Annual Internal Audit Report 2024/25

LODSWORTH PARISH COUNCIL

www.lodsworth-pc.uk

During the financial year ended 31 March 2025, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2024/25 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	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.			✓
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 bank account reconciliations were properly carried out during the year.	✓		
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 2023/24, it met the exemption criteria and correctly declared itself exempt. *(If the authority had a limited assurance review of its 2023/24 AGAR tick "not covered")*	✓		
L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.	✓		
M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations *(during the 2024-25 AGAR period, were public rights in relation to the 2023-24 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).*	✓		
N. The authority has complied with the publication requirements for 2023/24 AGAR *(see AGAR Page 1 Guidance Notes).*	✓		

O. (For local councils only)	Yes	No	Not applicable
Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

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: 14/05/2025 DD/MM/YYYY DD/MM/YYYY

Name of person who carried out the internal audit: MRS JEAN HUGGETT

Signature of person who carried out the internal audit: Jean Huggett

Date: 14/05/2025

***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 2024/25

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 2025, that:

	Agreed			
	Yes	No*		*'Yes' means that this authority:*
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:

19/05/2025

and recorded as minute reference:

37/25/1

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

Chair

Clerk

www.lodsworth-pc.uk

Section 2 – Accounting Statements 2024/25 for

LODSWORTH PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2024 £	31 March 2025 £	*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	22,219	27,243	*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	17,743	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	6,096	6,754	*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	6,479	7,279	*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	0	0	*Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).*
6. (-) All other payments	12,336	20,044	*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	27,243	24,417	*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	27,243	24,417	*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	0	0	*The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).*

For Local Councils Only	Yes	No	N/A	
11a. Disclosure note re Trust funds (including charitable)		✓		*The Council, as a body corporate, acts as sole trustee and is responsible for managing Trust funds or assets.*
11b. Disclosure note re Trust funds (including charitable)			✓	*The figures in the accounting statements above exclude any Trust transactions.*

I certify that for the year ended 31 March 2025 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

Date 19/05/2025

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

19/05/2025

as recorded in minute reference:

37/25/2

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

Explanation of variances 2024/25

LODSWORTH PARISH COUNCIL

	2025 £	2024 £	Variance £	Variance %	Explanation Required? Is > 15%	Is > £100,000	DO NOT OVERWRITE THE BOXES HIGHLIGHTED IN RED/GREEN	Explanation (**must include narrative and supporting figures**) Note: If an explanation is required for the variance of Box 4 and the explanation refers to a change in hours or a change in pay rates, please could you note the previous hours/rates and the updated hours/rates
1 Balances Brought Forward	27,243	22,219					Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	17,743	17,743	0	0.00%	NO	NO		
3 Total Other Receipts	6,754	6,096	658	10.79%	NO	NO		
4 Staff Costs	7,279	6,479	800	12.35%	NO	NO		
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO	NO		
6 All Other Payments	20,044	12,336	7,708	62.48%	YES	NO		The variance from 2023/24 to 2024/25 can be explained as 2024/25 saw additional expenses with installation of fencing and a gate at the Recreation Ground (£5,268) for security, planning advice (£1,512) and an increased figure for Playground repairs (£3,233)
7 Balances Carried Forward	24,417	27,243	-2,826	10.37%	NO	NO		
8 Total Cash and Short Term Investments	24,417	27,243	-2,826	10.37%	NO	NO		
9 Total Fixed Assets plus Other Long Term Investments and Assets	92,641	92,641	0	0.00%	NO	NO		
10 Total Borrowings	0	0	0	0.00%	NO	NO		

LODSWORTH PARISH COUNCIL

BANK RECONCILIATION as at 31st March 2025

FINANCIAL YEAR ENDING 31st MARCH 2025

Prepared by Helen Cruikshank, Parish Clerk and Responsible Financial Officer

		£	£
Balance as per Natwest bank statement - 31st March 2025			**24,434.82**
Less : unpresented cheques no's or payments not yet gone through online			
Cheque no 552 - Mr Paul Phillips (allotment expenses reimbursement)		18.00	
			18.00
Add: money yet to be credited:			
			-
			24,416.82
The net balances reconcile to the Cash Book for the year, as follows:			
CASH BOOK			
Opening Balance 1st April 2024			27,242.81
Add : Receipts in the year			24,497.43
Less : Payments in the year			27,323.42
			24,416.82
Closing balance per cash book as at 31.03.25			**24,416.82**

LODSWORTH PARISH COUNCIL 2024/25

2023/24 £		2024/25 £
22,219	**FUNDS BROUGHT FORWARD**	27,243
£	**INCOME**	£
17,743	PRECEPT	17,743
0	BANK INTEREST	0
465	ALLOTMENTS	891
2,388	GRANTS AND DONATIONS	3,095
3,243	VAT RECOVERED	2,040
0	MISCELLANEOUS	728
23,839	**TOTAL INCOME**	24,497
	GRANTS AND DONATIONS	
1,550	PLATINUM JUBILEE/CORONATION EVENT DONATIONS AND GRANTS	0
48	LODSWORTH VILLAGE HALL DONATION FOR OUTDOOR FITNESS EQUIPMENT INSPECTION	0
790	LODSWORTH VILLAGE HALL DONATION FOR TREEWORKS	0
0	LODSWORTH FETE DONATION TOWARDS PLAYGROUND REPAIRS	400
0	OUTLOOK DONATION FOR NEW PLAYGROUND BENCH	500
0	LODSWORTH VILLAGE HALL DONATION FOR THE RECREATION GROUND FENCING	2,195
2,388		3,095
46,058		51,740

2023/24 £	**EXPENDITURE**	2024/25 £
8,290	GENERAL ADMIN * (Note 1)	10,025
3,339	PARISH MAINTENANCE * (Note 2)	5,682
836	ALLOTMENTS	1,133
603	PLAYGROUND	3,834
4,850	GRANTS AND DONATIONS * (Note 3)	4,500
90	WEBSITE	90
550	VAT PAID	2,059
258	ELECTION COSTS	0
18,815	**TOTAL EXPENDITURE**	27,323
27,243	**TOTAL FUNDS AT YEAR END**	24,417

£	**GENERAL ADMIN**	£
6,479	CLERKS SALARY	7,279
228	SSALC (ANNUAL SUBS)	230
837	INSURANCE	866
310	AUDIT	100
334	GENERAL EXPENSES	123
0	PLANNING ADVICE	1,260
103	MISCELLANEOUS	167
8,290 TOTAL		10,025

£	**PARISH MAINTENANCE/PROJECTS**	£
186	PARISH TIDY UP SESSION REFRESHMENTS	0
1,862	PLATINUM JUBILEE/CORONATION EVENT INCLUDING FLAGPOLE & TREE	0
249	WINTER PLAN	270
0	RECREATION HALL FENCING	4,390
192	GREENHEAL (PARISH ENVIRONMENTAL GROUP)	795
850	VILLAGE RECREATION GROUND TREEWORKS	0
0	MISCELLANEOUS	228
3,339 TOTAL		5,682

£	**GRANTS AND DONATIONS**	£
250	MIDHURST COMMUNITY BUS	250
200	CITIZENS ADVICE BUREAU (ARUN AND CHICHESTER)	200
750	LODSWORTH PCC (CHURCHYARD MTCE CONTRIBTUTION)	750
300	ROTHER VALLEY TOGETHER	300
1,500	LODSWORTH VILLAGE HALL	1,500
400	LODSWORTH LOCAL CARE	400
250	KENT SURREY SUSSEX AIR AMBULANCE	250
250	WEST SUSSEX MIND	250
250	MIDHURST AREA CYCLING	0
0	LODSWORTH LARDER	250
0	TYLERS TRUST	100
0	LODSWORTH CROQUET CLUB	250
700	SELHAM BT KIOSK REFURBISHMENT	0
4,150 TOTAL		4,500

LODSWORTH PARISH COUNCIL

NOTICE OF PUBLIC RIGHTS AND PUBLICATION OF UNAUDITED ANNUAL GOVERNANCE & ACCOUNTABILITY RETURN

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025

Local Audit and Accountability Act 2014 Sections 26 and 27
The Accounts and Audit Regulations 2015 (SI 2015/234)

NOTICE

1. Date of announcement **MONDAY 2 JUNE 2025**

2. Each year the smaller authority's Annual Governance and Accountability Return (AGAR) needs to be reviewed by an external auditor appointed by Smaller Authorities' Audit Appointments Ltd. The unaudited AGAR has been published with this notice. As it has yet to be reviewed by the appointed auditor, it is subject to change as a result of that review.
Any person interested has the right to inspect and make copies of the accounting records for the financial year to which the audit relates and all books, deeds, contracts, bills, vouchers, receipts and other documents relating to those records must be made available for inspection by any person interested. For the year ended 31 March 2025, these documents will be available on reasonable notice by application to:

MRS HELEN CRUIKSHANK – PARISH CLERK & RFO
4 THE CROFT, SCHOOL LANE, LODSWORTH, PETWORTH, WEST SUSSEX GU28 9BW

clerk@lodsworth-pc.uk

01798 860788

Commencing on **TUESDAY 3 JUNE 2025**

and ending on **MONDAY 14 JULY 2025**

3. Local government electors and their representatives also have:

- The opportunity to question the appointed auditor about the accounting records; and
- The right to make an objection which concerns a matter in respect of which the appointed auditor could either make a public interest report or apply to the court for a declaration that an item of account is unlawful. Written notice of an objection must first be given to the auditor and a copy sent to the smaller authority.

The appointed auditor can be contacted at the address in paragraph 4 below for this purpose between the above dates only.

4. The smaller authority's AGAR is subject to review by the appointed auditor under the provisions of the Local Audit and Accountability Act 2014, the Accounts and Audit Regulations 2015 and the NAO's Code of Audit Practice 2015. The appointed auditor is:

MOORE

Moore (Ref AP/HD)
Rutland House
Minerva Business Park
Lynch Wood
Peterborough
PE2 6PZ

5. This announcement is made by MRS HELEN CRUIKSHANK, PARISH CLERK & RFO