

**DUNSTABLE TOWN COUNCIL**

**NOTICE OF CONCLUSION OF AUDIT  
(Audit commission Act 1998,  
Accounts and Audit (England) Regulations 2011)**

NOTICE is hereby given that the audit for the year ended 31 March 2013 was completed on 09 September 2013.

The accounts are now available for inspection by local electors in accordance with Section 14 of the Audit Commission Act 1998.

The requisite information as defined by Section 13(4) of the Accounts and Audit (England) Regulations 2011 is included with this notice.

The requisite information consists of:  
Sections 1 to 3 of the Annual Return  
Issues Arising Report

# Section 1 – Accounting statements 2012/13 for

## DUNSTABLE TOWN COUNCIL

Readers should note that throughout this annual return references to a 'local council' or 'council' also relate to a parish meeting.

1	Balances brought forward	699,306	756,084	Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.
2	(+) Annual precept	1,792,827	2,030,822	Total amount of precept received or receivable in the year.
3	(+) Total other receipts	679,885	819,964	Total income or receipts as recorded in the cashbook less the precept received (line 2). Include any grants received here.
4	(-) Staff costs	(1,201,561)	(1,292,148)	Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and employment expenses.
5	(-) Loan interest/capital repayments	(146,581)	(143,656)	Total expenditure or payments of capital and interest made during the year on the council's borrowings (if any).
6	(-) All other payments	(1,067,792)	(1,133,710)	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).
7	(=) Balances carried forward	756,084	1,037,356	Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6)
8	Total cash and short term investments	1,215,416	1,427,422	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – to agree with bank reconciliation.
9	Total fixed assets plus other long term investments and assets	6,076,510	6,198,988	The original Asset and Investment Register value of all fixed assets, plus other long term assets owned by the council as at 31 March
10	Total borrowings	1,520,209	1,448,249	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).
11	(If Applicable) Trust funds (including charitable) disclosure note	N/A		(if applicable) The council acts as sole trustee for and is responsible for managing trust funds or assets. (Readers should note that the figures in the accounting statements above do not include any trust transactions.)

I certify that for the year ended 31 March 2013 the accounting statements in this annual return present fairly the financial position of the council and its income and expenditure, or properly present receipts and payments, as the case may be.

Signed by Responsible Financial Officer

*R E O Sullivan*

Date 24/06/2013

I confirm that these accounting statements were approved by the council on this date:

24/06/2013

and recorded as minute reference:

139 | 2013

Signed by Chair of the meeting approving these accounting statements.

*Joe A. Egan*

Date 24th June 2013

## Section 2 – Annual governance statement 2012/13

We acknowledge as the members of:

### DUNSTABLE TOWN COUNCIL

our responsibility for ensuring that there is a sound system of internal control, including the preparation of the accounting statements. We confirm, to the best of our knowledge and belief, with respect to the accounting statements for the year ended 31 March 2013, that:



- |   |  |   |  |
|---|--|---|--|
| 1 | We approved the accounting statements prepared in accordance with the requirements of the Accounts and Audit Regulations and proper practices.   | ✓ | prepared its accounting statements in the way prescribed by law.   |
| 2 | We maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.   | ✓ | made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.  |
| 3 | We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and codes of practice that could have a significant financial effect on the ability of the council to conduct its business or on its finances. | ✓ | has only done things that it has the legal power to do and has conformed to codes of practice and standards in the way it has done so.                                       |
| 4 | We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.   | ✓ | during the year has given all persons interested the opportunity to inspect and ask questions about the council's accounts.  |
| 5 | We carried out an assessment of the risks facing the council and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.   | ✓ | considered the financial and other risks it faces and has dealt with them properly.  |
| 6 | We maintained throughout the year an adequate and effective system of internal audit of the council accounting records and control systems.  | ✓ | arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of the council. |
| 7 | We took appropriate action on all matters raised in reports from internal and external audit.  | ✓ | responded to matters brought to its attention by internal and external audit.  |
| 8 | We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on the council and, where appropriate have included them in the accounting statements.                                | ✓ | disclosed everything it should have about its business activity during the year including events taking place after the year-end if relevant.                                |
| 9 | Trust funds (including charitable) – in our capacity as the sole managing trustee we discharged our responsibility in relation to the accountability for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.                         | ✓ | has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts.  |

This annual governance statement is approved by the council and recorded as minute reference

139/2013  
dated 24/06/2013

Signed by:

Chair *[Signature]*  
dated 24th June 2013

Signed by:

Clerk *[Signature]*  
dated 24 June 2013

**\*Note:** Please provide explanations to the external auditor on a separate sheet for each 'No' response. Describe how the council will address the weaknesses identified.

# Section 3 – External auditor certificate and opinion 2012/13

## Certificate

We certify that we have completed the audit of the annual return for the year ended 31 March 2013 of

DUNSTABLE TOWN COUNCIL

## Respective responsibilities of the council and the auditor

The council is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The council prepares an annual return in accordance with proper practices which;

- summarises the accounting records for the year ended 31 March 2013; and
- confirms and provides assurance on those matters that are important to our audit responsibilities.

Our responsibility is to conduct an audit in accordance with guidance issued by the Audit Commission and, on the basis of our review of the annual return and supporting information, to report whether any matters that come to our attention give cause for concern that relevant legislation and regulatory requirements have not been met.

## External auditor report

(~~Except for the matters reported below~~)\* on the basis of our review, in our opinion the information in the annual return is in accordance with proper practices and no matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met. (\*delete as appropriate).

(continue on a separate sheet if required)

Other matters not affecting our opinion which we draw to the attention of the council:

Please see enclosed report

BDO LLP Southampton  
United Kingdom

(continue on a separate sheet if required)

External auditor signature

External auditor name  Date

BDO LLP Southampton  
United Kingdom

**Note:** The auditor signing this page has been appointed by the Audit Commission and is reporting to you that they have carried out and completed all the work that is required of them by law. For further information please refer to the Audit Commission's publication entitled *Statement of Responsibilities of Auditors and of Audited Small Bodies*.

ISSUES ARISING REPORT FOR  
Dunstable Town Council  
Audit for the year ended 31 March 2013

**BDO**

## Introduction

The following matters have been raised to draw items to the attention of Dunstable Town Council. These matters came to the attention of BDO LLP during the audit of the annual return for the year ended 31 March 2013.

The audit of the annual return may not disclose all shortcomings of the systems as some matters may not have come to the attention of the auditor. For this reason, the matters raised may not be the only ones that exist.

The matters listed below are explained in further detail on the page(s) that follow;

- Fidelity Guarantee
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The following issue(s) have been raised to assist the council. The council is recommended to take action on the following issue(s) to ensure that the council acts within its statutory and regulatory framework.

### Fidelity Guarantee

#### *What is the issue?*

The level of fidelity guarantee cover obtained by the council appears to be insufficient in light of the bank balances held at 31 March 2013 and the amount of precept subsequently received in April 2013.

#### *Why has this issue been raised?*

A council, under S114 of the Local Government Act 1972, must take security as it considers sufficient in the case of any of its officers likely to handle its money. The council may decide that insurance is not 'sufficient' for them, but in order to come to this opinion it must have reviewed the requirement annually and have objective grounds for such a conclusion. The Council should also consider the level of fidelity guarantee as part of its annual review of the risk assessment, as this is a risk the Council may face, especially if the cover is below that required.

#### *What do we recommend you do?*

The council should consider the level of insurance cover and set it to a level that will protect the council against potential loss. The council should review the level of cover at least annually, especially during the annual risk assessment, as circumstances may change throughout the year.

The amount should be sufficient to cover the maximum amount of money the council holds at any one time during the year. A council does not have to have fidelity guarantee insurance if it considers that no security is 'sufficient' but there must be objective grounds for such a conclusion. Smaller councils may decide therefore that the cost of this insurance is disproportionate to the risk involved. If this is so the council should minute this decision annually.

Further guidance on this matter can be obtained from the following source(s):

Local Council Administration, 8th Edition, Charles Arnold-Baker, Chapter 9.8  
Governance and Accountability in Local Councils in England - A Practitioners Guide, NALC/SLCC

No other matters came to our attention.

For and on behalf of  
BDO LLP

Date: 09 September 2013

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