

LODSWORTH PARISH COUNCIL 2018/19

2017/18	<u>INCOME & EXPENDITURE</u>	2018/19
£		£
17,507	FUNDS BROUGHT FORWARD	17,882
£	<u>INCOME</u>	£
16,724	PRECEPT	17,226
0	BANK INTEREST	0
230	ALLOTMENTS	330
1,550	GRANTS	2,400
3,369	VAT RECOVERED	459
0	MISCELLANEOUS	11
21,873	TOTAL INCOME	20,426
39,380		38,309

GRANTS AND FUNDING RECEIVED 2018/19

Tesco Bags of Help funding for playground groundworks project £2,000
CDC New Homes Bonus £400

GRANTS AND FUNDING RECEIVED 2017/18

Tennis Club donation towards court painting £1,300
Lodsworth Fete donation towards bus shelter £250

2017/18	<u>EXPENDITURE</u>	2017/18
£		£
7,686	GENERAL ADMIN * (Note 1)	7,063
1,492	PARISH MAINTENANCE * (Note 2)	1,382
173	ALLOTMENTS	399
7,355	PLAYGROUND	1,661
3,025	GRANTS AND DONATIONS * (Note 3)	3,225
0	WEBSITE	500
1,767	VAT PAID	334
0	ELECTION COSTS	0
21,498	TOTAL EXPENDITURE	14,564
17,882	TOTAL FUNDS AT YEAR END	23,745

Note 1:	GENERAL ADMIN CLERKS SALARY SSALC (ANNUAL SUBS 2018/19) INSURANCE AUDIT GENERAL EXPENSES MISCELLANEOUS TOTAL	£ 5,485 200 732 100 411 136 7,063
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Note 2:	PARISH MAINTENANCE PARISH TIDY UP SESSION REFRESHMENTS WINTER PLAN: NEW GRIT BINS GILLS LANE SIGNS TOTAL	£ 766 366 250 1,382
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Note 3:	GRANTS AND DONATIONS 2018/19 MIDHURST COMMUNITY BUS CITIZENS ADVICE BUREAU (ARUN AND CHICHESTER) LODSWORTH PCC (CHURCHYARD MTCE CONTRIBUTION) ROTHER VALLEY TOGETHER LODSWORTH VILLAGE HALL LODSWORTH LOCAL CARE KENT SURREY SUSSEX AIR AMBULANCE POPPY APPEAL (LEST WE FORGET SILHOUETTE DONATION) TOTAL	£ 200 150 750 175 1,500 100 250 100 3,225
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Certificate of Exemption – AGAR 2018/19 Part 2

To be completed by smaller authorities where the higher of gross income or gross expenditure did not exceed £25,000 in the year of account ended 31 March 2019, and that wish to certify themselves as exempt from a limited assurance review under Section 9 of the Local Audit (Smaller Authorities) Regulations 2015

There is no requirement to have a limited assurance review or to submit an Annual Governance and Accountability Return to the external auditor, **provided** that the authority has certified itself as exempt at a meeting of the authority after 31 March 2019 and a completed Certificate of Exemption is submitted notifying the external auditor.

LODSWORTH PARISH COUNCIL

certifies that during the financial year 2018/19, the higher of the authority's gross income for the year or gross annual expenditure, for the year did not exceed **£25,000**

Annual gross income for the authority 2018/19:

£20,426.000

Annual gross expenditure for the authority 2018/19:

£14,564.000

There are certain circumstances in which an authority will be **unable to certify itself as exempt**, so that a limited assurance review will still be required. If an authority is **unable to confirm the statements below then it cannot certify itself as exempt** and it **must** submit the completed Annual Governance and Accountability Return Part 3 to the external auditor to undertake a limited assurance review for which a fee of **£200 +VAT** will be payable.

By signing this **Certificate of Exemption** you are confirming that:

- The authority has been in existence since before 1st April 2015
- In relation to the preceding financial year (2017/18), the external auditor **has not**:
 - issued a public interest report in respect of the authority or any entity connected with it
 - made a statutory recommendation to the authority, relating to the authority or any entity connected with it
 - issued an advisory notice under paragraph 1(1) of Schedule 8 to the Audit and Accountability Act 2014 ("the Act"), and has not withdrawn the notice
 - commenced judicial review proceedings under section 31(1) of the Act
 - made an application under section 28(1) of the Act for a declaration that an item of account is unlawful, and the application has not been withdrawn nor has the court refused to make the declaration
- The court has not declared an item of account unlawful after a person made an appeal under section 28(3) of the Act.

If you are able to confirm that the above statements apply and that the authority neither received gross income, nor incurred gross expenditure, exceeding £25,000, then the Certificate of Exemption can be signed and a copy submitted to the external auditor **either** by email **or** by post (not both).

The Annual Internal Audit Report, Annual Governance Statement, Annual Accounting Statements, an analysis of variances and the bank reconciliation plus the information required by Regulation 15 (2), Accounts and Audit Regulations 2015 including the period for the exercise of public rights still need to be fully completed and, along with a copy of this certificate, published on a public website* before 1 July 2019. **By signing this certificate you are also confirming that you are aware of this requirement.**

Signed by the Responsible Financial Officer

SIGNATURE REQUIRED

Date

DD/MM/YYYY

Signed by Chairman

SIGNATURE REQUIRED

Date

DD/MM/YYYY

Email

EMAIL ADDRESS REQUIRED

Telephone number

TELEPHONE NUMBER

*Published web address

PUBLISHED WEBSITE ADDRESS

ONLY this Certificate of Exemption should be returned EITHER by email OR by post (not both) as soon as possible after certification to your external auditor.

Annual Internal Audit Report 2018/19

LODSWORTH PARISH COUNCIL

This authority's internal auditor, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls to be in operation **during** the financial year ended 31 March 2019.

The internal audit for 2018/19 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Agreed? Please choose one of the following		
	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.			✓ N/A
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic and year-end bank account reconciliations were properly carried out.	✓		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K. IF the authority certified itself as exempt from a limited assurance review in 2017/18, it met the exemption criteria and correctly declared itself exempt. (<i>"Not Covered" should only be ticked where the authority had a limited assurance review of its 2017/18 AGAR</i>)	✓		
L. During summer 2018 this authority has correctly provided the proper opportunity for the exercise of public rights in accordance with the requirements of the Accounts and Audit Regulations.			Not applicable ✓
M. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes	No	Not applicable ✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

Name of person who carried out the internal audit

10/05/2019 DD/MM/YYYY DD/MM/YYYY

ENTR MR: M J E A N E R N H U G G E T T

Signature of person who carried out the internal audit

SIGNATURE REQUIRED

Date

10/05/2019

*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned, or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

Section 1 – Annual Governance Statement 2018/19

We acknowledge as the members of:

LODSWORTH PARISH COUNCIL

our responsibility for ensuring that there is a sound system of internal control, including arrangements for 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 2019, that:

	Agreed		‘Yes’ means that this authority:
	Yes	No	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	☒	☐	prepared its accounting statements in accordance with the Accounts and Audit Regulations.
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 Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	☒	☐	has only done what it has the legal power to do and has complied with Proper Practices in doing 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 gave all persons interested the opportunity to inspect and ask questions about this authority’s accounts.
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	☒	☐	considered and documented the financial and other risks it faces and dealt with them properly.
6. We maintained throughout the year an adequate and effective system of internal audit of the 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 this smaller authority.
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 this authority 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. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A
	☐	☐	☒
			has met all of its responsibilities where as a body corporate it is a sole managing trustee of a local trust or trusts.

*For any statement to which the response is ‘no’, an explanation should be published

This Annual Governance Statement was approved at a meeting of the authority on:

DD/MM/YYYY

and recorded as minute reference:

MINUTE REFERENCE

Signed by the Chairman and Clerk of the meeting where approval was given:

Chairman

SIGNATURE REQUIRED

Clerk

SIGNATURE REQUIRED

Section 2 – Accounting Statements 2018/19 for

LODSWORTH PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2018 £	31 March 2019 £	
1. Balances brought forward	17,507	17,882	Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to underlying financial records. 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. (+) Precept or Rates and Levies	16,724	17,226	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	5,149	3,200	Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.
4. (-) Staff costs	5,339	5,485	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	—		Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	16,159	9,079	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	17,882	23,745	Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).
8. Total value of cash and short term investments	17,882	23,745	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 long term investments and assets	92,275	92,641	The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.
10. Total borrowings	—	—	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	The Council as a body corporate acts as sole trustee for and is responsible for managing Trust funds or assets. N.B. The figures in the accounting statements above do not include any Trust transactions.

I certify that for the year ended 31 March 2019 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority. Signed by Responsible Financial Officer before being presented to the authority for approval

SIGNATURE REQUIRED

Date

DD/MM/YYYY

I confirm that these Accounting Statements were approved by this authority on this date:

DD/MM/YYYY

as recorded in minute reference:

MINUTE REFERENCE

Signed by Chairman of the meeting where the Accounting Statements were approved

SIGNATURE REQUIRED

LODSWORTH PARISH COUNCIL

EXPLANATION OF VARIANCES – 2018/19

Section 1	2017/18	2018/19	Variance +/- £	Detailed explanation of variance
Box 2	16,724	17,226	502	
Box 3	5,149	3,201	-1,948	Larger amount of VAT recovered in 2017/18 compared to 2018/19 due to several major projects in 2016/17
Box 4	5,334	5,485	151	
Box 5	-	-	0	
Box 6	16,159	9,079	-7,080	There was a playground groundworks project in 2017/18 (£6,500) which equates for the main difference in expenditure.
Box 7	17,882	23,745	5,863	Reserves built back up for play area and parish maintenance after 2017/18 expenditure
Box 9	92,275	92,641	366	Two new grit bins
Box 10	-	-	0	

LODSWORTH PARISH COUNCIL

BANK RECONCILIATION as at 31st March 2019

FINANCIAL YEAR ENDING 31st MARCH 2019

Prepared by Helen Cruikshank, Parish Clerk and Responsible Financial Officer

		£	£
Balance per Bank Statements as at 31st March 2019			24,833.05
Less : unrepresented cheques no's:			
	<u>Cheque no.</u>		
The Hollist Arms (December's Tidy Up session refreshments)	396	60.00	
Lodsworth Local Care (Annual Donation 2018/19)	401	100.00	
Lodsworth PCC (Annual Donation 2018/19)	403	750.00	
The Hollist Arms (January's Tidy Up session refreshments)	405	108.00	
Mr Roger Comber (Mole catching services at playground)	416	70.00	
Add: money yet to be credited:			1,088.00
			-
			23,745.05
The net balances reconcile to the Cash Book for the year, as follows:			
CASH BOOK			
Opening Balance 1 st April 2018			17,882.21
Add : Receipts in the year			20,426.44
Less : Payments in the year			14,563.60
			23,745.05
Closing balance per cash book as at 31.03.19			23,745.05