

MONTHLY MEETING OF THE COUNCIL

7TH JUNE 2021

SUPPORTING PAPERS

Please note not every Agenda Item will have a supporting paper.

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Agenda Item 4a

Annual Financial Matters – Accounts for year-ending 31st March 2021

Council is asked to approve the accounts for the year-ending 31st March 2021 and can be signed by the Chairman and the Clerk/Responsible Financial Officer.

Cllr McElroy to introduce this item.

The accounts have been checked to the satisfaction of our Internal Auditor and can be found at Appendix A of these papers. This year, the Finance & General Purposes Committee has not met to review the figures.

Councillors with any questions are invited to call the office prior to the meeting.

Simon Cross – **Clerk to the Council**

1st June 2021

Agenda Items 5a and 5b

Annual Financial Matters – Annual Governance and Accountability Return for year-ending 31st March 2021

Council is asked to agree Section 1 – *Annual governance statement 2020/21* - of the Annual Governance and Accountability Return for the year-ending 31st March 2021 can be signed by the Chairman and the Clerk/Responsible Financial Officer.

Council is asked to agree Section 2 – *Accounting statements 2020/21* - of the Annual Governance and Accountability Return for the year-ending 31st March 2021 can be signed by the Chairman and the Clerk/Responsible Financial Officer.

Cllr McElroy to introduce this item.

At the end of each financial year, it is necessary for this council to complete an Annual Governance and Accountability Return which is then sent for external audit.

Appendix B shows the two sections of the form the council needs to agree can be signed by the Chairman and me. Appendix B also includes the Internal Auditor's completed page of the Annual Governance and Accountability Return. Additionally this year, I have included the relevant parts of the Internal Audit report for Sections 1 and 2. This should give councillors additional confidence in agreeing to sign off the Sections.

In Section 2, boxes 4 and 6 for the year ending 31st March 2021 include the word Restated. This is because the way in which the external auditor has asked for the figures in box 4 to be calculated has been changed this year, and any council that was not calculating the figure in this way last year has had to recalculate and restate the figure on this year's form. The overall figures have not changed.

Simon Cross – **Clerk to the Council**

1st June 2021

Agenda Item 6

Minutes of Monthly Full Council meeting, 4th May

The draft Minutes were circulated to all councillors on 5th May, asking for suggested amendments by 12th May. None were received.

Separately, District Cllr Kelly asked to be provided with a copy as soon as they were available. I fulfilled this request on 12th May.

Simon Cross – **Clerk to the Council**

1st June 2021

Agenda Item 11

Annual Financial Matters – Accounts for year-ending 31st March 2021

Council is asked to approve the accounts for the year-ending 31st March 2021 and can be signed by the Chairman and the Clerk/Responsible Financial Officer.

East Preston Parish Council Income and Expenditure Account For the year ended 31 March 2021		
Year ended 31 March 2020		Year ended 31 March 2021
	INCOME	
265,941.80	Precept + ADC Council Tax Base Grant when applicable	275,618.30
8,760.00	Rent income (Property: 124 Sea Rd)	4,045.00
2,550.00	Rent income (Sports) - Parish Council	3,000.00
2,159.14	Other income (Amenities & Admin)	3,534.37
3,699.20	Community Engagement & Major Events	50.00
503.52	WRG Trust Income (inc Sports & V/Hall Rent)	517.34
11,158.00	WRG Trust Income (inc Sea Rd Toilets refurbishment)	0.00
3,179.63	AoSERA Street Lighting	3,317.12
3,068.97	Village Green Parking income	2,018.16
4,580.90	Bank interest received	4,113.65
<u>305,621.16</u>	TOTAL INCOME	<u>296,213.94</u>
	EXPENDITURE	
(36,229.73)	General Administration	(34,642.71)
(81,791.05)	Staff Costs (Salaries, Officer Training & Travel, VO Clothing/Supplies)	(84,398.46)
(1,146.06)	Property Costs - Flat 124 Sea Rd	(4,757.49)
(4,605.16)	Grant Aid Section 137	(4,451.38)
(2,879.38)	Donations/ Contributions	(1,000.00)
(28,009.19)	Amenities	(31,858.70)
(3,614.97)	Street Lighting	(3,718.85)
(36,042.17)	WRG Trust Total Expenditure	(27,009.21)
(6,918.92)	Annual Contingency Budget	(4,143.33)
(36,445.47)	General Reserve	(5,676.42)
(18,812.49)	Community Engagement (inc Major Events)	(10,512.97)
(14,124.04)	Loan capital repayment	(14,648.66)
(930.08)	Loan interest	(405.54)
<u>(271,548.71)</u>	TOTAL EXPENDITURE	<u>(227,223.72)</u>
<u>34,072.45</u>	TOTAL NET INCOME	<u>68,990.22</u>
	GENERAL FUND	
271,855.74	Balance 1 April	330,623.66
34,072.45	Total net Income after interest	68,990.22
<u>305,928.19</u>	Balance before transfers	<u>399,613.88</u>
	Transfers to/ (from) Reserves	
0.00	School Crossing Patrol	10,000.00
34,609.16	WRG Trust Sea Lane Toilets Refurbishment	0.00
(500.00)	Parish Shopfront	(2,000.00)
(1,000.00)	Village Clock	(1,000.00)
(250.00)	Receptions	(250.00)
1,836.31	CCTV Village Green	4,863.69
(10,000.00)	EP Youth Provision	(10,000.00)
0.00	Beach Access	(1,000.00)
0.00	Village Bus Service	(10,000.00)
0.00	Film Event	(1,000.00)
0.00	Children's Playground	(1,000.00)
0.00	Tennis Court	(500.00)
<u>330,623.66</u>	Balance 31 March	<u>387,727.57</u>

**East Preston Parish Council
Balance Sheet
as at 31 March 2021**

Year ended 31 March 2020		Year ended 31 March 2021
	CURRENT ASSETS	
0.00	Debtors	0.00
4,759.87	VAT recoverable	4,647.10
419,595.60	Cash & Bank	492,149.88
<u>424,355.47</u>		<u>496,796.98</u>
	CURRENT LIABILITIES	
(13,261.90)	Creditors	(17,880.43)
(4,875.00)	Accruals	(3,707.76)
0.00	Receipts in Advance	0.00
<u>(18,136.90)</u>		<u>(21,588.19)</u>
<u>406,218.57</u>	NET ASSETS	<u>475,208.79</u>
	Represented by	
330,623.66	General Fund	387,727.57
42,076.22	Village Improvement Fund	42,076.22
10,000.00	School Crossing Patrol	0.00
5,105.00	Parish Shopfront	7,105.00
3,000.00	Village Clock	4,000.00
550.00	Receptions	800.00
4,863.69	CCTV Village Green Reserve	0.00
10,000.00	EP Youth Provision	20,000.00
0.00	Beach Access	1,000.00
0.00	Village Bus Service	10,000.00
0.00	Film Event	1,000.00
0.00	Children's Playground	1,000.00
0.00	Tennis Court	500.00
<u>406,218.57</u>		<u>475,208.79</u>

The above statement fairly represents the financial position of the authority and reflects its income and expenditure for the year.

**Signed
Chairman**

RFO

Date

Agenda Items 12a and 12b

Annual Financial Matters – Annual Governance and Accountability Return for year-ending 31st March 2021

Council is asked to agree Sections 1 and 2 of the Annual Governance and Accountability Return for the year-ending 31st March 2021 can be signed by the Chairman and the Clerk/Responsible Financial Officer.

Section 1 – Annual Governance Statement 2020/21

We acknowledge as the members of:

EAST PRESTON 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 2021, 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 these 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.	✓		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:

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

and recorded as minute reference:

Chairman

Clerk

Section 2 – Accounting Statements 2020/21 for

EAST PRESTON PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2020 £	31 March 2021 £	
1. Balances brought forward	372,146	406,218	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	265,942	275,618	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	39,679	20,596	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	80,567 <i>RESTATED</i>	84,178	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	15,054	15,054	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	175,928 <i>RESTATED</i>	127,992	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	406,218	475,208	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	419,596	492,150	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	749,480	760,892	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	14,649	0	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.
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

I certify that for the year ended 31 March 2021 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

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

as recorded in minute reference:

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

Annual Internal Audit Report 2020/21

EAST PRESTON PARISH COUNCIL

www.eastpreston-pc.gov.uk

During the financial year ended 31 March 2021, 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 2020/21 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 2019/20, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2019/20 AGAR tick "not covered")			✓
L. If the authority has an annual turnover not exceeding £25,000, it publishes information on a website/webpage up to date at the time of the internal audit in accordance with the Transparency code for smaller authorities.			✓
M. The authority, during the previous year (2019-20) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set).	✓		
N. The authority has complied with the publication requirements for 2019/20 AGAR (see AGAR Page 1 Guidance Notes).	✓		
O. (For local councils only) 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

03/11/2020 26/05/2021

Name of person who carried out the internal audit

Andy Beams

Signature of person who carried out the internal audit



Date 26/05/2021

*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

	Annual Governance Statement	<i>‘Yes’, means that this authority</i>	Suggested response based on evidence
1	We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	<i>prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i>	YES –accounts follow latest Accounts and Audit Regulations and practitioners guide recommendations.
2	We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	<i>made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.</i>	YES – there is regular reporting of financial transactions and accounting summaries, offering the opportunity for scrutiny.
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.	<i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i>	YES – the Clerk is experienced and advises the council in respect of its legal powers.
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.	<i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority’s accounts.</i>	YES – the requirements and timescales for 2019/20 year-end were followed.
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.	<i>considered and documented the financial and other risks it faces and dealt with them properly.</i>	YES – the council has a risk management scheme and appropriate external insurance.
6	We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	<i>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.</i>	YES – the council has appointed an independent and competent internal auditor has completed two audits during the year.
7	We took appropriate action on all matters raised in reports from internal and external audit.	<i>responded to matters brought to its attention by internal and external audit.</i>	YES – where matters are raised, action taken by council is recorded
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	<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>	YES – no matters were raised during the internal audit visits.
	included them in the accounting statements.		
9	Trust funds including charitable – in our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/asset(s), including financial reporting and, if required, independent examination or audit.	<i>has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.</i>	YES – the council has met its responsibilities.

Section 2 – Accounting Statements

AGAR box number		2019/20	2020/21	Auditor notes
1	Balances brought forward	372,146	406,218	Agrees to 2019/20 carry forward (box 7)
2	Precept or rates and levies	265,942	275,618	Figure confirmed to central records
3	Total other receipts	39,679	20,596	Agrees to underlying records
4	Staff costs	80,567	84,178	Agrees to underlying records
5	Loan interest/capital repayments	15,054	15,054	Verified against PWLB records
6	All other payments	175,928	127,992	Agrees to underlying records
7	Balances carried forward	406,218	475,208	Casts correctly and agrees to balance sheet
8	Total value of cash and short-term investments	419,596	492,150	Agrees to bank reconciliation
9	Total fixed assets plus long term investments and assets	749,480	760,892	Matches asset register
10	Total borrowings	14,649	0	Borrowing repaid during year
11	For Local Councils only - Disclosure note re Trust funds (including charitable)	YES v	NO	Council has met its responsibilities

Final audit

The year-end accounts have been correctly prepared on an income and expenditure basis, with the box 7 and 8 reconciliation completed. The AGAR comparatives have been correctly copied over from the 2019/20 AGAR.

The variance analysis is required because there is a variance greater than 15% for boxes 3, 6, 7, 8 and 10. This has been completed with sufficient detail to explain the variances.

Section conclusion

I am of the opinion that the control objective of "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" has been met.