-115,376	-115,220
Net income/expenditure(-) as above				246,462	312,218
Balance carried forward				1,098,606	967,520

The notes on pages 7 to 12 form part of the financial statements.

**Earley Town Council
Balance Sheet at 31 March 2023**

	Notes	31 March 2023		31 March 2022	
		£	£	£	£
Fixed assets					
Tangible fixed assets	1,6				
Current assets					
Debtors	8	28,909		31,455	
Bank term deposits		330,806		330,712	
Other bank accounts		1,374,756		1,128,829	
			1,734,471		1,490,996
Current liabilities					
Creditors and accrued expenses	9		-21,078		-24,066
Total assets less current liabilities			1,713,393		1,466,930
Capital and reserves					
Earmarked reserves	10		614,787		499,411
General Reserves balance			1,098,606		967,519
			1,713,393		1,466,930

The Council falls within the limited assurance audit regime, and so the external audit opinion will be provided on the Annual Return, which includes a summary of the Income and Expenditure Account, fixed assets and associated long-term loans, and reserves. The audit opinion will be provided and advertised in due course.

These financial statements present fairly the financial position of the Council as at 31 March 2023 and reflect its income and expenditure for the year. These accounts were approved at a meeting of the Council held on 21 June 2023.

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Chair of the Council

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Responsible Financial Officer

Earley Town Council

Notes to the financial statements for the year ended 31 March 2023

1. Principal accounting policies

Accounting convention

The financial statements have been prepared in accordance with the directions for local councils in the Practitioner's Guidance, which is endorsed by CIPFA and is thus regarded as proper accounting practice as applied to the accounting statements for local councils.

Fixed assets and associated long-term borrowing

The Council's financial statements do not include the value of fixed assets on the balance sheet or depreciation in the Income & Expenditure Account. The acquisition, creation or enhancement of fixed assets is expensed to revenue each year, and disposal proceeds are credited to a capital receipts reserve if not immediately used to fund capital expenditure.

Fixed assets are stated in the Notes as valued on the bases 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), subject to a de minimis of £500. The closing balances are stated on the following basis:

Land, operational properties and equipment, infrastructure and community assets are valued at the lower of cost or valuation, less depreciation to 31 March 2011. In accordance with Practitioners' Guidance, depreciation is no longer provided.

Certain community assets are the subject of restrictive covenants as to their use and/or future disposal. Such assets are therefore considered to have no appreciable realisable value and are stated at a nominal value.

Long-term borrowing to finance the acquisition of fixed assets similarly is not included on the balance sheet. Amounts received are credited to capital receipts reserve and then released to revenue when used, and repayments are expensed to revenue when incurred.

Debtors and creditors

The financial statements are prepared on an accruals basis. Amounts due to or from the Council during the year are therefore included whether or not the cash has actually been received or paid in the year.

Reserves

The Council maintains certain operational reserves to meet general and specific future expenditure. The purpose of the Council's reserves is explained in Note 10.

Pensions

The pension costs in these financial statements are the employer's contributions paid to the Local Government Pension Scheme (LGPS), which is a defined benefit scheme. These contributions are determined by the Fund's actuary on a triennial basis and are set to meet 100% of the liabilities of the Fund, in accordance with relevant local government regulations.

Earley Town Council

Notes to the financial statements for the year ended 31 March 2023 (continued)

General administration and support service costs

Central administrative support costs are reallocated direct to the services concerned, so far as they can reasonably be ascertained. The remaining administrative costs, including those relating to the democratic process, are shown as a separate service cost in the Income & Expenditure Account.

2. Grants and support for community organisations

Each year the Council provides grants and other financial support for community organisations. These grants are made using the General Power of Competence which was adopted by the Council at the Annual Meeting held on 17th May 2023.

Grants awarded in the year were as follows:

	2023	2022
	£	£
Transport Services	725	2,475
Youth Work	1,500	1,500
Citizens Advice Bureau	2,750	6,000
Sports Sponsorship	3,150	1,025
Other Donations	10,066	4,469
	18,191	15,469

3. Employees

The number of staff employed by the Council at the yearend was

	Number	Number
Full-time	11	12
Part-time	7	8
	18	20

4. Advertising and publicity

The Council's expenditure on advertising and publicity was as follows

	£	£
Advertising	-	-
Website maintenance	1,950	1,750
	1,750	1,908

Earley Town Council

Notes to the financial statements for the year ended 31 March 2023 (continued)

5. Pension costs

The Council's staff members are eligible to become members of the Berkshire County Pension Scheme, which is administered by The Royal Borough of Windsor & Maidenhead, and 17 staff are currently members. The Council's contributions as employer during the year ended 31 March 2023 were £127,787 (2021/22: £111,063). Employer contributions were 26.3% of pensionable salaries (2021/22: 25.3%).

6. Fixed assets

	<u>£</u>
Operational land and buildings (see additional note below)	
Maiden Place Community Centre (long leasehold, peppercorn rent)	601,750
Radstock Lane Community Centre (long leasehold, peppercorn rent)	471,554
Council Offices, Radstock Lane (freehold)	274,200
Maiden Erlegh Nature Reserve Interpretation Centre (freehold)	93,851
Paddick Drive open space and BMX track	126,506
Sol Joel Pavillion	572,978
Other land and buildings	128,812
Vehicles and equipment	
Vehicles	94,341
Grounds and general maintenance, and Council administration	157,133
Play equipment in parks	340,161
Infrastructure assets; including street lights (65), bus shelters (50), public seats and noticeboards	76,333
Community assets	
Sol Joel Park (45 year lease from Reading BC) and Meadow Park	1
Open spaces owned freehold or leased over 25+ years (peppercorn rent)	2
Mays Lane Burial Ground (MLBG)	1
Culver Lane allotments	1
Net book value, not reflected on balance sheet	2,937,624

The Council's freehold land and buildings were valued as at 31 March 2007 by independent external valuers, Martin & Pole, Chartered Surveyors, on the basis set out in the accounting policies.

There were additions of £33,119 including £9,307 of expenditure from Community Infrastructure Levy funds and disposals of £7,735 to fixed assets in the year.

Earley Town Council
Notes to the financial statements for the year ended 31 March 2023 (continued)

Capital receipts in the year were as follows

Community Infrastructure Levy (CIL) received, transferred to reserves	1,355
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7. Loan from Public Works Loan Board (PWLB)

The Council borrowed £350,000 towards the cost of constructing the new Pavilion in Sol Joel Park. The first tranche of £150,000, drawn down in January 2013, is repayable over 25 years in equal instalments of £3,000 every six months and bears interest at 3.4% per annum. The remaining £200,000 was drawn down in June 2013 and is repayable over 25 years by instalments of £4,000 every six months and bears interest at 3.53 % per annum.

The movement on PWLB indebtedness over the year is as follows:

	£
Indebtedness at 1 April 2022	228,000
Repayments	14,000
Indebtedness at 31 March 2023	214,000

8. Debtors and prepayments

	2023	2022
	£	£
Debtors for Council services	17,090	23,936
Other debtors	-	-
Value Added Tax	9,641	4,296
Prepaid expenses	2,178	3,223
	28,909	31,455

9. Creditors and accrued expenses

	2023	2022
	£	£
Trade creditors and accruals	19,083	23,521
Income in advance	1,995	545
	21,078	24,066

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Notes to the financial statements for the year ended 31 March 2023 (continued)

10. Earmarked reserves

	31 March 2022 £	Transfers	31 March 2023 £
Community Infrastructure Levy			
<i>These funds are held until specific projects are identified but must be used within five years</i>	70,167	-10,527	59,640
Bus Shelters	20,000	10,000	30,000
Cemetery Extension	85,000		85,000
Elections	18,250	6,000	24,250
Environmental Projects	10,263	19,737	30,000
IT Upgrade	-	5,000	5,000
Laurel Park Enhancements	7,000		7,000
Laurel Park Pitch Income	9,769		9,769
Meadow Park Playground	20,000	10,000	30,000
Other Projects	6,945		6,945
Sol Joel Pavilion Project	130,000	34,500	164,500
Vehicles	40,000	20,000	60,000
Youth Projects	5,000		5,000
Radstock Lane Community Space	3,819	-1,831	1,988
Green Events	3,265	-3,265	-
Radstock Lane Community Centre Improvements	5,000	-1,295	3,705
Allotments Improvements	600		600
Maiden Place Community Centre Doors and Windows	10,000	-1,295	8,705
Silverdale Improvements	4,000	-4,000	-
Pathways	799	-633	166
Phone Box Project	-	3,485	3,485
Benches/Seats	-	4,500	4,500
Maiden Place Community Centre Heating System	-	15,000	15,000
Radstock House Council Office Flat Roof	-	5,000	5,000
Website Upgrade	5,000	5,000	10,000
Recovery Fund	44,533		44,533
	499,411	115,376	614,787

11. Tenancies

The Council's community centre at Maiden Place has a resident social club that is a tenant under a repairing lease paying £16,200 annual rental. Last year, due to the Covid-19 lockdown restrictions, the

Earley Town Council

Notes to the financial statements for the year ended 31 March 2023 (continued)

social club was closed to customers for the first 2 months of the year and monthly rental was charged at 50% that reduced the annual rent to £14,850. (2021/22 £14,850).

12. Contingent liabilities

The Council had no contingent liabilities at 31 March 2023 (2021/22: none).

