

Witney Town Council

Unaudited Financial Statements

For the year ended 31 March 2020

Witney Town Council

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31 March 2020

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Witney Town Council

Council Information

31 March 2020

(Information current at 13th July 2020)

Town Mayor

Cllr J. Aitman

Councillors

Cllr L. Duncan (Deputy Town Mayor)

Cllr L. Ashbourne

Cllr T. Ashby

Cllr R. Bolger

Cllr D. Butterfield

Cllr O. Collins

Cllr H. B. Eaglestone

Cllr D. S. T. Enright

Cllr V. Gwatkin

Cllr A. D. Harvey

Cllr M. Jones

Cllr J. S. King

Cllr A. McMahon

Cllr A. Prosser

Cllr R. Smith

Cllr D. Temple

Town Clerk

Mrs Sharon Groth PSLCC ACMI

Auditors

Moore Stephens (East Midlands)

Rutland House

Minerva Business Park

Lynch Wood

Peterborough

PE2 6PZ

Internal Auditors

Auditing Solutions Limited

Clackerbrook Farm

46 The Common

Bromham

Chippenham

Wiltshire

SN15 2JJ

Witney Town Council
Statement of Responsibilities
31 March 2020

The Council's Responsibilities

The council is required:

- to make arrangements for the proper administration of its financial affairs
- to secure that one of its officers (R.F.O.) has the responsibility for the administration of those affairs. At this council that officer is the Finance Officer, and
- to manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.

The Responsible Financial Officer's Responsibilities

The R.F.O. is responsible for the preparation of the council's Unaudited Financial Statements in accordance with Part 4 of the "Governance and Accountability for Local Councils – A Practitioners Guide (England) (as amended)" (the guide), so far as is applicable to this council, to present a true and fair view of the financial position of the council at 31 March 2020 and its income and expenditure for the year then ended.

In preparing the Unaudited Financial Statements, the R.F.O. has:

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

The R.F.O. has also:

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

Responsible Financial Officer's Certificate

I further certify that the Unaudited Financial Statements present a true and fair view of the financial position of Witney Town Council at 31 March 2020, and its income and expenditure for the year ended 31 March 2020.

Signed:
Mrs Sharon Groth

Date: 9/6/2020

Witney Town Council
Statement of Accounting Policies
31 March 2020

Auditors

The name and address of the External Auditors is provided for information only.

These Statements are not subject to audit and the External Auditors have no responsibility for them.

Accounting Convention

The accounts have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) (FRSSE) issued by the Accounting Standards Board, as applied to Local Councils by part 4 of Governance and Accountability for Local Councils – A Practitioners Guide (England) (the guide). Comparative figures have been restated to conform to the revised formats where appropriate. Certain requirements have been omitted for clarity and simplicity as these statements are not subject to audit. They are produced in support of the council's audited Statement of Accounts contained within the Annual Return Statement of Accounts.

These accounts have been prepared having regard to the fundamental accounting concepts of: Going Concern, Prudence, Accruals, Relevance, Consistency, Reliability, Comparability, Understandability and Materiality.

The accounts have been prepared under the historical cost convention.

Fixed Assets

All expenditure in excess of £1000 (on any one item or group of similar items) 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 the Chartered Institute of Public Finance and Accountancy (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 and buildings are included in the balance sheet at Depreciated Replacement Cost (DRC). The DRC basis of valuation requires an estimate of the value of the land in its existing use, together with the current replacement cost of the building and its external works, from which appropriate deductions have been made to reflect the age, condition, economic, functional and environmental obsolescence and other locational factors which might result in the existing building being worth less than a new replacement building,

all other assets are included in the balance sheet at the lower of cost (estimated where not known) or estimated realisable value, except that,

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 included at nominal value only.

The surplus or deficit arising on periodic revaluations of fixed assets has been credited or debited to the Revaluation Reserve. 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.

In accordance with Financial Reporting Standard (FRS) 15, depreciation is provided on all operational buildings (but not land), as well as other assets.

Witney Town Council
Statement of Accounting Policies
31 March 2020

Depreciation Policy

Buildings and leasehold land are depreciated over the shorter of 50 years or the anticipated remaining useful lives on a straight line basis.

Freehold land is not depreciated.

Non Operational Assets (including Investment Properties) are not depreciated.

Vehicles, plant, equipment and furniture are depreciated over 5 to 20 years on a straight line basis.

Play equipment is depreciated over 15 years at 6.67% per annum straight line.

Infrastructure assets are depreciated over 20 years at 5% per annum straight line.

Community assets are not depreciated, because they are of either intrinsic or purely nominal value.

Depreciation is accounted for as a Balance Sheet movement only, not through the Income and Expenditure Account.

Grants or Contributions from Government or Related Bodies

Capital Grants

Where a fixed asset has been acquired or improved with the financing either wholly or in part by a grant or contribution from government or a related body, e.g. Sports Council, the amount of the grant has been credited to Deferred Grants Account and carried forward. Grants so credited are released back to revenue over the life of the asset to match, and thereby offset wholly or in part, depreciation charged.

Revenue Grants

Revenue grants are credited to income when conditions attached thereto have been fulfilled and/or equivalent expenditure has been incurred. Grants received in respect of which the conditions have not been fulfilled, or expenditure incurred, are carried forward as deferred revenue grants.

Investments

Investments are included in the balance sheet at historic cost and realised gains or losses are taken into the income and expenditure account as realised. Details are given at notes 13 and 15.

Debtors and Creditors

The revenue accounts of the council are maintained on an accruals basis in accordance with the regulations. 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 regular quarterly and other 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.

The council reviews the level of its commercial debtors on a regular basis and provisions are made, as required, where the likelihood of amounts proving ultimately collectable is in doubt.

Value Added Tax

Income and Expenditure excludes any amounts related to VAT, as all VAT suffered/collected is recoverable from or payable to HM Revenue and Customs. Any amounts not so recoverable are treated as a separate expense.

Witney Town Council
Statement of Accounting Policies
31 March 2020

External Loan Repayments

The council has no long term borrowing. Consequently, there were no external loan repayments made in the year.

Leases

Rentals payable under operating leases are charged to revenue on an accruals basis. Details of the council's obligations under operating leases are shown at note 17.

Reserves

The council maintains certain reserves to meet general and specific future expenditure. The purpose of the council's reserves is explained in notes 19 to 20.

Certain reserves are maintained to manage the accounting processes for tangible fixed assets, available for sale investments and retirement benefits. They do not represent usable resources for the council:

Capital Financing Account – represent the council's investment of resources in such assets already made.

Interest Income

All interest receipts are credited initially to general funds.

Cost of Support Services

The costs of management and administration have been apportioned to services on an appropriate and consistent basis.

Pensions

The pension costs that are charged against precept in the council's accounts, in respect of its employees, are equal to the contributions paid to the funded pension scheme for those 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 next actuarial valuation is due at 31st March 2022 and any change in contribution rates as a result of that valuation will take effect from 1st April 2023.

Witney Town Council
Income and Expenditure Account
31 March 2020

	Notes	2020 £	2019 £
Income			
Precept on Principal Authority		1,435,067	1,381,937
Grants Receivable		29,763	34,199
Rents Receivable, Interest & Investment Income		11,827	10,310
Charges made for Services		250,754	253,190
Other Income		21,376	34,202
Total Income		<u>1,748,787</u>	<u>1,713,838</u>
Expenditure			
Direct Service Costs:			
Salaries & Wages		(142,206)	(91,090)
Grant-aid Expenditure		(12,231)	(27,073)
Other Costs	1	(605,116)	(656,708)
Democratic, Management & Civic Costs:			
Salaries & Wages		(465,331)	(469,551)
Other Costs	1	(186,327)	(179,010)
Total Expenditure		<u>(1,411,211)</u>	<u>(1,423,432)</u>
Excess of Income over Expenditure for the year.		337,576	290,406
Exceptional Items			
(Loss) on the disposal of fixed assets		(1,288)	(8,828)
Net Operating Surplus for Year		336,288	281,578
STATUTORY CHARGES & REVERSALS			
Capital Expenditure charged to revenue	11	(42,532)	(23,640)
Reverse profit on asset disposals		1,288	8,828
Reverse Losses on investment disposals		-	-
Transfer (to) Earmarked Reserves	20	(279,877)	(244,819)
Surplus for the Year to General Fund		15,167	21,947
Net Surplus for the Year		295,044	266,766
The above Surplus for the Year has been applied for the Year to as follows:			
Transfer (to) Earmarked Reserves	20	279,877	244,819
Surplus for the Year to General Fund		15,167	21,947
		<u>295,044</u>	<u>266,766</u>

The council had no other recognisable gains and/or losses during the year.

The notes on pages 12 to 21 form part of these unaudited statements.

Witney Town Council
Statement of Movement in Reserves
31 March 2020

Reserve	Purpose of Reserve	Notes	2020 £	Net Movement in Year £	2019 £
Capital Financing Account	Store of capital resources set aside to purchase fixed assets	19	3,723,200	(63,998)	3,787,198
Earmarked Reserves	Amounts set aside from revenue to meet general and specific future expenditure	20	1,465,482	279,877	1,185,605
General Fund	Resources available to meet future running costs		535,501	15,167	520,334
Total			<u>5,724,183</u>	<u>231,046</u>	<u>5,493,137</u>

The notes on pages 12 to 21 form part of these unaudited statements.

Witney Town Council

Balance Sheet

31 March 2020

	Notes	2020 £	2020 £	2019 £
Fixed Assets				
Tangible Fixed Assets	10		4,725,686	4,834,684
Long Term Assets				
Investments Other Than Loans	13		60,469	60,469
Long Term Debtors			3,600	7,200
Current Assets				
Debtors and prepayments	14	246,402		318,801
Investments	15	1,041,173		1,033,537
Cash at bank and in hand		<u>1,226,120</u>		<u>915,599</u>
		2,513,695		2,267,937
Current Liabilities				
Creditors and income in advance	16	<u>(99,063)</u>		<u>(155,244)</u>
Net Current Assets			2,414,632	2,112,693
Total Assets Less Current Liabilities			7,204,387	7,015,046
Deferred Grants	18		(1,480,204)	(1,521,909)
Total Assets Less Liabilities			<u>5,724,183</u>	<u>5,493,137</u>
Capital and Reserves				
Capital Financing Reserve	19		3,723,200	3,787,198
Earmarked Reserves	20		1,465,482	1,185,605
General Reserve			<u>535,501</u>	<u>520,334</u>
			<u>5,724,183</u>	<u>5,493,137</u>

The Unaudited Financial Statements represent a true and fair view of the financial position of the Council as at 31 March 2020, and of its Income and Expenditure for the year.

These accounts were approved by the Council on 13th July 2020 .

Signed:

Cllr J. Aitman
Town Mayor

.....

Mrs Sharon Groth PSLCC ACMI
Responsible Financial Officer

Date:

.....

The notes on pages 12 to 21 form part of these unaudited statements.

Witney Town Council

Cash Flow Statement

31 March 2020

	Notes	2020 £	2020 £	2019 £
REVENUE ACTIVITIES				
<i>Cash outflows</i>				
Paid to and on behalf of employees		(626,231)		(560,000)
Other operating payments		<u>(795,514)</u>		<u>(914,733)</u>
			(1,421,745)	(1,474,733)
<i>Cash inflows</i>				
Precept on Principal Authority		1,435,067		1,381,937
Cash received for services		318,567		241,974
Revenue grants received		<u>29,763</u>		<u>34,199</u>
			1,783,397	1,658,110
Net cash inflow from Revenue Activities	23		361,652	183,377
SERVICING OF FINANCE				
<i>Cash inflows</i>				
Interest received		<u>11,840</u>		<u>10,289</u>
Net cash inflow from Servicing of Finance			11,840	10,289
CAPITAL ACTIVITIES				
<i>Cash outflows</i>				
Purchase of fixed assets		(67,435)		(98,034)
<i>Cash inflows</i>				
Sale of fixed assets		-		700
Capital grant received		<u>8,500</u>		<u>1,090</u>
Net cash (outflow) from Capital Activities			(58,935)	(96,244)
Net cash inflow before Financing			<u>314,557</u>	<u>97,422</u>
FINANCING AND LIQUID RESOURCES				
(Increase) in money on call			(7,636)	(6,507)
Loan repayments received			<u>3,600</u>	<u>1,800</u>
Net cash (outflow) from financing and liquid resources			<u>(4,036)</u>	<u>(4,707)</u>
Increase in cash	24		<u><u>310,521</u></u>	<u><u>92,715</u></u>

The notes on pages 12 to 21 form part of these unaudited statements.

Witney Town Council

Notes to the Accounts

31 March 2020

1 Other Costs Analysis

Other Costs reported in the council's Income and Expenditure Account comprise the following:

Direct Service Costs

	2020	2019
	£	£
Public Halls	50,733	89,684
Parks & Recreation Grounds & Play Areas	443,929	415,702
Allotments	4,222	379
Cemeteries & Closed Churchyards	19,943	22,877
Closed Churchyards	356	530
Community Support	64,241	68,433
Community Infrastructure	33,923	86,176
Less: Grant-aid Expenditure	(12,231)	(27,073)
Total	605,116	656,708

Democratic, Management & Civic Costs

	2020	2019
	£	£
Corporate Management	144,633	164,470
Democratic Representation & Management	39,121	9,976
Civic Expenses	930	1,873
Mayors Allowance	1,643	2,691
Interest Payable	0	0
Total	186,327	179,010

As reported in the Statement of Accounting Policies, apportionment of central costs is not reflected in the above analysis.

2 Interest and Investment Income

	2020	2019
	£	£
Interest Income - General Funds	11,827	10,310
	11,827	10,310

Witney Town Council

Notes to the Accounts

31 March 2020

3 Related Party Transactions

The council is required to disclose material transactions with related parties – bodies that have the potential to control or influence the council or to be controlled or influenced by the council. Disclosure of these transactions allows readers to assess the extent to which the council might have been constrained in its ability to operate independently or might have secured the ability to limit another party's freedom to bargain with the council at arms length.

Related parties include:

Central Government

The council's operations are controlled by statutes passed by Central Government. All transactions with Central Government arise as a result of some of those statutes but do not, in the opinion of the council, require to be disclosed here.

Principal Authorities

The District Council collects this council's Precept and remits the same to the council under statutory provisions. The Precept is disclosed separately elsewhere in these accounts.

The County Council administers the Pension Fund of which certain of the council's staff are members. Details of amounts payable to the fund are disclosed at note 9.

Members of the council

Members have direct control over the council's financial and operating policies. During the year no members have undertaken any declarable, material transactions with the council, nor the council with any member. Details of such transactions (if any) are recorded in the Register of Members' Interests, open to public inspection at the council's offices.

Members represent the council on various organisations. Appointments are reviewed annually, unless a specific termination date applies to the term of office. None of these appointments places a Member in a position to exert undue influence or control.

Officers of the Council

Other than their contracts of employment, no material transactions have been made during the year between the council and any officer.

Other Organisations

The council awards grants to support a number of voluntary or charitable bodies. It does not attempt to exert control or influence as a result of such grants.

Witney Town Hall Charity has 5 Trustees, 2 of whom are members of the town council.

The council had the following transactions with Witney Town Hall Charity:

		2020	2019
		£	£
Receipts	None	-	-
Payments	Rent paid for Town Hall, Town House and the Buttercross	13,750	13,750

4 General Power of Competence

With effect from 23rd March 2016 Witney Town Council acquired the right to exercise the General Power of Competence extended to Town and Parish Councils under the Localism Act 2011 by S.I. 2012 No 965 (The Parish Councils (General Power of Competence) (Prescribed Conditions) Order 2012). Therefore, with effect from 23rd March 2016 the council no longer exercises the powers conveyed by Section 137 of the Local Government Act 1972 (as amended).

Witney Town Council

Notes to the Accounts

31 March 2020

5 Audit Fees

The council is required to report and disclose the cost of services provided by its external auditors.

These may be summarised as follows:

	2020 £	2019 £
Fees for statutory audit services	2,000	2,000
Total fees	2,000	2,000

6 Members' Allowances

Members of Council have been paid the following allowances for the year:

	2020 £	2019 £
Mayors Allowance	1,643	2,691
	1,643	2,691

The council has resolved that, other than the Town Mayor, no members allowances will be paid.

7 Employees

The average weekly number of employees during the year was as follows:

	2020 Number	2019 Number
Full-time	16	15
Part-time	5	5
Temporary	-	-
	21	20

All staff are paid in accordance with nationally agreed pay scales.

8 Trust Funds

The council acts as sole trustee for the Mayors Charity Fund, the transactions of which do not represent activities of the council, and are not included in these accounts.

9 Pension Costs

The council participates in the Oxfordshire County Council Pension Fund. The Oxfordshire County Council Pension Fund is a defined benefit scheme, but the council is unable to identify its share of the underlying assets and liabilities because all town and parish councils in the scheme pay a common contribution rate.

The cost to the council for the year ended 31 March 2020 was £94,925 (31 March 2019 - £85,095).

The most recent actuarial valuation was carried out as at 31st March 2019, and the council's contribution rate is confirmed as being 21.70% of employees' pensionable pay, plus a lump sum of £0 with effect from 1st April 2020 (year ended 31 March 2020 – 21.70%, , plus a lump sum of £0).

Financial Reporting Standard 17 (FRS17): "Retirement Benefits" sets out accounting requirements for pension costs. For schemes such as Oxfordshire County Council Pension Fund, paragraph 9(b) of FRS17 requires the council to account for pension costs on the basis of contributions actually payable to the scheme during the year.

Witney Town Council

Notes to the Accounts

31 March 2020

10 Tangible Fixed Assets

	Operational Freehold Land and Buildings	Vehicles and Equipment	Infra-structure Assets	Community Assets	Total
Cost	£	£	£	£	£
At 31 March 2019	4,423,595	1,064,604	715,368	234,747	6,438,314
Additions	-	24,401	23,336	-	47,737
Disposals	-	-	(6,456)	-	(6,456)
At 31 March 2020	4,423,595	1,089,005	732,248	234,747	6,479,595
Depreciation					
At 31 March 2019	(574,918)	(754,990)	(273,722)	-	(1,603,630)
Charged for the year	(70,682)	(48,094)	(36,671)	-	(155,447)
Eliminated on disposal	-	-	5,168	-	5,168
At 31 March 2020	(645,600)	(803,084)	(305,225)	-	(1,753,909)
Net Book Value					
At 31 March 2020	3,777,995	285,921	427,023	234,747	4,725,686
At 31 March 2019	3,848,677	309,614	441,646	234,747	4,834,684

Although classified as capital expenditure, certain minor equipment purchases are not included in the above as they are not material in overall value.

Fixed Asset Valuation

The freehold and leasehold properties that comprise the council's properties have been valued as at 31st March 2009 by external independent valuers, Messrs Wilsons Commercial, Incorporated Valuers. Valuations have been made on the basis set out in the Statement of Accounting Policies, 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.

11 Financing of Capital Expenditure

	2020 £	2019 £
The following capital expenditure during the year:		
Fixed Assets Purchased	47,737	97,179
	47,737	97,179
was financed by:		
Capital Receipts	-	700
Capital Grants	5,205	72,839
Revenue:		
Capital Projects Reserve	36,357	16,645
Equipment Replacement Reserve	-	6,995
Precept and Revenue Income	6,175	-
	47,737	97,179

Witney Town Council

Notes to the Accounts

31 March 2020

12 Information on Assets Held

Fixed assets owned by the council include the following:

Operational Land and Buildings

The Corn Exchange
Langdale Hall
Burwell Hall
Madley Park Community Centre
West Witney Sports Ground
The Leys Recreation Ground
Allotment Sites – 3
Cemetery Lodge
Windrush Cemetery

Vehicles and Equipment

Light Vans – 4
Playground Equipment
Sundry works department equipment
Sundry public halls and office furniture and equipment

Infrastructure Assets

Car park
Footpaths and footpath lighting
Bus shelters
Other street furniture
The Leys Splashpark

Community Assets

Lake and Country Park
Cemeteries – 2
War Memorials - 2
Various play and amenity areas
Childrens' play areas
Council regalia and artefacts

Witney Town Council

Notes to the Accounts

31 March 2020

13 Investments

	Investments Other Than Loans
	£
Cost	
At 01 April 2019	60,469
At 31 March 2020	<u>60,469</u>
Amounts Written Off	
At 31 March 2020	<u>-</u>
Net Book Value	
At 31 March 2020	60,469
Deferred Debtors - Loans	<u>3,600</u>
	<u>64,069</u>
At 01 April 2019	60,469
Deferred Debtors - Loans	<u>7,200</u>
	<u>67,669</u>

At 31 March 2020 the investments included above at a cost of £60,469 had a market value of £61,493 (31 March 2019 - £63,772).

14 Debtors

	2020	2019
	£	£
Debtors - General	30,056	32,636
Debtors - Bookings	12,249	12,167
Provision for Doubtful Debts	(536)	(3,067)
Trade Debtors	<u>41,769</u>	<u>41,736</u>
VAT Recoverable	42,808	41,164
Other Debtors	-	19,503
Prepayments	17,265	37,709
Accrued Income	-	34,116
Accrued Interest Income	676	689
Capital Grant Debtors	<u>143,884</u>	<u>143,884</u>
	<u>246,402</u>	<u>318,801</u>

15 Current Asset Investments

	2020	2019
	£	£
Public Sector Deposit Fund (CCLA)	<u>1,041,173</u>	<u>1,033,537</u>
	<u>1,041,173</u>	<u>1,033,537</u>

Witney Town Council

Notes to the Accounts

31 March 2020

16 Creditors and Accrued Expenses

	2020	2019
	£	£
Trade Creditors	65,231	51,266
Other Creditors	-	22,344
Superannuation Payable	-	9,069
Payroll Taxes and Social Security	-	9,627
Accruals	19,334	21,593
Income in Advance	14,498	21,647
Capital Creditors	-	19,698
	<u>99,063</u>	<u>155,244</u>

17 Financial Commitments under Operating Leases

The council had annual commitments under non-cancellable operating leases of property as follows:

	2020	2019
	£	£
Obligations expiring within one year	-	-
Obligations expiring between two and five years	-	-
Obligations expiring after five years	13,750	13,750
	<u>13,750</u>	<u>16,545</u>

The council had annual commitments under non-cancellable operating leases of equipment as follows:

	2020	2019
	£	£
Obligations expiring within one year	2,795	2,795
Obligations expiring between two and five years	5,120	5,120
Obligations expiring after five years	-	-
	<u>7,915</u>	<u>7,915</u>

Witney Town Council

Notes to the Accounts

31 March 2020

18 Deferred Grants

	2020	2019
	£	£
Capital Grants Unapplied		
At 01 April	474,423	478,921
Grants received in the year	8,500	68,341
Applied to finance capital investment	(5,205)	(72,839)
At 31 March	<u>477,718</u>	<u>474,423</u>
Capital Grants Applied		
At 01 April	1,047,486	1,025,785
Grants Applied in the year	5,205	72,839
Released to offset depreciation	(50,205)	(51,138)
Extinguished and/or transferred	-	-
At 31 March	<u>1,002,486</u>	<u>1,047,486</u>
Total Deferred Grants		
At 31 March	<u>1,480,204</u>	<u>1,521,909</u>
At 01 April	<u>1,521,909</u>	<u>1,504,706</u>

Capital Grants are accounted for on an accruals basis and grants received have been credited to Deferred Grants Account. Amounts are released from the Deferred Grants Account to offset any provision for depreciation charged to revenue accounts in respect of assets that were originally acquired with the assistance of such grants.

19 Capital Financing Account

	2020	2019
	£	£
Balance at 01 April	<u>3,787,198</u>	<u>3,878,244</u>
Financing capital expenditure in the year		
Additions - using capital receipts	-	700
Additions - using revenue balances	42,532	23,640
Disposal of fixed assets	(6,456)	(28,343)
Depreciation eliminated on disposals	5,168	18,815
Reversal of depreciation	(155,447)	(156,996)
Deferred grants released	<u>50,205</u>	<u>51,138</u>
Balance at 31 March	<u><u>3,723,200</u></u>	<u><u>3,787,198</u></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 upon the amount to be met from precept. It does not represent a reserve that the council can use to support future expenditure.

Witney Town Council

Notes to the Accounts

31 March 2020

20 Earmarked Reserves

	Balance at 01/04/2019	Contribution to reserve	Contribution from reserve	Balance at 31/03/2020
	£	£	£	£
Capital Projects Reserves	719,414	140,191	(53,596)	806,009
Asset Renewal Reserves	122,132	6,711	-	128,843
Other Earmarked Reserves	344,059	246,506	(59,935)	530,630
Total Earmarked Reserves	1,185,605	393,408	(113,531)	1,465,482

The Capital Projects Reserves are credited with amounts set aside from revenue to part finance specific projects which are 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.

The Other Earmarked Reserves at 31 March 2020 are set out in detail at Appendix A.

21 Capital Commitments

The council had no other capital commitments at 31 March 2020 not otherwise provided for in these accounts.

22 Contingent Liabilities

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

23 Reconciliation of Revenue Cash Flow

	2020	2019
	£	£
Net Operating Surplus for the year	337,576	290,406
Add/(Deduct)		
Interest and Investment Income	(11,840)	(10,289)
Decrease/(Increase) in debtors	72,399	(27,741)
(Decrease) in creditors	(36,483)	(68,999)
Revenue activities net cash inflow	361,652	183,377