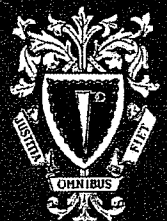


DUNSTABLE TOWN COUNCIL

STATEMENT OF ACCOUNTS 2009/2010



QUALITY
TOWN
COUNCIL



DUNSTABLE
TOWN COUNCIL

Dunstable Town Council

Section 1

Annual Report

Dunstable Town Council
Annual Report
For the Year Ended 31st March 2010

Council Information

Dunstable Town Council is comprised of 21 elected Members, as detailed on page 3 of Section 2.

Further information on the roles and responsibilities of Councillors and their representation on various committees and outside bodies are available on the Council's website www.dunstable.gov.uk

These Accounts have been prepared for the first time in accordance with the proper accounting practices found in the Financial Reporting Standard for Smaller Entities (FRSSE) which is issued by the Accounting Standards Board and Part 4 of Governance and Accountability for Local Councils: A Practitioners' Guide 2010 (England). Therefore the comparative period figures have been restated in the newly adopted format.

The Council's accounts have previously been prepared in accordance with the Statement of Recommended Practice (SoRP) issued by the Chartered Institute of Public Finance (CIPFA). However, from 2009/10 CIPFA disappplied the SoRP for larger local councils with a turnover of more than £1,000,000. Dunstable Town Council falls into that category.

By adopting and applying the FRSSE, the Council has become exempt from applying some of the more complex accounting standards required by the SoRP and International Accounting Standards. The substantive changes are as detailed below;

- The Capital Adjustment Account (SORP requirement) has been renamed the Capital Financing Account
- Removal of the cash flow information as a mandatory requirement
- A change in the accounting treatment for Government grants and other contributions in relation to the valuation of fixed assets

The Council's Statements of Accounts for the year ended 31st March 2010 are set out in Section 2 of this document. They consist of the following statements:

- **The Annual Governance Statement**

This statement outlines the governance framework and the system of internal control that the Council has in place to ensure it meets its obligations and monitors performance.

- **Statement of Responsibilities**

This statement sets out the responsibilities of the Town Council and the Responsible Financial Officer for the administration of the Council's financial affairs.

- **Statement of Accounting Policies**

This statement details the legislation and the accounting principles on which the financial statements are prepared.

- **Income and Expenditure Account**

This reports the income generated and the total expenditure on the services provided by the Council for the year.

- **Statement of Movement in Reserves**

- This statement details the movements in reserves which make up the bottom section of the Balance sheet.

- **The Balance Sheet**

This sets out the financial position of the Council at the year ending 31st March 2010 showing assets and liabilities and the balances of Reserves.

The Council's principal activities are the provision of the following services:

- Grove House (Council Offices)
- Allotments at Catchacre, Hillcroft, Maidenbower, Meadway, Pascomb and Westfield
- Dunstable Cemetery
- Recreation Grounds, including sports facilities and play areas
- Parks and Open Spaces
- Priory House Heritage Centre, including Tourist Information Centre and Rose Gardens Tea Rooms
- Summer Play Activities
- Youth and Community Facilities
- Events Programme

Unlike principal authorities, Dunstable Town Council does not receive any revenue support from Government nor does it get any funding from local businesses through the non-domestic rates.

Each year the Council develops a budget to meet the cost of providing its services and sets a precept.

The Council generates income through community centres, allotment fees, burial fees, hiring of recreational facilities and from the Precept.

Income from services is offset against the cost of providing services and the balance is funded from the precept. In 2009/2010 the precept required by Dunstable Town Council was £1,669,610. The Precept is collected by Central Bedfordshire Council as a proportion of Council Tax paid by local residents.

Budget and Actual Comparison for the year ended 31st March 2010

The following shows a comparison of budget against outturns for the various service departments. These are analysed using the previous statutory Best Value budget headings.

	Budget	Actual
Net Expenditure		
Cultural and Heritage (inc Events Programme and Priory House)	284,902	247,670
Recreation and Sport (inc Community Centres)	422,604	346,018
Open Spaces	194,789	189,584
Cemetery	87,732	74,394
Planning and Development Services (inc Town Centre Management, Marketing and Playschemes)	270,574	221,536
Net Direct Services Costs	1,260,601	1,079,202
Corporate Management	201,619	248,643
Democratic & Civic	177,345	170,062
Net Democratic, Management & Civic Costs	378,964	418,705
Interest and Investment Income	-	(2,435)
Loan charges	153,324	182,290
Capital Expenditure	-	58,017
Transfers to/(from) other reserves	69,500	(1,325)
Reversal of Statutory Adjustments	(121,182)	(144,017)
(Deficit from)/Surplus to General Reserve	(71,597)	79,173
Precept on Central Bedfordshire Council	1,669,610	1,669,610

The budget underspend is largely due to the anticipated national pay award being agreed at 1% rather than the 3% budgeted. The Town Council had also completed a

review of its Senior Management Structure which was not fully implemented until September and other managerial posts were vacant until February 2010.

Loan charges are payable in May and November and the increase takes account of a proportion of loan interest payable not previously accrued.

Capital expenditure relates to spending on assets which will last more than one year and are above £1,000 in value. Capital expenditure is either funded from revenue, earmarked reserves, grants or borrowing.

The Council spent a total of £240,529 on capital expenditure in 2009/10, as detailed below:

Project	Amount	Source of funding
Cemetery Land Extension and Cemetery Chapel Refurbishment	134,352	Loan and Earmarked Reserve
Mayfield Centre Refurbishment	35,448	Confident Communities Funding
Christmas Lighting	2,940	Revenue
Vehicles and Equipment	26,828	Revenue and Earmarked Reserve
Refurbishment of Grove House Gates	20,780	Contribution from Town Centre Management Committee
Frenchs Avenue open Space and park furniture	20,181	Developer's contribution and Revenue
	240,529	

Current Borrowing Facilities – The Council currently has loans from the Public Works Loan Board, detailed as follows:

Purpose of Loan	Amount Outstanding at 31st March 2010 £	Term	Final Repayment
Luton Road Pavilion	18,593.75	40 years	Nov 2026
Performance Area and Cemetery Land Extension (1999)	74,948.90	25 years	Nov 2024
Purchase & refurbishment Priory House Part 1	399,999.92	30 years	Nov 2033
" Part 2	107,176.81	30 years	May 2034
Purchase of Grove House Part 1	172,500.00	30 years	Nov 2034
" Part 2	424,999.94	30 years	May 2035
Cemetery Land Extension and Chapel Refurbishment (2008/09)	435,000.00	30 years	Nov 2038
	1,633,219.32		

The Council did not take out any new loans in 2009/2010.

Investment Income

Interest arises from the investment of capital funds, general revenue balances and earmarked reserves on the short term money market, through Natwest Treasury Reserve Office. Interest is allocated to the general reserve.

In June 2009 the Council adopted a Treasury Management Policy, having due regard to the key recommendations of the CIPFA Code of Practice on Treasury Management in the Public Sector as described in section 4 of that Code, and ensuring that the emphasis continues to be on the security of capital and the liquidity of investments.

Changes in Accounting Policies

As a result of the new format of accounts the following accounting treatments have been agreed:

Value of Fixed Assets - In previous statements of accounts, the Council's fixed assets were valued at existing use value and depreciated over their useful life, with regular impairment reviews and valuations of which any changes were recorded in the accounts. Under the new rules as the Council cannot easily provide historic costs for all of its assets, many of which were either transferred to or inherited by the Parish during local government reorganisation in 1974, the Council has opted to use the net book value of the assets at the 31 March 2009 as the cost value from 1 April 2009. These assets will still be depreciated over the remainder of the useful lives but no future valuations will be permitted. It was also considered that these values were closer to the true value of the assets.

For more information please see the accounting policies section and the fixed asset note.

FUTURE DEVELOPMENTS

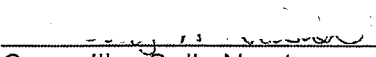
The Council has agreed corporate priorities and key objectives over the next three years, 2010/2013, as follows:

- Continuing to improve the organisational management and efficiency of the Town Council
- To represent residents, businesses and community groups of Dunstable on key strategic issues facing the town
- To continue to preserve and enhance the history and identity of the town
- To improve further and develop the provision of green and open space in the town
- To continue to improve services targeted to all community sectors in the town
- To contribute to the regeneration of the town centre and development of neighbourhoods in the town

Full details of the key objectives can be found in the Council's Corporate Plan 2010/2013 and information on performance against targets for 2009/10 can be found in the Annual Report 2009/10. Both documents are available on the Council's website.

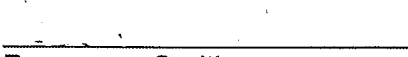
Funding achievement of the targets will be sourced from earmarked reserves, annual capital project funding through budget setting and the precept.

Signed:



Councillor Sally Newton
Chairman,
Finance and General Purposes Committee

21st October 2010



Rosemary Smith,
Responsible Financial Officer

21st October 2010

Dunstable Town Council

Section 2

Statement of Accounts 2009/2010

Dunstable Town Council

Statements of Accounts

For the year ended 31 March 2010

Dunstable Town Council

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31 March 2010

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Dunstable Town Council

Council Information

31 March 2010

(Information current at 21st June 2010)

Town Mayor

Cllr M. J. P. Mullany

Councillors

Cllr C. E. Meakins - Jell (Deputy Town Mayor)

Cllr R. R. Anklesaria

Cllr J. A. Chatterley

Cllr T. C. Colbourne

Cllr J. Freeman

Cllr P. Freeman

Cllr A. E. Green

Cllr D. Green

Cllr J. A. Harnett

Cllr P.N. Hollick

Cllr E. Jones

Cllr I. Kendrick

Cllr G. L. Martin

Cllr J. Murray

Cllr S. A. Newton

Cllr P. E. Russell

Cllr A. Sparrow

Cllr P. Staples

Cllr T. A. W. Stock

Cllr N. Warren

Town Clerk

Mr D. Ashlee, BA (Hons), MA, CILCA

Responsible Financial Officer (R.F.O.)

Rosemary G. Smith

Auditors

Audit Commission

Regus House

1010 Cambourne Business Park

Cambourne

Cambridge

CB23 6DP

Internal Auditors

Auditing Solutions Limited

Griffin Farm, Bowden Hill

Lacock, Chippenham

Wilts

SN15 2PP

Dunstable Town Council
Annual Governance Statement
31 March 2010

Scope of Responsibility

Dunstable Town Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

Dunstable Town Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Council is also responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk.

This statement has been agreed to explain how the Council has complied with the requirements of regulation 4(2) of the Accounts and Audit Regulations 2003 as amended by the Accounts and Audit (Amendment) (England) Regulations 2006 in relation to the publication of a statement on internal control.

The purpose of the governance framework

The governance framework comprises the systems and processes, and culture and values, by which the Council is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; and can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an on-going process designed to identify and prioritise the risks to achievement of Dunstable Town Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place at Dunstable Town Council for the year ended 31 March 2010 and up to the date of approval of the annual report and accounts.

The governance framework

The key elements of Dunstable Town Council's systems and processes that comprise the governance arrangements are:-

- The Council identifies its vision as part of its programme setting process and communicates its intentions and intended outcomes to its citizens and service users via its web site, quarterly newsletter and press releases. The objectives and key targets of Dunstable Town Council for 2009/10 are set out in the Annual Report.
- The Council measures the quality of service to users by regularly carrying out surveys of users and carrying out comparisons with other suitable authorities. This process was carried out under Best Value and in future will be under the Council's new performance arrangements.
- The definition and documenting of the roles within the authority are as contained within the Council's Standing Orders, Financial Regulations and delegation scheme. Compliance with policies, procedures, laws and regulations is the responsibility of the Council together with the Town Clerk and Heads of Service. The Council's disciplinary and grievance procedures cover the staff element and the Council Members are covered by the national code of conduct adopted by the Town Council.
- The Council procedures are updated when required to take account of changes in legislation and the changing needs of the authority. The Finance and General Purposes Committee acts as the Committee for assuring adherence with financial matters and is the Committee responsible also in regard to matters of complying with all laws and regulations.

Dunstable Town Council
Annual Governance Statement
31 March 2010

- The Council's compliance with Health and Safety is undertaken by the Town Clerk supported by the Council's Health and Safety Officer who holds a certificate in the National Examination Board in Occupational Safety and Health and is able to cascade information and facilitate internal staff training to inform and equip the daily course of duties. This is an area under continuous review, update and scrutiny, through the Council's Health and Safety Advisory Group.
- The Council has an informal and formal complaints procedure for the public and whilst no formal whistle blowing procedure is in place, the Council's grievance procedure would permit such matters to be dealt with properly.
- The Council has clear channels of communication with all sectors including public sessions before its meetings, regular surveys of users and local residents' need and view and encourages the public to give to the Council their views upon all aspects of the Council services provided.
- The Council has agreed as a fundamental policy partnership working with other local authorities and organisations within the town where benefit can be shown by such partnership working.

The system of internal financial control is based on a system of regular management information, financial regulations, administrative procedures (including segregation of duties), management supervision and a system of delegation and accountability.

The system is monitored by members and officers within the Council. In particular the system incorporates:

- Comprehensive budgeting systems
- The preparation and dissemination of regular financial reports which indicate actual expenditure against forecasts for both revenue and capital projects
- The regular review of such reports by officers and members
- Weekly meetings of the senior management team
- Regular team meetings
- Independent internal audit

Internal audit has been undertaken by Auditing Solutions Ltd who produced a five year strategic plan for the period up to March 2013 which has been agreed by Council.

The internal auditor reports to the Responsible Financial Officer. The report includes an independent opinion on the adequacy and efficiency of internal controls and is considered by Accounts Sub-Committee and/or Finance and General Purposes Committee to determine any necessary action.

Review of effectiveness

Dunstable Town Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework, including the system of internal control.

The review of the effectiveness of the system of internal control is informed by members and the work of the Internal Auditor, Town Clerk and Heads of Service within the Council who have responsibility for the development and maintenance of the internal control environment. It is further enhanced by the external auditors and other review agencies and inspectorates.

Independent internal audit provided to CIPFA standards assist in maintaining an effective system of internal control. This, together with additional controls, provides a high degree but not absolute assurance that assets are safeguarded, that transactions are authorised and properly recorded and that material errors or irregularities are either prevented or would be detected within a timely period.

The re-structuring of the council's senior management team is now in place, and provides greater potential to ensure that

Dunstable Town Council
Annual Governance Statement
31 March 2010

the stated aspirations of the council are met in terms of expansion of, and greater involvement in, public service delivery across the town.

In 2009-2010 the Council enhanced its budgetary reporting by including monitoring through monthly profiled budgets

Health and safety is reviewed by internal expertise and a recently established Health and Safety Advisory Group whose membership includes the Health and Safety Officer, the Council's Senior Management Team and Supervisors from each service area.

The Council has been advised of the implications of the results of this review of the effectiveness of the system of internal control. Internal controls are being developed in an effort towards continuous improvement and to strengthen assurances given.

Significant Internal Control Issues


To date no significant internal control issues have been identified. As such issues arise, effective steps will be taken to ensure that matters are addressed, weaknesses eradicated and revised systems implemented at the earliest possible opportunity.

The Council has formulated a Treasury Management Plan, and is currently developing a Corporate and Service Plan, together with performance parameters to measure delivery against its stated objectives.

Approval of Statement

This statement was approved at a meeting of the Council's Finance and General Purposes Committee on 21st June 2010

Signed: Sally A Newton
Cllr Mrs S A Newton
Chairman
Finance and General Purposes Committee


Mr D. Ashlee, BA (Hons), MA, CILCA
Town Clerk

Date: 25th October 2010

Dunstable Town Council
Statement of Responsibilities
31 March 2010

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 Responsible Financial 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 Statements of Accounts in accordance with the Financial Reporting Standard for Smaller Entities as applied to Local Councils in England and Wales with income or expenditure exceeding £1million under Part 4 Governance and Accountability for Local Councils; A Practitioners Guide (England) (2010)), 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 2010 and its income and expenditure for the year then ended.

In preparing the Statements of Accounts, 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 hereby certify that the Statements of Accounts for the year ended 31 March 2010 required by the Accounts and Audit Regulations 2003 (as amended) are set out in the following pages.

I further certify that the Statements of Accounts present a true and fair view of the financial position of Dunstable Town Council at 31 March 2010, and its income and expenditure for the year ended 31 March 2010.

Signed:

Rosemary G. Smith- Responsible Financial Officer

Date: 25-10-2010

Dunstable Town Council
Statement of Accounting Policies

31 March 2010

Accounting Convention

The accounts have been prepared, for the first time, 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.

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 on the acquisition, creation or enhancement of fixed assets above the council de-minimis (currently £1000) 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.

In accordance with FRSSE depreciation is provided on all operational buildings (but not land), as well as other assets.

Fixed Assets are included in the balance sheet at valuations current on 31st March 2009 together with subsequent acquisitions and enhancements at cost, in accordance with para. 4.40 of the guide.

Disposals of fixed assets are reported in the Income and Expenditure Account and, in accordance with the guide, the net book value of asset disposals is reversed out to the Capital Financing Account in order not to constitute a charge to the council's revenue reserves.

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 4 to 10 years on a straight line basis.

Play equipment is depreciated over 20 years on a straight line basis.

Infrastructure assets are depreciated over 10 to 45 years on a straight line basis.

Community assets are not depreciated with the exception of the Market Cross, which is being depreciated over 50 years on a straight line basis.

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.

Stocks and Work in Progress

Stocks held for resale, where significant (generally in excess of £1,000), are valued at the lower of cost or net realisable value. Consumable stocks have been treated as an expense when purchased because their value was not material.

Dunstable Town Council
Statement of Accounting Policies
31 March 2010

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.

External Loan Repayments

The council accounts for loans on an accruals basis. Details of the council's external borrowings are shown at note 17.

Leases

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

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 16.

Reserves

The council maintains certain reserves to meet general and specific future expenditure. The purpose of the council's reserves is explained in notes 21 to 22

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:

Revaluation Reserves – hold balances representing unrealised gains on the appropriate asset since 1st April 2007.

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.

This apportionment is not reflected in the Income and Expenditure account, but is used for Management Accounting and Annual Report purposes only.

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 was due at 31st March 2010 and any change in contribution rates as a result of that valuation will take effect from 1st April 2011.

Dunstable Town Council
Income and Expenditure Account
31 March 2010

	Notes	2010	2009 (Restated)
		£	£
Income			
Precept on Principal Authority		1,669,610	1,580,926
Grants Receivable		91,069	132,022
Rents Receivable, Interest & Investment Income		44,337	97,944
Charges made for Services		386,157	440,934
Other Income		1,032	4,386
Total Income		2,192,205	2,256,212
Expenditure			
Direct Service Costs:			
Salaries & Wages		(789,582)	(898,779)
Grant-aid Expenditure		(15,764)	(16,654)
Other Costs	1	(659,741)	(811,864)
Democratic, Management & Civic Costs:			
Salaries & Wages		(253,472)	(312,248)
Other Costs	1	(410,393)	(333,969)
Total Expenditure		(2,128,952)	(2,373,514)
Excess of Income over Expenditure/(Expenditure over Income) for the year.		63,253	(117,302)
Net Operating Surplus/(Deficit) for Year		63,253	(117,302)
STATUTORY CHARGES & REVERSALS			
Statutory Charge for Capital (i.e. Loan Capital Repaid)		(71,405)	(48,654)
Capital Expenditure charged to revenue	12	(58,017)	(72,961)
Reversal of annual depreciation and impairment		185,550	259,361
Reversal of grant amortisation		(41,533)	(77,918)
Net Surplus/(Deficit) for the Year		77,848	(57,474)
The above Surplus/(Deficit) for the Year has been applied/(funded) for the Year to/ (from) as follows:			
Transfer (from)/to Earmarked Reserves	22	(1,325)	48,609
Surplus/(Deficit) for the Year to/(from) General Fund		79,173	(106,083)
		77,848	(57,474)

The notes on pages 14 to 22 form part of these accounts.

Dunstable Town Council
Statement of Movement in Reserves
31 March 2010

Reserve	Purpose of Reserve	Notes	2010 £	Net Movement in Year £	2009 £
Asset Revaluation Reserve	Store of gains on revaluation of fixed assets	20	-	(276,113)	276,113
Capital Financing Account	Store of capital resources set aside to purchase fixed assets	21	1,286,694	261,517	1,025,177
Earmarked Reserves	Amounts set aside from revenue to meet general and specific future expenditure	22	354,641	(1,325)	355,966
General Fund	Resources available to meet future running costs		242,953	79,173	163,780
Total			1,884,288	63,252	1,821,036

The notes on pages 14 to 22 form part of these accounts.

Dunstable Town Council
Statement of Total Recognised Gains and Losses
31 March 2010

	Notes	2010	2009
		£	£
Net Operating Surplus/(Deficit) for Year		63,253	(117,302)
(Deficit) arising on revaluation of fixed assets		-	(99,000)
Total recognised gains/(losses) for the year		63,253	(216,302)

The notes on pages 14 to 22 form part of these accounts.

Dunstable Town Council

Balance Sheet

31 March 2010

	Notes	2010 £	2010 £	2009 £
Fixed Assets				
Tangible Fixed Assets	11		3,556,638	3,501,659
Current Assets				
Stock	13	3,127		9,963
Debtors and prepayments	14	73,431		93,991
Cash at bank and in hand		1,253,902		1,213,580
		<u>1,330,460</u>		<u>1,317,534</u>
Current Liabilities				
Current Portion of Long Term Borrowings	17	(63,996)		(63,820)
Current Portion of Deferred Liabilities	18	(7,584)		(7,584)
Creditors and accrued expenses	15	(598,022)		(534,432)
Net Current Assets			660,858	711,698
Total Assets Less Current Liabilities			4,217,496	4,213,357
Long Term Liabilities				
Long-term borrowing	17		(1,569,224)	(1,633,220)
Deferred liabilities	18		(22,750)	(30,334)
Deferred Grants	19		(741,234)	(728,768)
			<u>1,884,288</u>	<u>1,821,035</u>
Capital and Reserves				
Revaluation Reserve	20		-	276,113
Capital Financing Account	21		1,286,694	1,025,176
Earmarked Reserves	22		354,641	355,966
General Reserve			242,953	163,780
			<u>1,884,288</u>	<u>1,821,035</u>

These revised accounts were approved by the Council's Finance and General Purposes Committee on 21st October 2010

Signed:
Cllr S. A. Newton
Chairman of Finance & General Purposes Committee

.....
Rosemary G. Smith
Responsible Financial Officer

Date: 25.10.2010

25.10.2010

The notes on pages 14 to 22 form part of these accounts.

Dunstable Town Council

Notes to the Accounts

31 March 2010

1 Other Costs Analysis

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

Direct Service Costs

	2010	2009
	£	£
Heritage	153,411	244,279
Theatres & Public Entertainment	66,489	78,665
Community Centres	43,609	24,808
Outdoor Sports & Recreation Facilities	133,826	132,225
Community Parks & Open Spaces	70,265	78,321
Allotments	4,781	2,290
Cemeteries	66,121	91,789
Structure & Local	153	67
Promotion & Marketing of the Area	95,362	131,287
Community Development	41,488	44,787
Less: Grant-aid Expenditure	(15,764)	(16,654)
Total	659,741	811,864

Democratic, Management & Civic Costs

	2010	2009
	£	£
Corporate Management	248,351	250,726
Democratic Representation & Management	36,246	8,889
Civic Expenses	12,639	10,394
Mayors Allowance	2,272	1,854
Interest Payable	110,885	62,106
Total	410,393	333,969

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

2 Interest Payable and Similar Charges

	2010	2009
	£	£
External Interest Charges - Loans	109,790	62,106
External Interest Charges - Lease/H.P.	1,095	-
	110,885	62,106

Dunstable Town Council

Notes to the Accounts

31 March 2010

3 Grants Receivable

Grants receivable during the year credited to Income and Expenditure comprise principally:

Grantor	Purpose	31 March 2010	2009
		£	£
Central Beds Council	Priory House	13,700	13,700
Central Beds Council	Priory House Mktg Cont'n	20,000	20,000
Bedfordshire Council	OP Day Care Services	15,836	15,450
Bedfordshire Council	Work Placement	-	1,000
Bedfordshire Council	Green Flag Funding	-	3,724
Taylor Woodrow	Willoughby Play Area	-	230
Revenue Grants Received		49,536	54,104
Deferred Capital Grants released to revenue		41,533	94,296
		91,069	148,400

4 Interest and Investment Income

	2010	2009
	£	£
Interest Income - General Funds	2,435	56,585
	2,435	56,585

5 Agency Work

During the year the Council undertook the following agency work on behalf of other authorities:

Commissioning Authority and Nature of Work	2010	2009
	£	£
Brewers Hill School - Grounds Maintenance	8,750	-
Central Beds Council - Youth Service	16,000	16,000
Central Beds Council - Grounds and Highways	20,000	20,000
Central Beds Council - Town Centre Highways	5,000	5,000
Central Beds Council - Town Centre Maintenance	11,500	11,500
Central Beds Council - Town Centre Management	21,366	-
	82,616	52,500

Final claims for reimbursement to 31 March 2010 have been made on all agency contracts.

During the year the Council commissioned no agency work to be performed by other authorities.

6 Related Party Transactions

The council entered into no material transactions with related parties during the year.

Dunstable Town Council

Notes to the Accounts

31 March 2010

7 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:

	2010	2009
	£	£
Fees for statutory audit services	13,500	13,500
Total fees	<u>13,500</u>	<u>13,500</u>

8 Members' Allowances

	2010	2009
	£	£
Members of Council have been paid the following allowances for the year:		
Mayors Allowance	2,272	1,854
	<u>2,272</u>	<u>1,854</u>

Other than the Town Mayor none of the total of 21 elected members claimed allowances to which they were entitled. Co-opted members are not entitled to claim allowances.

9 Employees

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

	2010	2009
	Number	Number
Full-time	26	29
Part-time	16	15
Temporary	4	1
	<u>46</u>	<u>45</u>

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

The number of officers whose remuneration, excluding pension contributions, was £50,000 or more, in bands of £10,000 were:

Between £50,000 and £60,000	1	-
Between £60,000 and £70,000	1	1

10 Pension Costs

The council participates in the Bedfordshire Local Government Pension Fund.

The Bedfordshire Local Government 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.

Financial Reporting Standard for Small Enterprises (FRSSE), for schemes such as Bedfordshire Local Government requires the council to account for pension costs on the basis of contributions actually payable to the scheme during the year.

The cost to the council for the year ended 31 March 2010 was £108,128 (31 March 2009 - £110,280).

The most recent actuarial valuation was carried out as at 31st March 2007, and the council's contribution rate is confirmed as being 17.30% of employees' pensionable pay with effect from 1st April 2010 (year ended 31 March 2010 - 17.30%).

Dunstable Town Council

Notes to the Accounts

31 March 2010

11 Tangible Fixed Assets

	Operational Freehold Land and Buildings	Operational Leasehold Land and Buildings	Vehicles and Equipment	Infra-structure Assets	Community Assets	Total
Cost	£	£	£	£	£	£
At 31 March 2009	2,524,465	-	873,255	76,944	519,637	3,994,301
Additions	96,233	35,448	35,596	34,661	38,591	240,529
Disposals	-	-	(6,368)	-	-	(6,368)
At 31 March 2010	2,620,698	35,448	902,483	111,605	558,228	4,228,462
Depreciation						
At 31 March 2009	(32,964)	-	(430,383)	(22,515)	(6,780)	(492,642)
Charged for the year	(56,987)	(3,545)	(105,822)	(15,806)	(3,390)	(185,550)
Eliminated on disposal	-	-	6,368	-	-	6,368
At 31 March 2010	(89,951)	(3,545)	(529,837)	(38,321)	(10,170)	(671,824)
Net Book Value						
At 31 March 2010	2,530,747	31,903	372,646	73,284	548,058	3,556,638
At 31 March 2009	2,491,501	-	442,872	54,429	512,857	3,501,659

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 1st April 2007 by external independent valuers, Messrs Valuation Office Agency. 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.

Assets Held under Finance Agreements

	2010 £	2009 £
Value as at 31 March 2009	37,918	-
Additions to assets held under finance lease/hire purchase agreements	-	37,918
Depreciation Charged in Year	(7,584)	-
Value as at 31 March 2010	30,334	37,918

Dunstable Town Council

Notes to the Accounts

31 March 2010

12 Financing of Capital Expenditure

	2010	2009
	£	£
The following capital expenditure during the year:		
Fixed Assets Purchased	240,529	682,954
	<u>240,529</u>	<u>682,954</u>
was financed by:		
Capital Grants	74,326	230,261
Loan Proceeds	108,186	341,814
New H.P./Lease Finance	-	37,918
Revenue:		
from Capital Projects Reserve	26,166	40,965
from Equipment Replacement Reserve	24,978	-
Precept and Revenue Income	6,873	31,996
	<u>240,529</u>	<u>682,954</u>

13 Stocks

	2010	2009
	£	£
Heritage Centres	3,127	9,963
	<u>3,127</u>	<u>9,963</u>

14 Debtors

	2010	2009
	£	£
Debtors	58,657	49,420
Provision for Doubtful Debts	(6,600)	(6,600)
	<u>52,057</u>	<u>42,820</u>
Debtors	21,374	51,171
VAT Recoverable	-	-
	<u>73,431</u>	<u>93,991</u>

15 Creditors and Accrued Expenses

	2010	2009
	£	£
Creditors	49,294	69,007
Other Creditors	403,220	315,606
Superannuation Payable	-	24,881
Accruals	116,132	82,228
Income in Advance	-	63
Capital Creditors	9,376	42,647
Capital Receipts in Advance	20,000	-
	<u>598,022</u>	<u>534,432</u>

Dunstable Town Council

Notes to the Accounts

31 March 2010

16 Financial Commitments under Operating Leases

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

	2010	2009
	£	£
Obligations expiring within one year	-	-
Obligations expiring between two and five years	3,168	3,168
Obligations expiring after five years	-	-
	<u>3,168</u>	<u>3,168</u>

17 Long Term Liabilities

	2010	2009
	£	£
Public Works Loan Board	1,633,220	1,697,040
	<u>1,633,220</u>	<u>1,697,040</u>

The above loans are repayable as follows:

	2010	2009
	£	£
Within one year	63,996	63,820
From one to two years	64,181	63,996
From two to five years	193,763	193,143
From five to ten years	327,733	326,446
Over ten years	983,547	1,049,635
	<u>1,633,220</u>	<u>1,697,040</u>
Total Loan Commitment	1,633,220	1,697,040
Less: Repayable within one year	(63,996)	(63,820)
	<u>1,569,224</u>	<u>1,633,220</u>

18 Deferred Liabilities

	2010	2009
	£	£
H.P. and Lease Creditors	30,334	37,918

The above liabilities are repayable as follows:

	2010	2009
	£	£
Within one year	7,584	7,584
From one to two years	7,583	7,583
From two to five years	15,167	22,751
From five to ten years	-	-
Over ten years	-	-
	<u>30,334</u>	<u>37,918</u>
Total Deferred Liabilities	30,334	37,918
Less: Repayable within one year	(7,584)	(7,584)
	<u>22,750</u>	<u>30,334</u>

Dunstable Town Council

Notes to the Accounts

31 March 2010

19 Deferred Grants

	2010	2009
	£	£
Capital Grants Unapplied		
At 01 April	94,752	216,250
Grants received in the year	54,000	108,763
Applied to finance capital investment	(74,326)	(230,261)
At 31 March	<u>74,426</u>	<u>94,752</u>
Capital Grants Applied		
At 01 April	573,597	421,254
Grants Applied in the year	74,326	230,261
Released to offset depreciation	(41,533)	(77,918)
Extinguished and/or transferred	-	-
At 31 March	<u>606,390</u>	<u>573,597</u>
Revenue Grants and S106 Revenue Contributions		
At 01 April	60,418	64,373
Received in the year	-	3,737
Returned in the year	-	-
Released to Revenue	-	(7,691)
At 31 March	<u>60,418</u>	<u>60,419</u>
Total Deferred Grants		
At 31 March	<u>741,234</u>	<u>728,768</u>
At 01 April	<u>728,767</u>	<u>701,877</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.

Capital Grants receivable during the year comprise principally:

Grantor	2010	2009
	£	£
Taylor Wimpey for French's	20,000	
Central Beds Council - TCMC	34,000	
Bennetts - Southfields		50,000
Confident Communities Fund - Mayfield		46,263
Confident Communities Fund - Park Signage		12,500
	<u>54,000</u>	<u>108,763</u>

Dunstable Town Council

Notes to the Accounts

31 March 2010

20 Revaluation Reserve

	2010	2009
	£	£
Balance at 01 April	276,113	378,175
Revaluation of assets during the year	-	(135,000)
Depreciation eliminated on revaluation	-	36,000
Depreciation on revaluation element	-	(3,062)
Balance transferred to Capital Financing Account	(276,113)	-
Balance at 31 March	-	276,113

The revised system of accounting for local councils requires the establishment of a Revaluation Reserve. The balance on this account represents revaluation of fixed assets since 1st April 2007, less subsequent depreciation charged to revenue on such revaluation elements. In accordance with Part 4, the balance on this account has been transferred to Capital Financing Account.

**21 Capital Financing Account
(formerly Capital Adjustment Account)**

	2010	2009
	£	£
Balance at 01 April	1,025,177	1,081,942
Balance transferred from Revaluation Reserve	276,113	-
Balance at 01 April restated	1,301,290	1,081,942
Financing capital expenditure in the year		
Additions - using revenue balances	58,017	72,961
Loan repayments	71,404	48,654
Impairment provisions	-	(88,000)
Disposal of fixed assets	(6,368)	-
Depreciation eliminated on disposals	6,368	-
Reversal of depreciation	(185,550)	(171,361)
Deferred grants released	41,533	77,918
Depreciation on revaluation element	-	3,062
Balance at 31 March	1,286,694	1,025,176

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.

Dunstable Town Council

Notes to the Accounts

31 March 2010

22 Earmarked Reserves

	Balance at 01/04/2009	Contribution to reserve	Contribution from reserve	Balance at 31/03/2010
	£	£	£	£
Capital Projects Reserves	111,989	42,447	(31,255)	123,181
Asset Renewal Reserves	76,250	16,000	(24,978)	67,272
Other Earmarked Reserves	167,727	98,511	(102,050)	164,188
Total Earmarked Reserves	355,966	156,958	(158,283)	354,641

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 Earmarked Reserves at 31 March 2010 are set out in detail at Appendix A.

23 Capital Commitments

The council was committed to the following Capital Expenditure at 31 March 2010

	2010	2009
	£	£
Lanscaping of Cemetery Extension	-	25,315
Refurbishment and Conversion of Cemetery Chapel	-	90,151
Grave Shoring Equipment	9,645	-

The council had no other capital commitments at 31 March 2010 not otherwise provided for in these accounts.

24 Contingent Liabilities

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

25 Post Balance Sheet Events

Since the year-end the Peter Newton Pavilion has been demolished and replaced with a new building constructed on the council's behalf, together with capital contributions of £40,000 from Bedfordshire F.A.

There are no other significant Post Balance sheet events since the preparation of these accounts, up to the date of their final adoption (on 21st June 2010), which would have a material impact on the amounts and results reported herein.

Independent auditor's report to the Members of Dunstable Town Council

Opinion on the financial statements

I have audited the accounting statements and related notes of Dunstable Town Council for the year ended 31 March 2010 under the Audit Commission Act 1998. The accounting statements comprise the Income and Expenditure Account, the Statement of Movement of Reserves, the Statement of Total Recognised Gains and Losses, the Balance Sheet, and the related notes. These accounting statements have been prepared under the accounting policies set out in the Statement of Accounting Policies.

This report is made solely to the members of the Town Council in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 49 of the Statement of Responsibilities of Auditors and of Audited Bodies published by the Audit Commission in April 2008.

Respective responsibilities of the Town Clerk and auditor

The Town Clerk's responsibilities for preparing the accounting statements in accordance with relevant legal and regulatory requirements and the Financial Reporting Standard for Smaller Entities (Effective April 2008), are set out in the Statement of Responsibilities for the Statement of Accounts.

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

I report to you my opinion as to whether the accounting statements give a true and fair view, in accordance with relevant legal and regulatory requirements and the Financial Reporting Standard for Smaller Entities (Effective April 2008).

I review whether the governance statement reflects compliance with 'Governance and Accountability for Local Councils: A Practitioners' Guide (England) 2010' published by the National Association of Local Councils (NALC) in 2010. I report if it does not comply with proper practices specified by NALC or if the statement is misleading or inconsistent with other information I am aware of from my audit of the accounting statements. I am not required to consider, nor have I considered, whether the governance statement covers all risks and controls. Neither am I required to form an opinion on the effectiveness of the Town Council's corporate governance procedures or its risk and control procedures.

I read other information published with the accounting statements, and consider whether it is consistent with the audited accounting statements. This other information comprises the Annual Report. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the accounting statements. My responsibilities do not extend to any other information.

Basis of audit opinion

I conducted my 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 accounting statements and related notes. It also includes an assessment of the significant estimates and judgments made by the Town Council in the preparation of the accounting statements and related notes, and of whether the accounting policies are appropriate to the Town Council's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the accounting statements and related notes are free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the accounting statements and related notes.

Opinion

In my opinion the Town Council's accounting statements give a true and fair view, in accordance with relevant legal and regulatory requirements and the Financial Reporting Standard for Smaller Entities (Effective April 2008), of the financial position of the Town Council as at 31 March 2010 and its income and expenditure for the year then ended.

Conclusion on arrangements for securing economy, efficiency and effectiveness in the use of resources

Town Council's Responsibilities

The Town Council is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance and regularly to review the adequacy and effectiveness of these arrangements.

Auditor's Responsibilities

I am required by the Audit Commission Act 1998 to be satisfied that proper arrangements have been made by the Town Council for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the Audit Commission requires me to report to you my conclusion in relation to proper arrangements, having regard to relevant criteria specified by the Audit Commission for other local government bodies specified by the Audit Commission and published in January 2009. I report if significant matters have come to my attention which prevent me from concluding that the Town Council has made such proper arrangements. I am not required to consider, nor have I considered, whether all aspects of the Town Council's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

Conclusion

I have undertaken my audit in accordance with the Code of Audit Practice and having regard to the criteria for other local government bodies specified by the Audit Commission and published in January 2009, and the supporting guidance, I am satisfied that, in all significant respects, Dunstable Town Council made proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2010.

Certificate

I certify that I 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.

Paul King

District Auditor

Audit Commission
Regus House
1010 Cambourne Business Park
Cambourne
Cambridge, CB23 6DP
October 2010

Dunstable Town Council

Appendices

31 March 2010

	<u>Balance at</u> <u>01/04/2009</u> £	<u>Contribution</u> <u>to reserve</u> £	<u>Contribution</u> <u>from reserve</u> £	<u>Balance at</u> <u>31/03/2010</u> £
<u>Capital Projects Reserves</u>				
Capital Projects Fund	23,662	36,442	(175)	59,929
Priory House Structural Fund	43,995	1,005	(2,913)	42,087
Priory House Fund	6,832	5,000		11,832
New Cemetery Fund	37,500		(28,167)	9,333
	<u>111,989</u>	<u>42,447</u>	<u>(31,255)</u>	<u>123,181</u>
<u>Asset Replacement Reserves</u>				
Vehicle & Equipment Reserve	76,250	16,000	(24,978)	67,272
	<u>76,250</u>	<u>16,000</u>	<u>(24,978)</u>	<u>67,272</u>
<u>Other Earmarked Reserves</u>				
H R Fund	17,000			17,000
Youth Service Reserve	21,729			21,729
Older People's Healthy Living Project	9,693			9,693
Building Maintenance Fund	71,313	65,500	(55,894)	80,919
Family Centre Fund	0			0
Town Centre	0	21,366	(8,709)	12,657
Other Earmarked Reserves	47,992	11,645	(37,447)	22,190
	<u>167,727</u>	<u>98,511</u>	<u>(102,050)</u>	<u>164,188</u>
TOTAL EARMARKED RESERVES	<u>355,966</u>	<u>156,958</u>	<u>(158,283)</u>	<u>354,641</u>