



Accounting Solutions

from DCK Beavers Ltd

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DEPOSIT RATES - How to get the best deal

Many Clerks have expressed frustration at the difficulty in getting competitive quotes from banks. We have therefore contacted the major banks and put together a listing of who to contact (see Page 3). We do not express any preference and would welcome any feedback on this!

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The Spending Review

The Chancellor has announced the outcome of the spending review and it makes bleak reading for those working in the public sector.

Town and Parish Councils will be conscious of the possible effects of cuts to their local economy which will obviously vary from area to area. We have already seen from our travels around the country that some councils are in much more distressed areas than others and that the resources available vary greatly.

In terms of general impacts it does seem that the cost pressures on the billing authorities will result in a trickle down effect on Town and Parish Councils.

A first impact will likely be in the withdrawal of certain services which are seen as important for a Town or Parish such as leisure services or road and street maintenance. Each parish will then have to decide how it will respond to this.

Another impact may be in the reluctance of larger councils to release revenue to Town and Parish Councils, for example by retaining Section 106 money or

car park income. This is already a contentious issue and is likely to become more so.

As yet we have not seen any impact on the PWLB funding for schemes but this may be an area where restrictions will gradually apply. We are also hearing more Councils saying they are reluctant to consider new schemes as the pressure grows to reduce or control spending.

This will undoubtedly be an issue for several years to come and we are all facing a long, tough road.



FRSSSE

2009-10 saw the first year of the new FRSSSE reporting standard for larger Town and Parish Councils. This proved to be a much greater challenge for all concerned than might have first been envisaged for a form of reporting that was supposed to simplify matters!

A raft of issues emerged which resulted in increased workloads for council staff, reworking of the draft accounts several times and the threat of higher audit fees. Not altogether a happy debut.

The approach by the external auditors varied by both the firm and by the individual auditor. A particular problem was the variation in presentation and content with significant differences in one set of accounts to another. A review of the accounts produced - available on council websites - shows how dramatic the variations have been.

DCK Beavers will be working over the winter with council clients, JPAG and NALC to try and address the many issues that arose with a view to avoiding a repetition when the 2010-11 accounts are produced.

Abolition of the Audit Commission

August saw the announcement of the abolition of the Audit Commission. Secretary of State for Communities and Local Government Eric Pickles said:

"The corporate centre of the Audit Commission has lost its way. Rather than being a watchdog that champions taxpayers' interests, it has become the creature of the Whitehall state."

It seems that this abolition will happen quickly with the new arrangements to be in place by the 2012/13 financial year.

Indications are that councils will be able to choose their auditors from amongst a range of firms, although it is not clear whether they will be obliged to select from an approved panel of firms or whether they will be able to use whichever suitably qualified auditor they wish.

The abolition has provoked mixed responses with Labour arguing that it required "reform not abolition" and there will be a number of gaps to fill in terms of a central body to address and co-ordinate matters. Some of the responsibility will pass to the National Audit Office and we will await with interest to see how effective they may be.

Hard Times!

An unfortunate consequence of tough economic times is that there is financial pressure on people which can often result in an increase in cases of misappropriation of cash or other council assets.

We are aware of a number of recent incidents and would encourage all Councils to revisit their internal control arrangements. You should be able to receive advice on this from your internal auditor.

HMRC Contact Point

VAT Telephone Enquiry Improvements for Local Councils

HMRC has recently made improvements in its handling of VAT telephone enquiries for local councils. When calling the VAT enquiries helpline on 0845 010 9000 please confirm that you represent a local council and whether or not you are registered for VAT; your call will then be handled directly or via call-back by a VAT technician familiar with local council issues. It is anticipated that these arrangements will provide an improved service to local council representatives.

VAT!! - BEWARE!!

One of the biggest frustrations for staff at DCK Beavers is encountering Councils who have fallen foul of the VAT man. We regularly bump into Councils who have either received bad advice or have been unaware of the particular situation of Councils under the 1994 VAT Act.

This often results in Councils having to pay over large amounts of VAT when they could have avoided this by having the correct advice.

If you are considering any major Capital Expenditure, or have been told by HMRC that you cannot recover certain VAT please give us a call on 01793-739110 or email admin@dckbeavers.co.uk This could well be the most cost effective call you ever make!



About DCK Beavers

DCK Beavers is an accountancy business located just off Junction 16 of the M4. Originally founded in 2001 by directors Derek Kemp and Melodie Beevers, DCK Beavers provides accounting services for both Town and Parish Councils and commercial clients. Recently the professional strength of the firm has been increased by the joining of Kevin Rose as a Director.

Over the years the business has built a reputation as industry leaders in providing accounting solutions to Town, Parish and Community Councils and now has a client base throughout England and Wales.

The services provided include preparation of annual accounts, budgeting assistance, book keeping services on a short term or contract

basis, specialist advice on VAT and PAYE and other taxes as well as advise and feasibility work relating to capital projects.

Due to its history of commitment to its clients DCK Beavers has developed a reputation as a cost effective and reliable partner for councils.



BANK DEPOSIT CONTACT POINT

BANK	CONTACT	EMAIL	PHONE
Nat West	Robert Morris Business & Commercial Banking 1st Floor, Stella Building Windmill Hill Business Park Whitehill Way Swindon SN5 6NX	robert.morris@natwest.com	01225 823246
Lloyds-TSB	Ask for Local Senior Manager Commercial		0845 072 5555
Barclays	Aaron Fitzpatrick Barclays Business, 28 Regent Street, Swindon, Wiltshire, SN1 1QB	aaron.fitzpatrick@barclays.com	01793 583414 07917 504550
Co-operative	Stuart Thomas, Business Development Adviser PO Box 101 1 Balloon Street Manchester M60 4EP	stuart.thomas@cfs.coop	0161 829 40008
HSBC	Andy Bartlett Commercial Manager HSBC Bank plc Bristol & Bath Area Bath Office 41 Southgate Bath BA1 1TN	andybartlett@hsbc.com	07774 556157
Bank of Ireland	Dean Taylor Specialist Deposit Services Bow Bells House, 1 Bread Street London EC4M 9BE	dean.taylor@boiuk.com	020 3201 6358
Santander	Bond and Time Deposit Team Marta Hamer	Marta.Hamer@alliance-leicester.co.uk	Bonds 0845 600636 Time Deposits 0845 6060 593
Halifax – Bank of Scotland	Wholesale Markets and Treasury & Trading Bank of Scotland 110 St Vincent Street Glasgow G2 5ER		0845 604 5539