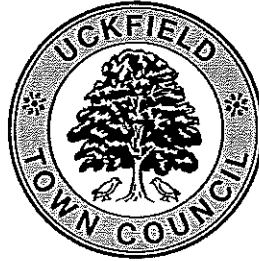


UCKFIELD TOWN COUNCIL



STATEMENT OF ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2010

INDEX

PAGE	CONTENTS
1	Annual report
5	Annual governance statement
11	Statement of responsibilities for the statement of accounts
12	Statement of accounting policies and estimation techniques
15	Income and Expenditure account
16	Statement of movement of reserves
16	Statement of total recognised gains and losses
17	Balance Sheet
18	Notes to the accounts

**UCKFIELD TOWN COUNCIL
ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2010**

Principal aims

Uckfield Town Council's aim is to improve the economic, social and environmental well-being of the area and to achieve this we will:

- Engage in an open dialogue with the residents to understand their needs, and in turn explain how we will address these needs within the resources and powers available to the Town Council.
- Provide high standard, cost-effective services to help meet the needs and wishes of residents.
- Assist and encourage other bodies to provide such services.
- Promote the best interests of the town for the betterment of the local community.

Council Members

The Town Council consists of 15 elected Councillors in four wards, Ridgewood, New Town, Central and North.

The Councillors and their contact details are as follows:

Councillor	Address	Phone numbers
Leonard Ashby (N)	12 Downsview Crescent, TN22 1TX	Home 01825 762255
Duncan Bennett (N) (Deputy Town Mayor)	179 Framfield Road, TN22 5AU	Home 01825 744179
John Carvey (C) (Town Mayor)	23 Farriers Way, TN22 5BY	Home 01825 767902 Mobile 07917 208883
Louise Eastwood (N)	7 Jeffreys Way, TN22 1JE	Home 01825 760613
Helen Firth (C)	22 Harcourt Road, TN22 5DU	Home 01825 764048
Sarah Hall (NT)	3 Jeffreys Way, TN22 1JE	Home Tel/Fax 01825 764801
Michael Harker (R)	The Cottage, Eastbourne Road, TN22 5ST	Home 01825 765684
James Molesworth-Edwards (C)	78 Vernon Road, TN22 5DY	Home 01825 768597 Mobile 07884 004084
Jeremy Hallett (NT)	11 Selby Rise, TN22 5ED	Home 01825 761124
Anne Parker (NT)	14 New Road, TN22 5TG	Home 01825 761915
Thelma Rumbelow (N)	11 Tower View, TN22 1SB	Home 01825 761153
Ian Smith (R)	30 Castle Rise, TN22 5UN	Home 01825 766360
Dorothy Sparks (N)	27 Roman Way, TN22 1UY	Home 01825 764287
Bob Sweetland (R)	Fintry Lodge, New Road, TN22 5TG	Home 01825 765731
Alan Whittaker (N)	17 Ironstone Way, TN22 1XJ	Home Tel/Fax 01825 768315

Definition of Primary Statements

The councils set of accounts comprises the following primary statements:

- the Income and Expenditure Account – the Council's main revenue account, covering income and expenditure on all services.
- the Statement of Movement of Reserves – this summarises net movements in the year on all reserve funds held by the Council.
- the Statement of Total Recognised Gains and Losses – which discloses movements in reserves not disclosed in the Income and Expenditure Account, and
- the Balance Sheet – which sets out the financial position of the Council at 31 March 2010.

**UCKFIELD TOWN COUNCIL
ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2010**

Financial review

During the 2009/2010 financial year, Uckfield Town Council undertook a significant amount of work in relation to its governance and value for money objectives. Of note was the completion of the Council's five year Business Plan which is our blueprint for the way we will work in a co-ordinated way in the best interests of all who live, work and use our services locally. It also sets out our mission, objectives and key priorities for the future and determines the direction and content of all other internal strategies and the resources of the Council, particularly through the budget process.

The Council also made significant inroads into completing its Business Continuity Plan which provides a framework to enable the orderly and effective recovery of the Council's critical activities where an incident or disaster occurs.

In view of the significant decrease in interest rates being offered, the Council has reviewed its Minimum Reserves, Investment, Bad Debts and Risk Management Policies to maximise potential income and minimise possible exposure to bad debts. In previous years bank interest made a significant contribution to the Council's income.

To try and further reduce exposure to financial losses, the Council has also been able to enter into partnership with a local company with a view to sharing the costs of promoting events in the Civic Centre. Whilst this is for a trial period of six months it is hoped this partnership will prove mutually beneficial and extend for longer.

However, despite the current financial climate, a significant asset was purchased which was the small shop adjacent to Bridge Cottage and the forecourt in front of the buildings. This purchase will enhance the Council's holdings and will enable the Uckfield and District Preservation Society to complete its ambitious plans to refurbish the two historic buildings.

Change in accounting policy

In line with other large councils, Uckfield Town Council for the first time this year are preparing their accounts in line with Financial Reporting Standards for Smaller Entities effective April 2008 (the FRSSE), as directed by Part 4 of Governance and Accountability for Local Councils: 'A Practitioners' Guide 2010 (England).

This has resulted in changes to the layout of the accounts and accompanying notes, in particular the income and expenditure accounts and a new primary statement, the 'Statement of Movement on Reserves'. Under the FRSSE, the Cashflow Statement and 'Statement of Movement on General Fund Balance' are no longer required.

The adoption of the FRSSE has also resulted in a change in accounting treatment for tangible fixed assets. Previously land and buildings and non-operational assets were carried at market value and revalued every five years. Under the FRSSE these are now carried at historic cost and depreciated where material. As this is the year of adoption the transitional provisions have been adopted allowing the Council to retain existing assets at their current book value. No adjustments to fixed assets were therefore required. However, an adjustment to the prior year's figures has been made to eliminate the Revaluation Reserve and transfer the revaluation value to the Capital Financing Reserve, against which the annual depreciation charge will be offset.

**UCKFIELD TOWN COUNCIL
ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2010**

Comparison of expenditure in year with original budget

The following shows a comparison of the budget and outturn figures in 2009/10 analysed by the cost centres as disclosed on the Income and Expenditure account. The effect of depreciation and pension adjustments are excluded from this analysis.

	Budgeted £	Actual £	Variance £
Income			
Grants received	-	5,500	5,500
Rental income, interest and investment income	172,776	155,497	(17,279)
Charges made for services	248,900	253,367	4,467
Other income or contributions	38,254	101,630	63,376
	<u>459,930</u>	<u>515,994</u>	<u>56,064</u>
Expenditure			
Direct service costs:			
Salaries and wages	272,550	253,842	(18,708)
Grant aid expenditure	48,000	39,446	(8,554)
Other direct service costs	508,663	473,221	(35,442)
Democratic, Management and Civic costs:			
Salaries and wages	201,000	185,140	(15,860)
Other democratic, management and civic costs	124,315	140,549	16,234
	<u>1,154,528</u>	<u>1,092,198</u>	<u>(62,330)</u>
Net expenditure	694,598	576,204	(118,394)
General Reserves	15,000	157,172	142,172
Earmarked Reserves	-	(23,778)	(23,778)
Net charge to Precept	<u>709,598</u>	<u>709,598</u>	<u>-</u>

Income

Rental income, interest and investment income

Income has fallen due to historically low bank interest rates and reductions in usage of the Civic Centre, The Hub and The Source.

Other income or contributions

Additional income was generated from unbudgeted grants and income received for the Skate-park (£35,000), Railway Project (£8,000) and Bridge Cottage (£18,000).

Expenditure

Salaries and wages

Savings in staff salaries and wages were made by the Council not employing a summer grounds person and reducing the overall hours worked by caretaking staff.

Other direct service costs

A sum of £34,000 was included for earmarked reserves to fund future projects, such as playground replacement programme and street lighting replacement.

**UCKFIELD TOWN COUNCIL
ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2010**

Democratic Management and Civic Costs

Salaries and wages

The saving in staff salaries and wages arose due to a full time employee leaving and only being replaced by a part time employee several months later.

Other democratic, management and civic costs

The additional expenditure on management costs was matched by the savings in the salaries and wages budget

Future developments and financial commitments

The Council has adopted a balanced approach to its capital expenditure in respect of the procurement of new assets and the maintenance of its existing assets. The first priority however, is on developing and maintaining existing assets that can produce achievable additional benefits. The Council will seek to maximise capital receipts from the sale of assets that are deemed surplus to requirements but no targets for capital receipts have been set at this point. Additional income may also be generated, where appropriate, through renting, leasing of the Town Council's assets.

Future spending plans are detailed in the Council's five-year Business Plan which is reviewed annually to ensure that the Council remains focused on the delivery of its objectives and to enable any changes to be rolled forward through the planning budget cycle for the next financial year.

Borrowing facilities

The Council currently has two long-term loans with the Public Works Loan Board. The outstanding balance and repayment schedule is shown on the balance sheet and note 22 to the accounts. The first loan was for the renovation and extension of the Foresters Hall Complex. The second, for the purchase of The Hub, formerly known as the Adult Learning Centre. The Council has not identified any future borrowing requirements.

Reserves

The Council's pension liabilities position is summarised in note 13 to the accounts.

The Council's General Fund Balance policy is described on page 13 of the accounts and the position is shown in note 28 to the accounts.

**UCKFIELD TOWN COUNCIL
ANNUAL GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 MARCH 2010**

Introduction

The introduction of the Annual Governance Statement stems from Regulation 4 (2) of the Accounts and Audit Regulations 2003, as amended by the Accounts and Audit (Amendment) (England) Regulations 2006.

1. Scope of Responsibility

- 1.1. Uckfield Town Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for and used economically, efficiently and effectively.
- 1.2. The Council 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.
- 1.3. In discharging this overall responsibility the Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions and ensuring that there is a sound system for the management of risk.
- 1.4. The Council has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE framework Delivering Good Governance in Local Government. A copy of the code is on our website at www.uckfieldtc.gov.uk or can be obtained from the Town Council Offices, Uckfield Civic Centre, Uckfield, East Sussex, TN22 1AE. This statement explains how the Council has complied with the code and also meets 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.
- 1.5. This statement records the system of internal control agreed by the Council.

2. The Purpose of the Governance Framework

- 2.1. The governance framework comprises the systems and processes, 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.
- 2.2. The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness.
- 2.3. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to achievement of the 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 economically, efficiently, and effectively.

A system of internal control has been in place at the Council throughout the year ended 31 March 2010 and up to the date of approval of the annual report.

3. The Governance Framework

The key elements of the systems and processes that comprise Uckfield Town Councils governance arrangements are summarised below:

Identifying and communicating the Council's vision of its purpose and intended outcomes for citizens and service users.

**UCKFIELD TOWN COUNCIL
ANNUAL GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 MARCH 2010**

A five-year Business Plan has set out the Council's key priorities and objectives for the period 2010 – 2015. The Business Plan will be reviewed and reproduced annually.

Reviewing the Council's vision and its implications for the Council's governance arrangements.

The Council's vision is reviewed as part of the business planning process which forms the cornerstone of the Council's activities. The Business Plan drives and determines the direction and content of all other internal strategies.

Measuring the quality of services for users, for ensuring they are delivered in accordance with the Council's objectives and for ensuring that they represent the best use of resources.

At each meeting of spending committees, a budget monitoring and forecasting report is presented which highlights how each committee is using its resources.

To demonstrate its commitment to quality the Council has achieved Quality Town status and will seek re-accreditation of this status at renewal in the coming year.

Defining and documenting the roles and responsibilities of the executive, non-executive, scrutiny and officer functions, with clear delegation defining arrangements and protocols for effective communication.

The Council has agreed Standing Orders and Financial Regulations which detail procedures to be followed. All committees have terms of reference to ensure that their proceedings are efficient, transparent and accountable. The Town Council also has in place a number of policies and procedures which it reviews periodically. A full review of the Council's Standing Orders will be undertaken in the coming year.

Developing, communicating and embedding codes of conduct, defining the standards of behaviour for members and staff.

A Code of Conduct and a Councillor Policy exists for members that set out their duties, responsibilities and the expected standards of behaviour.

In relation to employees, the Council has a staff conduct policy which is reviewed periodically and included in a staff handbook together with all other policies and which is issued to each member of staff.

Reviewing and updating standing orders, standing financial instructions, a scheme of delegation and supporting procedure notes/manuals, which clearly define how decisions are taken and the processes and controls required to manage risks.

The General Purposes Committee is responsible for undertaking reviews of policies and procedures which includes a review of Standing Orders and Financial Regulations. The last review was carried out in 2009, but a further review is programmed for the coming year.

Undertaking the core functions of an audit committee, as identified in CIPFA's Audit Committees – Practical Guidance for Local Authorities.

The General Purposes Committee undertakes the core functions of an audit committee including the approval of the independent internal audit plan.

Ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful.

The Council has adopted a Code of Corporate Governance in line with the CIPFA/SOLACE guidance, which is available on the Council's website and through the Council offices. The Town Clerk is the 'Proper Officer' of

**UCKFIELD TOWN COUNCIL
ANNUAL GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 MARCH 2010**

the Council and the Assistant Town Clerk is the Responsible Financial Officer under s151 of the Local Government Act 1972.

Whistle-blowing and for receiving and investigating complaints from the public.

A whistle blowing policy is in place as is a policy for complaints from the public. It is intended for these policies to be reviewed in the coming year.

No complaints have been submitted from the public to date.

Identifying the development needs of members and senior officers in relation to their strategic roles, supported by appropriate training.

Senior staff are encouraged, through annual appraisals, to identify training needs that will enhance their role with the Council and provide appropriate skills and knowledge to carry out their duties.

Members are kept informed of, and encouraged to attend, training programmes offered through the National and Sussex Association of Local Councils relating to both current and emerging legislation. All Chairman and Vice Chairman of committees and sub-committees are required to attend appropriate training annually.

Establishing clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation.

The Council promotes communication with the community via its quarterly newsletter, The Uckfield Voice, and its Annual Town Meeting. Stakeholders and other community groups are actively involved in the Town Centre Master Plan and the Local Development Framework group.

The Council has adopted s12(2) of the Code of Conduct and encourages members of the public to attend all Council and committee meetings, where arrangements are in place for them to ask questions.

The Council has a wide range of representatives on outside bodies in the community.

The Councils will seek to improve its website to enable residents to respond to online consultations.

4. The Internal Control Environment

4.1. The following internal control mechanisms are in place for the following purposes:

- The five-year Business Plan will assist the Council in:
 - Establishing and monitoring the achievement of the Council's objectives and assessing performance.
 - Seeking to ensure that continuous improvements occur in the way the Council exercises its functions.
 - Ensuring economic, efficient and effective use of resources.
 - Helping to programme the work of the Council in future years.
 - Keeping residents abreast of the Council's objectives and performance.
- Continuous appropriate training is provided for all Members and staff, especially on legislation changes. Training on the Power of Well Being and chairmanship has taken place. Continuous professional development is encouraged and vocational training is also provided for staff.
- Following the comprehensive reviews of the Council's Standing Orders and Financial Regulations a review of committee terms of reference is programmed.

**UCKFIELD TOWN COUNCIL
ANNUAL GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 MARCH 2010**

- The continuing review of existing and implementation of new policies to ensure compliance with procedures, laws and regulations and to improve governance.

4.2. During 2009/2010 as part of the Internal Control Environment the Council:

- Established Continuous Professional Development programmes for senior staff as part of our continued programme of staff training
- Amended policies relating to bad debts
- Carried out a review of investments, especially short term investments.

5. Review of Effectiveness

5.1. The Council has responsibility for conducting, at least annually, a review of the effectiveness of the system of internal control.

5.2. The appointed Internal Auditor, Town Clerk and Managers continue to develop, maintain and review the internal control environment including:

- The continual improvement of asset management.
- The regular updating of inventories.
- Monitoring and reviewing core policies and documents.

5.3. Risk Management Policy – Effective risk management is an integral part of the Council's controlled environment and the Council has reviewed its Risk Management Process Policy (No. 29) to ensure corporate business risks are covered and to demonstrate effective use of resources and sound governance.

5.4. A Business Continuity Plan will be developed to highlight the most significant business risks facing the Council and each service Manager will be responsible for their department's contribution to the Plan. Officers directly responsible for a service will be encouraged to take ownership of the plan.

5.5. Recommendations from the Internal and External Auditors will continue to be implemented in this and other areas of the Council's services and processes.

5.6. The process agreed by the Council which is applied in maintaining and reviewing the effectiveness of the system of internal control includes:

- Improvements to financial reporting to each spending committee on financial transactions undertaken within their agreed budgets.
- Continuing to address recommendations by either the Internal Auditor or External Auditors to enhance working practices and improve the effectiveness of systems of internal control.

**UCKFIELD TOWN COUNCIL
ANNUAL GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 MARCH 2010**

6. Significant Internal Control Issues

6.1. The following significant internal control issues have been identified:

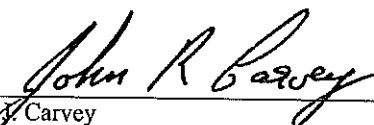
No.	Issue	Addressed by
1.	A requirement for improved financial reporting, monitoring and control.	<ul style="list-style-type: none"> • The continual improvement of the financial forecast for improved scrutiny and performance monitoring. • Training staff on new accounting processing procedures to further strengthen the separation of duties. • The introduction of a Members' Audit Policy to undertake random checking of financial and other transactions.
2.	The need for improved forward planning and performance monitoring	<ul style="list-style-type: none"> • Progressing a Business Continuity Management Plan • Improved IT management • Establishing additional meaningful Performance Indicators in 2010/2011 to ensure that services are delivered in accordance with the Council's objectives and represent the best use of resources.
3.	The need to consider emergency procedures and requirements in the event of a disaster.	<ul style="list-style-type: none"> • Reviewing and implementing appropriate changes to insurance policies to ensure adequate cover of assets and liabilities. • Implementing ways of reducing risks in light of the completion of the Business Continuity Management Plan. • Improving IT management including storage of archived data and files.
4.	The need to ensure the effective use of its resources.	<ul style="list-style-type: none"> • Commissioning a feasibility study of "The Hub" to establish improved use as a youth facility. • Obtaining part funding from the Community Sustainable Energy programme on behalf of the Big Lottery to carry out an appraisal of Victoria Pleasure Ground and pavilion. • Introducing a 5 year asset review programme of Town Council land. • Establishing ways of reducing operating costs. • Continuing to explore alternative funding sources e.g. grants.
5.	A need for better adherence to HR legislation and improvements to staff welfare.	<ul style="list-style-type: none"> • Continual review and implementation of a number of HR policies. • Introduction of Child Care Salary Sacrifice Scheme • Introduction of a Child Protection Policy. • Providing HR training for Councillors.
6.	Improve community engagement and partnership working.	<ul style="list-style-type: none"> • Establishing working groups with residents for an open space at Selby Road. • Enhancements to the Council website. • Continuing the provision of a newsletter to all households in the town.

**UCKFIELD TOWN COUNCIL
ANNUAL GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 MARCH 2010**

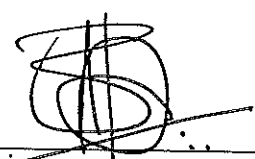
6.2. We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

7. Approval Statement

This statement was approved at a meeting of the Full Council held on 28 June 2010 when authority was granted for the Town Mayor and Clerk to sign.



Cllr J. Carvey
Town Mayor



A. Seppis
Town Clerk

Date: 8th November 2010

**UCKFIELD TOWN COUNCIL
STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS
FOR THE YEAR ENDED 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
- to manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets
- to approve the accounts.

The Responsible Financial Officer's Responsibilities

The R.F.O. is responsible for the preparation of the Council's statement of accounts as contained in *Governance and Accountability for Local Councils (Part IV) - A Practitioners Guide England "The Guide"* and the appropriate *Financial Reporting Standard for Smaller Enterprises (FRSSE 2008)* 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 statement of accounts presents a true and fair view of the financial position of Uckfield Town Council at 31 March 2010, and its income and expenditure for the year ended 31 March 2010.



C A Wheatley
Responsible Financial Officer

Date: 8th November 2010

**UCKFIELD TOWN COUNCIL
STATEMENT OF ACCOUNTING POLICIES AND ESTIMATION TECHNIQUES
FOR THE YEAR ENDED 31 MARCH 2010**

Accounting Convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (FRSSE) (effective April 2008) and Part 4 of Governance and Accountability for Local Councils: A Practitioners' Guide 2010 (England) for the first time this year.

This represents a change from prior years where the accounts were drawn up in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom ("the SORP") issued in 2008 by the Chartered Institute of Public Finance and Accountancy (CIPFA) and has resulted in presentational changes to the accounts and certain changes in accounting treatments, as noted below.

The financial statements have been prepared on a going concern basis.

The Council has taken advantage as a small entity from the exemption to prepare a cash flow statement.

Fixed Assets

All expenditure on the acquisition, creation or enhancement of fixed assets is capitalised on an accruals basis in the accounts. Expenditure on fixed assets is capitalised, provided that the fixed asset yields benefits to the authority and the services it provides, for a period of more than one year. Only assets with a value of over £5,000 are included.

Following the adoption of the FRSSE, there has been a change in accounting treatment of fixed assets with all assets now being carried at the lower of historic cost and their recoverable amount. In adopting this change in policy the Council has taken advantage of the transitional arrangements in paragraph 19.3 of the FRSSE whereby the existing book amounts have been retained for all previously revalued assets, these being land and buildings and all non-operational assets. These assets had last been revalued on 31 March 2009.

Under the previous accounting policy "non-operational" assets had been carried at open market value whilst "operational" assets of a non-specialised nature had been carried at open market value for the existing use. Revaluations in line with Financial Reporting Standards (FRS 15), Tangible Fixed Assets, were undertaken every five years with interim valuations being undertaken only if a material change was noted.

The financial effect of this change is summarised in note 2 to the accounts.

Depreciation is charged on a straight line basis over the expected useful lives of the fixed assets as follows:

Land and buildings:	2% on cost
Vehicles, plant and equipment:	Over 2, 3, 4, 6 or 8 years dependent on the type of asset

"Operational" and "Non-operational" assets are now being classified under one heading "Land and buildings".

The depreciation of Land and buildings is a change in accounting estimate, the assets having previously been written off over 23, 29 or 34 years as deemed appropriate.

Stock

Bar and other stock held at the Civic Centre are valued at the lower of cost and net realisable value. All other stocks have been treated as consumed because their value was not material.

Debtors and Creditors

The revenue accounts of the Council are maintained on an accruals basis. That is, sums due to, or from, the Council during the year are included whether or not the cash has actually been received or paid in the year. Exceptions to this are payment of insurance premiums, regular quarterly/six monthly accounts (e.g. telephones, electricity, etc)

**UCKFIELD TOWN COUNCIL
STATEMENT OF ACCOUNTING POLICIES AND ESTIMATION TECHNIQUES
FOR THE YEAR ENDED 31 MARCH 2010**

and monthly pay to employees. This policy is applied consistently each year. Therefore, it will not have a material effect on the year's accounts or the Council's annual budget.

Debtors consist of short duration receivables with no stated interest rate and are measured at original invoice amount. Bad debts are provided for on an item-by-item basis when, in the opinion of management, debtors are no longer collectable.

Long Term Loans

Long-term loans are carried at amortised cost using the effective interest rate method. Financing costs and interest are taken to the Income and Expenditure account as accrued.

The Council has two long-term loans from the Public Works Loan Board. The first of these loans is repayable over 25 years, the second over 50 years.

Reserves

The General Fund Balance comprises the accumulated net surplus or deficit of funds held by the Council both for current and prior years after accounting for transfers to and from other specific reserve accounts as detailed below. The level of General Reserves is in accordance with the Town Council policy and therefore allows enough reserves to be in place to cover three months gross expenditure.

The Council identifies, and separately retains from general reserves, certain earmarked reserves to meet specific future expenditure, as detailed in note 27 to the accounts.

The Council also separately maintains capital financing reserves and a pension reserve as detailed below.

When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service revenue account in the Income and Expenditure Account. The reserve is then appropriated back to the General Fund Balance, as disclosed at the foot of the Income and Expenditure Account, so that there is no charge against council tax for the expenditure.

Capital Financing Accounts

A fundamental principal of the system of capital accounting is that the accounting for fixed assets is separated from accounting for their finance. Underpinning accounting for fixed assets are three reserves as follows:

The Revaluation Reserve previously represented the balance of the surpluses or deficits arising on the periodic revaluation of fixed assets (see note 2).

The Capital Financing Account represents revenue or capital resources applied to finance expenditure of a capital nature or for the repayment of external loans and the reversal of depreciation to ensure it does not impact on the amount to be met from precept.

The balances on these capital reserves do not represent resources available to support capital financing.

**UCKFIELD TOWN COUNCIL
STATEMENT OF ACCOUNTING POLICIES AND ESTIMATION TECHNIQUES
FOR THE YEAR ENDED 31 MARCH 2010**

Capital Receipts

Any capital receipts arising from the disposal of fixed assets will be taken to a capital receipts reserve until such time as they are used to finance new capital expenditure.

Pensions

The pension costs that are charged to the Council's accounts in respect of its employees are equal to the contributions paid to private pension plans and the funded pension scheme for these employees.

The Town Council Pension Scheme is a defined benefit scheme and the Town Council has complied with the disclosure requirements of the FRSSSE. This requires recognition of the net pension asset/liability and pensions reserve in the balance sheet and entries in the Income and Expenditure Account and Statement of Total Recognised Gains and Losses showing the movements in the asset/liability relating to the defined benefit scheme (with reconciling entries back to contributions payable for council tax purposes).

Contributions to the pension scheme 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. However, the increase in contributions resulting from previous actuarial valuations is being spread over a period of years so that contributions will be made over the period.

The latest actuarial valuation was made as at 31 March 2007, dated 31 March 2008 and changes in contribution rates as a result of that valuation took effect from 1 April 2008.

Operating lease

For operating leases, payments are charged to the relevant service expenditure account in the period during which they accrue as owing.

As an operating lessor, the leased assets are included within tangible fixed assets and written off over their expected useful life.

Rental income from these leases is recognised on an accruals basis evenly over the length of the lease.

**UCKFIELD TOWN COUNCIL
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2010**

	Notes	31.03.10 £	As restated 31.03.09 £
Income			
Precept		709,598	687,080
Grants received		5,500	510
Rental income, interest and investment income	5	144,497	150,353
Charges made for services		253,367	244,950
Other income or contributions		101,630	127,804
		<u>1,214,592</u>	<u>1,210,697</u>
Expenditure			
Direct service costs:			
Salaries and wages		253,842	286,372
Grant aid expenditure		39,446	45,350
Other direct service costs		473,221	641,198
		<u>766,509</u>	<u>972,920</u>
Democratic, Management and Civic costs:			
Salaries and wages		185,140	167,478
Other democratic, management and civic costs	1	213,551	251,254
		<u>398,691</u>	<u>418,732</u>
Net operating surplus/(deficit) for year		<u>49,392</u>	<u>(180,955)</u>
Statutory charge for capital	26	(14,000)	(14,000)
Reversal of annual depreciation charge	26	73,002	119,446
Pension fund adjustment	13	11,000	20,000
Net transfer from/to Earmarked Reserves	27	23,778	2,570
Net surplus/(deficit) for year		<u>143,172</u>	<u>(52,939)</u>

**UCKFIELD TOWN COUNCIL
STATEMENT OF MOVEMENT OF RESERVES
FOR THE YEAR ENDED 31 MARCH 2010**

Reserve	Note	1 April 2009 £	Net movement in year £	31 March 2010 £
Capital Receipts Reserve	23	5,500	-	5,500
Revaluation Reserve	24	-	-	-
Pension Reserves	25	(185,000)	(306,000)	(491,000)
Capital Financing Account	26	3,560,687	(59,002)	3,501,685
Earmarked Revenue Reserves	27	373,429	(23,778)	349,651
General Fund	28	477,109	143,172	620,281
		<u>4,231,725</u>	<u>(245,608)</u>	<u>3,986,117</u>

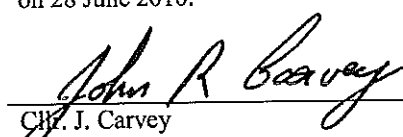
**UCKFIELD TOWN COUNCIL
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 MARCH 2010**

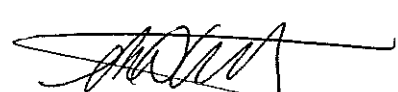
	Notes	31.03.10 £	As restated 31.03.09 £
Surplus/(deficit) for the year		49,392	(180,955)
Actuarial (losses)/gains related to pensions	13	(295,000)	(91,000)
Surplus/(deficit) arising on the revaluation of fixed assets		-	1,123,482
		<u>(245,608)</u>	<u>851,527</u>

**UCKFIELD TOWN COUNCIL
BALANCE SHEET
AS AT 31 MARCH 2010**

	Notes	31.03.10 £	As restated 31.03.09 £
Fixed Assets	14 -15		
Land and buildings		4,063,891	4,033,984
Vehicles and plant		93,616	20,433
		<u>4,157,507</u>	<u>4,054,417</u>
Current Assets			
Stocks	17	3,836	4,657
Debtors	18	55,464	59,870
Current asset investments	19	250,000	-
Cash at bank and in hand		496,929	828,165
		<u>806,229</u>	<u>892,692</u>
Creditors: amounts falling due within one year			
Creditors	20	37,619	51,384
Current portion of long term debt		14,000	14,000
		<u>51,619</u>	<u>65,384</u>
Net current assets		<u>754,610</u>	<u>827,308</u>
Total assets less current liabilities		<u>4,912,117</u>	<u>4,881,725</u>
Creditors: amounts falling due after more than one year			
Creditors	21	-	16,000
Long term borrowing	22	435,000	449,000
		<u>435,000</u>	<u>465,000</u>
Pension Liability/(Asset)	13	491,000	185,000
Total assets less liabilities		<u>3,986,117</u>	<u>4,231,725</u>
Reserves			
Capital Receipts Reserve	23	5,500	5,500
Revaluations Reserve	24	-	-
Pensions Reserve	25	(491,000)	(185,000)
Capital Financing Account	26	3,501,685	3,560,687
Earmarked Revenue Reserves	27	349,651	373,429
General Fund	28	620,281	477,109
		<u>3,986,117</u>	<u>4,231,725</u>

These financial statements replace the unaudited financial statements authorised at the meeting of Full Council on 28 June 2010.


John R. Carvey
Town Mayor


C. Wheatley
Responsible Financial Officer

**UCKFIELD TOWN COUNCIL
NOTES TO THE ACCOUNTS**

1. Other costs – Democratic, Management and Civic Costs

	31.03.10 £	As restated 31.03.09 £
Administration costs	9,123	9,112
Stationery	3,150	3,656
Postage and packaging	1,811	1,759
Depreciation	73,002	81,946
Interest payable	25,424	27,990
Other costs	101,041	126,791
	<u>213,551</u>	<u>251,254</u>

2. Prior period adjustment

Following the adoption of the FRSSSE (effective April 2008) all assets previously carried at market value are now being held at historic cost and depreciated. However the Council has taken advantage of paragraph 19.3 of the FRSSSE and existing book values have been taken for all previously revalued assets. Consequently there have been no changes to the carrying value of the assets. However, in line with the transitional arrangements the comparative figures have been restated to reclassify the Revaluation Reserve movement to the Capital Financing Account.

3. Trading operations

	31.03.10 £	As restated 31.03.09 £
Income	220,003	220,539
Expenditure	220,810	227,366
Net surplus/(deficit)	<u>(807)</u>	<u>(6,827)</u>

The trading operation relates to the Luxfords restaurant, Uckfield Civic Centre.

4. Grants received

During the year a £5,500 lottery funding grant (2009: £nil) was received.

5. Interest and Investment Income

	31.03.10 £	As restated 31.03.09 £
Rental income	150,700	143,529
Interest income	3,456	26,824
Investment income	1,341	-
Pension movement	(11,000)	(20,000)
	<u>144,497</u>	<u>150,353</u>

**UCKFIELD TOWN COUNCIL
NOTES TO THE ACCOUNTS**

6. Related Party Transactions

In accordance with the FRSSE all related party transactions require disclosure. A related party transaction is defined as 'the transfer of assets or liabilities or the performance of service by, to or for a related party, irrespective of whether a charge is made.' Related parties include the following:

East Sussex County Council and Wealden District Council for services and precepts.

East Sussex County Council Pension Fund for superannuation from and on behalf of Uckfield Town Council employees.

Two members of the Town Council are also members of Wealden District Council

Members and employees of the Town Council and members of their close families, details of which are:

	Value of transaction £
Supply of signs	675
Training	150
Building works	190
Supply of meat	6,919
Casual wages	99

All transactions were carried out at normal commercial rates.

7. Staffing

During 2009/10 the Council employed an average of 25 (2008/09: 25) permanent staff, some full-time and some part-time. All administrative, professional, technical and clerical staff (APT & C) are paid on nationally and locally agreed pay scales.

Number of employees whose remuneration excluding employers pension contributions was over £50,000 in bands of £10,000 was:

Band	Number of employees 31.03.10 £	Number of employees 31.03.09 £
£50,000 to £59,999	1	1

8. Members Allowances

The total members' allowances paid in respect of the Local Authorities (Members' Allowances) (England) Regulation 2003, (the Members' Allowance Regulations) was £11,064 (2009: £9,931).

9. Agency income and expenditure

No agency income or expenditure occurred during the year (2009: £nil).

**UCKFIELD TOWN COUNCIL
NOTES TO THE ACCOUNTS**

10. Audit fees

	31.03.10 £	31.03.09 £
Fees payable in respect of external audit services carried out by the appointed auditor	12,500	12,500

11. Operating leases

The gross value of assets held for use in property-related leases are £2,252,200 (2009: £2,252,200) with depreciation for the year being £39,430 (2009: £59,076). However, the gross value reported relates to the entire asset, whereas the rental stream in many cases only relates to a smaller element of that asset. Rental income on leased properties during the year amounted to £29,491 (2009: £28,189).

12. Further Information

Further information about the accounts is available from the Council Offices, Uckfield Civic Centre, Uckfield, East Sussex, TN22 1AE. This is part of the Council's policy of providing full information about its affairs. Interested members of the public have a statutory right to inspect the accounts before the audit is completed. The availability of the accounts for inspection is advertised in the local press.

13. Pension Scheme

Uckfield Town Council participates in the Local Government Pension Scheme, which is administered by East Sussex County Council. The Local Government Pension Scheme is a defined benefit scheme based on final pensionable salary.

During the year the Council paid an employer's contribution of £29,824. Of this sum £nil related to private pension plans, and £29,824 representing 18.3% of pensionable pay, was paid to the East Sussex County Council Local Government Pension Scheme in accordance with the percentage advised by the actuary. Under pension regulations, contribution rates are set to meet 100% of the overall liabilities of the fund.

The most recent valuation was carried out as at 31 March 2007, and has been updated by Hymans Robertson, independent actuaries to the East Sussex Pension Fund to reflect the liabilities of the fund as at 31 March 2010. Liabilities are valued on an actuarial basis using the projected unit method which assesses the future liabilities discounted to their present value.

Value of scheme assets and liabilities

	31.03.10 £	31.03.09 £
Share of assets in East Sussex Pension Fund	816,000	574,000
Estimated liabilities in East Sussex Pension Fund	(1,307,000)	(759,000)
Net pensions deficit	<u>(491,000)</u>	<u>(185,000)</u>

**UCKFIELD TOWN COUNCIL
NOTES TO THE ACCOUNTS**

Movement in funds

	31.03.10		31.03.09	
	£	£	£	£
Pension scheme surplus/(deficit) brought forward		(185,000)		(74,000)
Pension interest cost	(53,000)		(53,000)	
Pensions service cost	(25,000)		(28,000)	
Expected return on assets	38,000		47,000	
Past service cost	-		(13,000)	
	<u>(40,000)</u>		<u>(47,000)</u>	
Employers contribution to fund	<u>29,000</u>		<u>27,000</u>	
		(11,000)		(20,000)
Actuarial gain/(loss)		(295,000)		(91,000)
Pension scheme surplus/(deficit) carried forward		<u>(491,000)</u>		<u>(185,000)</u>

Employer contributions to the scheme for the year to 31 March 2011 are expected to be approximately £29,000.

**UCKFIELD TOWN COUNCIL
NOTES TO THE ACCOUNTS**

14. Fixed Assets

As agreed by the Town Council the de-minimis level for Fixed Assets is £5,000.

Movements in fixed assets during the year were:

	Land & Buildings £	Vehicles, Plant & Equipment £	Total £
Cost or valuation			
Balance brought forward	4,043,474	513,896	4,557,370
Additions	85,000	91,092	176,092
Disposals	-	-	-
Balance carried forward	<u>4,128,474</u>	<u>604,988</u>	<u>4,733,462</u>
Depreciation			
Balance brought forward	9,490	493,463	502,953
Disposals	-	-	-
Charge for year	55,093	17,909	73,002
Balance carried forward	<u>64,583</u>	<u>511,372</u>	<u>575,955</u>
Net Book Value			
At 31 March 2010	<u>4,063,891</u>	<u>93,616</u>	<u>4,157,507</u>
At 31 March 2009	<u>4,033,984</u>	<u>20,433</u>	<u>4,054,417</u>

The net book value of land and buildings is analysed as follows:

	31.03.10 £	31.03.09 £
Council land and buildings	1,800,070	1,831,500
Other operational land and buildings	1,401,080	1,415,500
Non-operational assets	843,457	767,700
Community assets	19,284	19,284
	<u>4,063,891</u>	<u>4,033,984</u>

Depreciation policies are as disclosed under the accounting policies statement.

**UCKFIELD TOWN COUNCIL
NOTES TO THE ACCOUNTS**

15. Information on Assets Held

Fixed assets owned by the Council include:

Operational Assets

Council Land and Buildings

Civic Centre

Other Operational Land and Buildings

Victoria Park and Pavilion

West Park Pavilion

Cemetery buildings (including workshops)

Sports pitches

The Hub (formerly Adult Learning Centre)

Vehicles, Plant, Furniture and Equipment

Building contents

Tractors -1

Pick-up trucks -2

Grass roller -1

Skate-park

Non Operational Assets

Bridge Cottage

Foresters Hall

Foresters Chapel

2A Vernon Road

Signal Box

Shop adjoining Bridge Cottage

Osborne Hall (Guides building)

Infrastructure Assets

Bus shelters - 5

Street lights

Community Assets

Hempstead Meadows Local Nature Reserve

West Park Local Nature Reserve

Recreation grounds - 7

Allotment sites - 5

Cemetery

Civic Regalia

16. Commitments Under Operating Leases

At 31 March 2010 the Council had an operating lease commitment relating to a photocopier lease amounting to £848 per annum. The lease expires within 2 and 5 years.

**UCKFIELD TOWN COUNCIL
NOTES TO THE ACCOUNTS**

17. Stocks

	31.03.10 £	As restated 31.03.09 £
Luxford Restaurant	3,836	4,657
	<hr/> 3,836	<hr/> 4,657

18. Debtors

	31.03.10 £	As restated 31.03.09 £
Trade debtors	47,358	32,020
Other debtors and prepayments	8,106	27,850
	<hr/> 55,464	<hr/> 59,870

19. Current asset investments

Current asset investments comprises a seven month fixed rate bond with a gross interest rate of 1.5%.

20. Creditors: Amounts Falling Due Within One Year

	31.03.10 £	As restated 31.03.09 £
Trade creditors	1,659	2,845
Other creditors and accruals	35,960	48,539
	<hr/> 37,619	<hr/> 51,384

**UCKFIELD TOWN COUNCIL
NOTES TO THE ACCOUNTS**

21. Creditors: Amounts Falling Due After One Year

	31.03.10 £	As restated 31.03.09 £
Other creditors	-	16,000
	<u>-</u>	<u>16,000</u>

22. Long Term Loans

	31.03.10 £	As restated 31.03.09 £
Debt due after more than one year: repayable between one and five years	56,000	56,000
repayable in five years or more	379,000	393,000
	<u>435,000</u>	<u>449,000</u>

23. Capital Receipts Reserve

	31.03.10 £	As restated 31.03.09 £
Balance brought forward	5,500	5,500
Balance carried forward	<u>5,500</u>	<u>5,500</u>

24. Revaluation Reserve

	31.03.10 £	As restated 31.03.09 £
Balance brought forward	-	-
Transfer to Capital Adjustment Account	-	-
Revaluation of assets during year	-	439,758
Disposal of fixed assets	-	-
Depreciation eliminated on revaluations	-	646,224
Impairments charged to Income and Expenditure account	-	37,500
Original balance carried forward	<u>-</u>	<u>1,123,482</u>
Prior period adjustment (note 2)	-	(1,123,482)
Restated balance carried forward	-	-

**UCKFIELD TOWN COUNCIL
NOTES TO THE ACCOUNTS**

25. Pension Reserves

	31.03.10 £	As restated 31.03.09 £
Balance brought forward	(185,000)	(74,000)
Pension expenses recognised in Income and Expenditure account	(11,000)	(20,000)
Actuarial gains/(losses) recognised in STRGL	(295,000)	(91,000)
Balance carried forward	<u>(491,000)</u>	<u>(185,000)</u>

26. Capital Financing Account

	31.03.10 £	As restated 31.03.09 £
Balance brought forward	3,560,687	2,542,651
Reversal of depreciation/impairments	(73,002)	(119,446)
Loan and lease repayments	14,000	14,000
Capital expenditure from General Fund	-	-
Disposals	-	-
Original balance carried forward	<u>3,501,685</u>	<u>2,437,205</u>
Prior period adjustment (note 2)	-	1,123,482
Restated balance carried forward	<u>3,501,685</u>	<u>3,560,687</u>

UCKFIELD TOWN COUNCIL
NOTES TO THE ACCOUNTS

27. Earmarked Revenue Reserves

	1 April 2009 £	Contribution to reserves £	Contribution from reserves £	31 March 2010 £
Sports	45,030	-	-	45,030
Civic Centre boiler replacement	49,048	-	-	49,048
Civic Centre repairs	8,935	-	(7,000)	1,935
Civic Centre chairs	10,000	-	(3,605)	6,395
Civic Centre signage	1,942	-	(1,942)	-
Foresters Hall outside painting	12,000	-	(12,000)	-
Street lighting capital	23,857	15,000	-	38,857
Boothland Wood	500	-	-	500
Play area enhancement	39,375	10,000	-	49,375
Section 52/106	64,600	-	(5,696)	58,904
Skate/BMX track	28,974	10,000	(38,974)	-
Access to open spaces	2,463	-	-	2,463
Pitch maintenance	4,488	-	(350)	4,138
Playground fencing	12,608	5,000	(1,684)	15,924
2nd Youth Shelter	4,500	-	(4,500)	-
Business Continuity	8,000	-	(1,415)	6,585
Elizabeth Garden improvements	3,200	-	(1,366)	1,834
Floral displays	8,000	-	(8,000)	-
Rain harvest water system	7,700	-	-	7,700
HMLNR donation	2,000	-	-	2,000
Street furniture donation	1,200	-	-	1,200
White Rails improvements	1,200	-	-	1,200
Mini digger	12,700	-	-	12,700
Street furniture repair and replacement rolling programme	1,000	-	(37)	963
Fencing	1,000	-	-	1,000
Storage facilities Victoria	12,000	-	-	12,000
Allotment fencing	3,609	2,000	(866)	4,743
Survey landscape of Victoria	2,500	-	(2,500)	-
Trees/wild flowers H Lane	500	-	(35)	465
Health walking signs Victoria	500	-	-	500
Ridgewood car park re-surfacing	-	5,000	-	5,000
Cemetery extension	-	5,000	-	5,000
Street light timers	-	5,000	-	5,000
Victoria part-time person to lock toilets	-	2,000	-	2,000
Brighten Uckfield Up	-	2,192	-	2,192
Uckfield Regeneration Partnership	-	5,000	-	5,000
	<u>373,429</u>	<u>66,192</u>	<u>(89,970)</u>	<u>349,651</u>

The earmarked reserves are used to finance or part-finance specific projects.

Section 52/106 expenditure is made up of two amounts that are both being written back over 15 years, the first, £45,441 with effect from 1 April 2003, the second £40,000, with effect from 1 April 2008.

**UCKFIELD TOWN COUNCIL
NOTES TO THE ACCOUNTS**

28. General fund

	31.03.10 £	As restated 31.03.09 £
Balance brought forward	477,109	530,048
Net surplus/ (deficit) for year	143,172	(52,939)
Balance carried forward	620,281	477,109

29. Contingent liabilities

There are no contingent liabilities at 31 March 2010.

30. Post Balance Sheet Events

The Chancellor of the Exchequer announced in his emergency Budget on 22nd June 2010 that the consumer price index rather than the retail price index will be the basis for future public sector pension increases. In accordance with paragraph 21 of Financial Reporting Standard 21 (Events after the balance sheet date), this change is deemed to be a non-adjusting post balance sheet event. The effect of this change is estimated to reduce the value of FRS17 liabilities and will be determined in future actuarial valuations.