Section 1 – Annual Governance Statement 2019/20

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 2020, 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.*
			✓	

*Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.

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

DD/MM/YY

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

Other information required by the Transparency Codes (not part of Annual Governance Statement)
Authority web address

AUTHORITY WEBSITE ADDRESS

Section 2 – Accounting Statements 2019/20 for

LODSWORTH PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2019 £	31 March 2020 £	*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.*
1. Balances brought forward	17,882	23,745	*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	17,226	17,743	*Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.*
3. (+) Total other receipts	3,201	21,265	*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	5,485	5,448	*Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.*
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	9,079	34,856	*Total expenditure or payments as recorded in the cash-book less staff costs (line 4) and loan interest/capital repayments (line 5).*
7. (=) Balances carried forward	23,745	22,449	*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	23,745	22,449	*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	92,641	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/A	*N.B. The figures in the accounting statements above do not include any Trust transactions.*

I certify that for the year ended 31 March 2020 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/YY

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

DD/MM/YY

as recorded in minute reference:

MINUTE REFERENCE

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

SIGNATURE REQUIRED

Annual Internal Audit Report 2019/20

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 2020.

The internal audit for 2019/20 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 2018/19, it met the exemption criteria and correctly declared itself exempt. *(If the authority had a limited assurance review of its 2018/19 AGAR tick "not covered")*	✓		
L. The authority has demonstrated that during summer 2019 it correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations.	✓		

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

05/05/20 DD/MM/YY DD/MM/YY

Name of person who carried out the internal audit

MRS JEAN HUGGETT AUDITOR

Signature of person who carried out the internal audit

SIGNATURE REQUIRED

Date 05/05/20

*If the response is 'no' you must include a note to 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).

LODSWORTH PARISH COUNCIL

BANK RECONCILIATION as at 31st March 2020

FINANCIAL YEAR ENDING 31st MARCH 2020

Prepared by Helen Cruikshank, Parish Clerk and Responsible Financial Officer
28th April 2020

		£	£
Balance per Bank Statements as at 31st March 2020			**22,403.98**
Less : unpresented cheques no's:			
Cheque no 474 : Mr Roger Comber (mole catching services at play area)		90.00	
			90.00
Add: money yet to be credited:			
Repayment of invoice paid twice - Mr Nathan Silius		135.00	
			135.00
			22,448.98
The net balances reconcile to the Cash Book for the year, as follows:			
CASH BOOK			
Opening Balance 1st April 2019			23,745.05
Add : Receipts in the year			39,008.00
Less : Payments in the year			40,304.07
			22,448.98
Closing balance per cash book as at 31.03.20			**22,448.98**

LODSWORTH PARISH COUNCIL

EXPLANATION OF VARIANCES – 2019/20

Section 1	2018/19	2019/20	Variance +/- £	Detailed explanation of variance
Box 2	17,226	17,443	217	
Box 3	3,201	21,265	18,064	Donations and grants received (£14,781) for Outdoor Fitness Equipment installed in 2019. Donation for the new Village Hall dishwasher installed in 2019
Box 4	5,485	5,448	-37	
Box 5	-	-	0	
Box 6	9,079	34,856	25,777	Outdoor Fitness Equipment installed in 2019 (£17,801) New dishwasher for the Village Hall installed in 2019
Box 7	23,745	22,449	-1,296	
Box 9	92,641	92,641	0	
Box 10	-	-	0	

LODSWORTH PARISH COUNCIL 2019/20

2018/19 £	INCOME & EXPENDITURE	2019/20 £
17,882	**FUNDS BROUGHT FORWARD**	23,745
£	**INCOME**	£
17,226	PRECEPT	17,743
0	BANK INTEREST	0
330	ALLOTMENTS	425
2,400	GRANTS	17,141
459	VAT RECOVERED*	0
11	MISCELLANEOUS	3,699
20,426	**TOTAL INCOME**	39,008

VAT RETURN YET TO BE CLAIMED 2019/20 @ £4,582

38,309	62,753

GRANTS AND FUNDING RECEIVED 2019/20
Village Hall donation towards dishwasher (£2,360)
Village Hall donation (including external grants received) towards outdoor fitness equipment project (£14,781)

GRANTS AND FUNDING RECEIVED 2018/19
Tesco Bags of Help funding for playground groundworks project £2,000
CDC New Homes Bonus £400

2018/19 £	EXPENDITURE	2019/20 £
7,063	GENERAL ADMIN * (Note 1)	9,650
1,382	PARISH MAINTENANCE * (Note 2)	3,176
0	OUTDOOR FITNESS EQUIPMENT	17,801
399	ALLOTMENTS	353
1,661	PLAYGROUND	1,101
3,225	GRANTS AND DONATIONS * (Note 3)	3,350
500	WEBSITE	90
334	VAT PAID	4,582
0	ELECTION COSTS	201
14,564	**TOTAL EXPENDITURE**	40,304
23,745	**TOTAL FUNDS AT YEAR END**	22,449

Note 1:

GENERAL ADMIN	£
CLERKS SALARY	5,448
SSALC (ANNUAL SUBS 2019/20)	208
INSURANCE	746
AUDIT	100
GENERAL EXPENSES	351
MISCELLANEOUS	2,798
TOTAL	9,650

Note 2:

PARISH MAINTENANCE/PROJECTS	£
PARISH TIDY UP SESSION REFRESHMENTS	816
WINTER PLAN	0
VILLAGE HALL DISHWASHER	2,360
TOTAL	3,176

Note 3:

GRANTS AND DONATIONS 2019/20	£
MIDHURST COMMUNITY BUS	250
CITIZENS ADVICE BUREAU (ARUN AND CHICHESTER)	150
LODSWORTH PCC (CHURCHYARD MTCE CONTRIBTUTION)	750
ROTHER VALLEY TOGETHER	250
LODSWORTH VILLAGE HALL	1,500
LODSWORTH LOCAL CARE	200
KENT SURREY SUSSEX AIR AMBULANCE	250
TOTAL	3,350