

**Date:** 06 June 2019

**Title:** Report Item 6 – Annual Audit and Return 2019

**By:** K Larkin (Parish Clerk/RFO)

**Purpose:** To report on the Annual Audit and Return 2019

**Recommendations:**

- a) To review and approve the council's draft Final Accounts 2018/19
- b) To confirm the effectiveness of the council's Internal Audit regime between 1 April 2018 and 31 March 2019
- c) To consider and approve the Annual Governance Statements 2019
- d) To consider and approve the Annual Accounting Statements 2019, with supporting end of year bank reconciliation and Explanation of Variances
- e) To approve the suggested period from Monday 17 June to Friday 26 July 2019 for the exercise of electors' rights in relation to the Unaudited Annual Return

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1. The parish council's draft Final Accounts for 2018/19 have previously been circulated and published in the Annual Village Report 2019 and have been noted by the council at its meeting on 16 May 2019.
  2. In May 2018 the council re-appointed Peter J Consultants to serve as their Internal Auditors for a further year, 2018/19. The auditor's annual inspection for 2018/19 took place on 13 May 2019 and was carried out in accordance with the Plan set out on pages 3 and 4 of this report. The council is invited to confirm the effectiveness of this regime for another year.
  3. The internal auditor was satisfied with the council's governance and accounting, and a copy of his report is appended (page 5). No issues were raised but the auditor paid special attention to risk and advised that regular inspections should be done at the recreation ground, particularly at the play area, and a record kept, as it has been found that in the event of an accident insurance companies are increasingly asking for such evidence. During the year, the council has taken action on two recommendations made in the previous report: that they should consider taking out (1) Key Person cover and (2) Cyber Crime cover. Key Person cover has been provided by the appointment of an Administrative Assistant, though that appointment is temporarily vacant. A new Cyber Crime policy was taken out in April 2019 to run for one year.

4. The council's External Auditors, appointed by the SAAA Ltd, are PKF Littlejohn LLP. Their report for the year 2017/18 stated that no matters had come to their attention giving cause for concern that relevant legislative and regulatory requirements had not been met.
5. The External Auditor requires the parish council to submit the following information to them for the 2018/19 audit, no later than Monday 1 July 2019:
  - Annual Governance and Accountability Return 2018/19 Part 3
  - Confirmation of the dates the parish council will set for the exercise of public rights in relation to the annual audit (Monday 17 June to Friday 26 July 2018)
  - Bank Reconciliation for the end of the financial year 2018/19
  - Explanation of Variances between the headline accounting figures for 2017/18 and those for 2018/19
  - Internal Auditor's report 2018/19
6. A copy of the draft AGAR Return 2018/19 Part 3 is attached (pages 6-11). There are two sections the parish council has to complete. In the Annual Governance Statement (Section 1) the council is able to make all the affirmations required to ensure it has sound systems of internal control. In the Annual Accounting statement (Section 2), the council can similarly certify that the accounts have been properly prepared and are supported by the end of year bank reconciliation (attached on page 12) and the Explanation of Variances (sent separately).
7. A copy of the fixed asset register as at 31 March 2018 is also attached (page 13), though the External Auditor does not require to see it.
8. The electorate must be informed of a single period of 30 working days during which public rights may be exercised in relation to the Annual Return. The External Auditor has suggested appropriate dates, which the parish council will be ready to implement. A notice to that effect, with a statement of the public's rights, forms the final attachment to this report (page 14), and will be posted by the clerk on Friday 14 June 2018. Next year, the council will be required to supply evidence that the notice was also posted on the council website.

## **INTERNAL AUDIT PLAN – REVIEW of RISK**

### **Insurance: Buildings**

- Other Council Assets
- Public Liability
- Employers Liability
- Hirers Liability/Indemnity
- Consequential Loss: a) loss of Revenue – b) Business Interruption
- Officials Indemnity (Zurich include under Public Liability) (Hiscox > in Policy Doc)
- Personal Accident (Allianz/Aon: Councillors > 85 check cover) (Aviva: no cover > 90) (Zurich: reduced cover > 90) (Hiscox – cover to 90) (Ecclesiastical > 90) (AXA > 90)
- Fidelity Guarantee (Member/Employee Dishonesty) - Aviva & Zurich standard £100k
- Cyber Crime – a) Financial Loss – b) Non-financial foul play (Hiscox) c) F/Wall & AV
- Legal Expenses
- Libel & Slander
- Key Person

### **Security & Maintenance: Quotes & Tenders**

- Contractors' Targets & Performance monitoring
- Book-keeping information backed-up and stored safely (including Passwords)

### **Banking/Finance: Signatories on Bank Accounts - Parish Councils can now opt for a single signature**

- Credit References taken on Signatories by Bank
- Credit References taken by Council on Signatories (NALC Fin Regs 5.1) – needed?
- Cheque stubs or invoice summaries signed
- Leasing/HP/Borrowing. PWLB Balances on-line
- If non-PWLB loan, evidence of loan outstanding
- Electronic/Internet Banking - Parish Councils can now opt for a single Password
- Credit/Debit Card facilities - Parish Council Officials can have Cards - single signature

### **Health & Safety - Emergency spending limits for the Clerk (see Fin Regs) - Policy in writing if > 5 staff**

### **Legal Powers – Payments minuted with details of which Local Government Act (LGA) provides authorisation (may also be covered in Council's Financial Regulations)**

- LGAs not needed if General Power of Competence held (Clerk with CiLCA – 2/3 elected Councillors)
- Payments under LGA 1972 - S137 (list relevant Para) 2018/19 £7.86 per Elector (19/20 = £8.12)

### **Register of Councillors Interests. Meetings: Personal Interest - Prejudicial Interest (Public Perception) - Disclosable Pecuniary Interest (Dispensation agreed)**

### **Local Government Transparency Code: Publishing Requirements from 4/15:**

- a) Exp or Income <£25k pa (see Govt Website for details of Publishing Requirements from 4/16)
- b) T/o £25k - £200k (no LGTC requirements), c) T/o £200k - £6.5m

### **Internal Controls: Effectiveness reviewed annually in full Council & minuted**

- a) Governance & Accountability Guide 2019
- b) Accounts & Audit Regulations 2015 (for Local Authorities) {NB Section 5 (1) means "arrange for"}

### **Litigation**

Freedom of Information Act 2000 – Core Model or Bespoke Version adopted. Declaration sent & acknowledged. Publication Scheme completed and minuted. Complaints Procedure for ICO.

### **Data Protection Act (GDPR): Data held in writing/electronically/orally**

- : Data Controller, Data Protection Officer (who reports to ICO)

### **Risk Register: Risks annotated Low/Medium/High or Severity/Likelihood. Monitoring. Annual Review**

### **Internal Auditor – effectiveness reviewed. A/Return (Section 6) confirmation. Appointment Minuted**

## INTERNAL AUDIT PLAN – REVIEW of BOOK-KEEPING

Current number of Electors:

Current number of Councillors:

Rules: Internal Financial Regulations (Code of Conduct – Financials) – Annual Review  
Standing Orders (Code of Conduct – Procedural) - Annual Review

Receipts & Payments Accounting – (If R or P) < £200k for the year or for one of two preceding years) – or  
Income & Expenditure Accounting – (If R or P) or (I or E) >£200k for 3 consecutive years)

Cash Book or Ledgers

Petty Cash Regime

Invoices re Income – Transaction Chase (Invoice → Cash Book → Bank)

- Precept (Invoice → Cash Book → Bank) Support Grants listed in AGAR Box 3

Invoices re Outgoings - Transaction Chase (Invoice → Cash Book → Bank)

Aged Debtors & Creditors. Significant variances year-on-year to be reported with the AGAR  
EU Late Payment Directive – 30 days Settlement of Invoices by Councils, 60 days by a Business

VAT Registered/not Registered: Claims under HMRC VAT Notice 749 (L/Authorities) Para 12.

VAT Claim/Return (including Petty Cash Items) – backdated Max 3 years.

Returns to be Online 4/19, if Taxable Turnover (Income) > £85k. HMRC-approved Software required.

Contracts of Employment or Letters of Appointment}

Terms & Conditions, Job Description

} Annually reviewed - References taken re new Staff

Staff Performance Appraisals (SLCC has template)

Salary Calculations (P11 or equivalent, P35 & P60), Payroll Package (charges in Box 4)

P11D needed if: Salary >£8.5k pa + a) travel expenses > HMRC limits, b) Work from Home Allowance

I/Revenue Return PAYE/NIC – RTI (whenever salaries/wages are paid)

Report to HMRC, even if Payment is below PAYE limit (name, amount, hours worked, frequency)

Councillors' Allowances – subject to PAYE, if for other than Expenses. Chairman's Allowance not taxed

AGAR – current/previous year, comments from External/Internal Auditors (copied to new Ext Aud)

AGAR & related Records – Public Rights published on a Website (can also be on a Notice Board)

AGAR – if exempt from Ext Audit, ignore any 5% Testing – Int Audit: list Review Dates in Year

Reasons for Variances year on year to accompany the AGAR:

Littlejohn: if >15% & >£200 – Moore Stephens: if >15% & > £500 (report by 15<sup>th</sup> July)

Reasons for movements to/from Zero to accompany the AGAR

Bank Reconciliations checked: a) to AGAR b) during the year c) signed by a Councillor or Nominee

Reserves – reasons why they exceed 200% of Precept to accompany AGAR

Precept Budgeting Process > Budget and Variance Analysis, ongoing Monitoring

Register of Assets & Investments (No Depreciation applied)

Term Investments, ie those that change in value – list in Asset Register & Box 9 at cost or proxy value

Assets listed – see GALT 2018: 5.59 Gifts value at £1

Assets listed – see GA Guide 2018: from 1/04/2016 Basis of Valuation can be changed

Assets held by Council as Custodian Trustee listed – but not in Box 9

Trust arrangements : Separate Bank Accounts, Books, Meetings & Minutes re Charity

Only note "yes" on Section 1 of AGAR if Council is Sole Trustee

Returns to PRS/PPL (1% + VAT)

Minutes of Meetings - final page signed by Chairperson (each page numbered & initialled) – stored safely

Agenda for Meetings not to include "Any Other Business"

Receipts from Asset Disposals if >£10k only used for Capital Expenditure or Debt Reduction

Meetings (minimum of 4x pa) not held on Licensed Premises. OK if alcohol is not served at the time

Property: Non-Domestic Rating Assessment – N/A. Small Business Rating Multiplier might be applied

Legal Deposit Libraries Act 2003: Copy Publications to British Library. NALC LTN 40.

CIL Monies & S106 Funds – Council with no Powers of Competency - Exp = usual limits (LGAs or S137)

Legal Action - Council with no Powers of Competency – Expenditure LGA 1972 S222? = no limit

**Peter J Consultants**  
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Email: peter.j.consultants@btinternet.com  
Tel: 01444 412423 – Mob: 07763 174800

**EAST DEAN & FRISTON PARISH COUNCIL**  
**Internal Audit & Annual Review – 31/03/2019**

In accordance with my Internal Audit Plan, Controls and Procedures have been tested, with Fraud and Risk Issues reviewed - these are well managed, as set out in the Governance and Accountability for Local Councils Practitioners' Guide 2019 and meet the needs of the Council. I would only comment by exception. I confirm that I do not have any role within the Council. I will carry out my duties without bias and follow the Public Sector Internal Audit Standards 2012 - to enable the Council to comply with these Standards and the Accounts & Audit Regulations 2015.

There are not any matters to raise – well done.



Peter Frost  
Peter J Consultants  
13/05/2019



# Annual Governance and Accountability Return 2018/19 Part 3

To be completed by Local Councils, Internal Drainage Boards and other Smaller Authorities\*:

- where the higher of gross income or gross expenditure exceeded £25,000 but did not exceed £6.5 million; or
- where the higher of gross income or gross expenditure was £25,000 or less but:
  - are unable to certify themselves as exempt (fee payable); or
  - have requested a limited assurance review (fee payable)

## Guidance notes on completing Part 3 of the Annual Governance and Accountability Return 2018/19

1. Every smaller authority in England that either received gross income or incurred gross expenditure exceeding £25,000 **must** complete Part 3 of the Annual Governance and Accountability Return at the end of each financial year in accordance with Proper Practices.
2. **The Annual Governance and Accountability Return is made up of three parts, pages 3 to 6:**
  - The **annual internal audit report** is completed by the authority's internal auditor.
  - **Sections 1 and 2** are to be completed and approved by the authority.
  - **Section 3** is completed by the external auditor and will be returned to the authority.
3. The authority **must** approve Section 1, Annual Governance Statement, before approving Section 2, Accounting Statements, and both **must** be approved and published **before 1 July 2019**.
4. An authority with either gross income or gross expenditure exceeding £25,000 or an authority with neither income nor expenditure exceeding £25,000, but which is unable to certify itself as exempt, or is requesting a limited assurance review, **must** return to the external auditor by email or post (not both):
  - the Annual Governance and Accountability Return Sections 1 and 2, together with
  - a bank reconciliation as at 31 March 2019
  - an explanation of any significant year on year variances in the accounting statements
  - notification of the commencement date of the period for the exercise of public rights
  - Annual Internal Audit Report 2018/19

Unless requested, do not send any additional documents to your external auditor. Your external auditor will ask for any additional documents needed.

Once the external auditor has completed the review and is able to give an opinion on the limited assurance review, the Annual Governance and Accountability **Section 1, Section 2 and Section 3 – External Auditor Report and Certificate** will be returned to the authority by email or post.

## Publication Requirements

Under the Accounts and Audit Regulations 2015, authorities must publish the following information on a publicly accessible website:

Before 1 July 2019 authorities **must** publish:

- Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited;
- **Section 1 - Annual Governance Statement 2018/19**, approved and signed, page 4
- **Section 2 - Accounting Statements 2018/19**, approved and signed, page 5

Not later than 30 September 2019 authorities **must** publish:

- Notice of conclusion of audit
- **Section 3 - External Auditor Report and Certificate**
- **Sections 1 & 2 of AGAR** including any amendments as a result of the limited assurance review.

It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report, page 3.

The Annual Governance and Accountability Return constitutes the annual return referred to in the Accounts and Audit Regulations 2015. Throughout, the words 'external auditor' have the same meaning as the words 'local auditor' in the Accounts and Audit Regulations 2015.

*\*for a complete list of bodies that may be smaller authorities refer to schedule 2 to the Local Audit and Accountability Act 2014.*



## Guidance notes on completing Part 3 of the Annual Governance and Accountability Return 2018/19

- The authority **must** comply with *Proper Practices* in completing Sections 1 and 2 of this Annual Governance and Accountability Return. *Proper Practices* are found in the *Practitioners' Guide\** which is updated from time to time and contains everything needed to prepare successfully for the financial year-end and the subsequent work by the external auditor.
- Make sure that the Annual Governance and Accountability Return is complete (i.e. no empty highlighted boxes), and is properly signed and dated. Where amendments are made by the authority to the AGAR after it has been approved by the authority and before it has been reviewed by the external auditor, the Chairman and RFO should initial the amendments and if necessary republish the amended AGAR and recommence the period for the exercise of public rights. If the Annual Governance and Accountability Return contains unapproved or unexplained amendments, it may be returned and additional costs will be incurred.
- The authority **should** receive and note the annual internal audit report if possible prior to approving the annual governance statement and before approving the accounts.
- Use the checklist provided below to review the Annual Governance and Accountability Return for completeness before returning it to the external auditor by email or post (not both).
- Do not send the external auditor any information not specifically requested. However, **you must inform your external auditor about any change of Clerk, Responsible Financial Officer or Chairman, and provide relevant email addresses and telephone numbers.**
- Make sure that the copy of the bank reconciliation to be sent to your external auditor with the Annual Governance and Accountability Return covers all the bank accounts. If the authority holds any short-term investments, note their value on the bank reconciliation. The external auditor must be able to agree the bank reconciliation to Box 8 on the accounting statements (**Section 2, page 5**). An explanation **must** be provided of any difference between Box 7 and Box 8. More help on bank reconciliation is available in the *Practitioners' Guide\**.
- Explain fully significant variances in the accounting statements on **page 5**. Do not just send a copy of the detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include complete numerical and narrative analysis to support the full variance.
- If the external auditor has to review unsolicited information, or receives an incomplete bank reconciliation, or variances are not fully explained, additional costs may be incurred.
- Make sure that the accounting statements add up and that the balance carried forward from the previous year (Box 7 of 2018) equals the balance brought forward in the current year (Box 1 of 2019).
- The Responsible Financial Officer (RFO), on behalf of the authority, **must** set the period for the exercise of public rights. From the commencement date for a single period of 30 consecutive working days, the approved accounts and accounting records can be inspected. Whatever period the RFO sets it **must** include a common inspection period – during which the accounts and accounting records of all smaller authorities must be available for public inspection – of the first ten working days of July.
- The authority **must** publish the information required by Regulation 15 (2), Accounts and Audit Regulations 2015, including the period for the exercise of public rights and the name and address of the external auditor **before 1 July 2019**.

Completion checklist – 'No' answers mean you may not have met requirements		Yes	No
All sections	Have all highlighted boxes have been completed?		
	Has all additional information requested, including <b>the dates set for the period for the exercise of public rights</b> , been provided for the external auditor?		
Internal Audit Report	Have all highlighted boxes been completed by the internal auditor and explanations provided?		
Section 1	For any statement to which the response is 'no', is an explanation provided?		
Section 2	Has the authority's approval of the accounting statements been confirmed by the signature of the Chairman of the approval meeting?		
	Has an explanation of significant variations from last year to this year been provided?		
	Has the bank reconciliation as at <b>31 March 2019</b> been reconciled to Box 8?		
	Has an explanation of any difference between Box 7 and Box 8 been provided?		
Sections 1 and 2	Trust funds – have all disclosures been made if the authority as a body corporate is a sole managing trustee? <b>NB:</b> do not send trust accounting statements unless requested.		

*\*Governance and Accountability for Smaller Authorities in England – a Practitioners' Guide to Proper Practices*, can be downloaded from [www.nalc.gov.uk](http://www.nalc.gov.uk) or from [www.ada.org.uk](http://www.ada.org.uk)



# Annual Internal Audit Report 2018/19

## EAST DEAN & FRISTON 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.	✓		
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. ("Not Covered" should only be ticked where the authority had a limited assurance review of its 2017/18 AGAR)			✓
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

13/05/19

Name of person who carried out the internal audit

ENTER PETER FROST

Signature of person who carried out the internal audit



Date

13/05/19

\*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).



## Section 1 – Annual Governance Statement 2018/19

We acknowledge as the members of:

EAST LEAN & FRISTON 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	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
			✓

\*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 should 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

### Other information required by the Transparency Codes (not part of Annual Governance Statement)

Authority web address

AUTHORITY WEBSITE ADDRESS



## Section 2 – Accounting Statements 2018/19 for

### EAST DEAN & FRISTON PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2018 £	31 March 2019 £	
1. Balances brought forward	48,057	40,124	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	48,110	57,730	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	19,116	16,079	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	13,844	15,371	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	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	61,315	41,394	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	40,124	57,168	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	40,124	57,168	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – <b>To agree with bank reconciliation.</b>
9. Total fixed assets plus long term investments and assets	185,766	187,077	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).
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

DD/MM/YY

Date

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



## Section 3 – External Auditor Report and Certificate 2018/19

In respect of

ENTER NAME OF AUTHORITY

### 1 Respective responsibilities of the body and the auditor

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2019; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

Our responsibility is to review Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with guidance issued by the National Audit Office (NAO) on behalf of the Comptroller and Auditor General (see note below). Our work **does not** constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and **does not** provide the same level of assurance that such an audit would do.

### 2 External auditor report 2018/19

(Except for the matters reported below)\* on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return, in our opinion the information in Sections 1 and 2 of the Annual Governance and Accountability Return is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met. (\*delete as appropriate).

(continue on a separate sheet if required)

Other matters not affecting our opinion which we draw to the attention of the authority:

(continue on a separate sheet if required)

### 3 External auditor certificate 2018/19

We certify/do not certify\* that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2019.

\*We do not certify completion because:

External Auditor Name

ENTER NAME OF EXTERNAL AUDITOR

External Auditor Signature

SIGNATURE REQUIRED

Date

DATE REQUIRED

\*Note: the NAO issued guidance applicable to external auditors' work on limited assurance reviews in Auditor Guidance Note AGN/02. The AGN is available from the NAO website ([www.nao.org.uk](http://www.nao.org.uk))

## Bank reconciliation – pro forma

This reconciliation should include all bank and building society accounts, including short term investment accounts. It must a column headed "Year ending 31 March 2019" in Section 2 of the AGAR – and will also agree to Box 7 where the accounts are receipts and payments basis. Please complete the highlighted boxes, remembering that unpresented cheques should be entered in full figures.

Name of smaller authority:

East Dean & Friston Parish council

County area (local councils and parish meetings only):

East Sussex - Wealden District

**Financial year ending 31 March 2019**

Prepared by (Name and Role):

Katrina Larkin - Parish Clerk

Date:

10/05/2019

	£	£
<b>Balance per bank statements as at 31/3/19:</b>		
account 1	42,856.8	
account 2	14,307.0	
account 3	4.4	
account 4		
[add more accounts if necessary] account 5		
account 6		
account 7		
account 8		
		57,168.2
Petty cash float (if applicable)		-
<b>Less: any unpresented cheques as at 31/3/19 (enter these as negative numbers)</b>		
item 1		
item 2		
item 3		
item 4		
[add more lines if necessary] item 5		
item 6		
item 7		
item 8		
Add: any un-banked cash as at 31/3/19		
<b>Net balances as at 31/3/19 (Box 8)</b>		<b>57,168.2</b>



FIXED ASSETS REGISTER  
2018 - 2019

Item	Date acquired	Location	Cost or value
1x Lenovo laptop	40457	Parish Office	600
1x Laser colour printer	40452	Parish Office	426
1x external hard drive	40452	Parish Office	49
1x Lenovo PC	40452	Parish Office	600
1 x Laptop bundle	2019	Admin Asst's office	350
1 x mobile phone	2019	Admin Asst's office	80
1x filing cabinet	2016	Village Hall	145
1 x safe	2018	Village Hall	49
Memorial Recreation Ground	21335	Title ESX369720	1
Pavilion Building	1956	Recreation Ground	44,747
Christmas lights	2018	Recreation Ground	132
Pavilion Contents		Recreation Ground	1,070
Friston Green	1972	Friston	1
Hard area	1970	Downlands Way By	1
Shopping Precinct Car Park	1999	Title SX19884	1
Land east of Pean Dean for FP19	1970	Title SX12787	1
Land beyond The Link	1943	Title SX 11446	1
10' wide for bridleway	1943	Title SX11447	1
BR33	1943	Title SX11491	1
War Memorial	1950	Village Green	20,000
War Memorial Railings and Gate		Village Green	1,605
Plaques x 5		Pavilion	2
Flag Pole	1960	Village Green	312
Village sign	1930	Old Village Hall Garden	2,050
Flint Bus Shelter	1984	A259 East Dean	8,203
Wood Bus Shelter	1992	A259 East Dean	2,810
Wood Bus Shelters x 2	1992	A259 Friston	5,286
Notice Boards x 3		Downlands Way; VH; Friston	1,540
Public seats x 32		Per separate schedule	12,185
Gates and fencing		Various	5,005
Play area equipment	1959/91/92/05/06	Recreation Ground	34,399
Play area - Kanope	2017	Recreation Ground	22,905
Play Area Safety surfacing		Recreation Ground	16,882
Play area Fencing and Gates		Recreation Ground	2,906
Tennis net and posts	2012	Recreation Ground	294
Flags	Various	Village Hall	285
Gavel, engraved		Parish Office	100
6 x Pioneer litter bins	2017-2018	Various	2,052
<b>TOTAL</b>			<b>187,077</b>

Smaller authority name: EAST DEAN & FRISTON PARISH COUNCIL

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

**ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019**

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

NOTICE	NOTES
<p>1. Date of announcement _____ (a)</p> <p>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.</p> <p>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 2019, these documents will be available on reasonable notice by application to:</p> <p>(b) <u>KATRINA LARKIN (PARISH CLERK)</u> <u>PHONE: 01323 811870</u> <u>EMAIL: clerk@edfparishcouncil.org.uk</u></p> <p>commencing on (c) <u>Monday 17 June 2019</u></p> <p>and ending on (d) <u>Friday 26 July 2019</u></p> <p>3. Local government electors and their representatives also have:</p> <ul style="list-style-type: none"><li>• The opportunity to question the appointed auditor about the accounting records; and</li><li>• 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.</li></ul> <p>The appointed auditor can be contacted at the address in paragraph 4 below for this purpose between the above dates only.</p> <p>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:</p> <p>PKF Littlejohn LLP (Ref: SBA Team) 1 Westferry Circus Canary Wharf London E14 4HD (sba@pkf-littlejohn.com)</p> <p>5. This announcement is made by (e) <u>KATRINA LARKIN (PARISH CLERK)</u></p>	<p>(a) Insert date of placing of the notice which must be not less than 1 day before the date in (c) below</p> <p>(b) Insert name, position and address/telephone number/ email address, as appropriate, of the Clerk or other person to which any person may apply to inspect the accounts</p> <p>(c) Insert date, which must be at least 1 day after the date of announcement in (a) above and at least 30 working days before the date appointed in (d) below</p> <p>(d) The inspection period between (c) and (d) must be 30 working days inclusive and must include the first 10 working days of July.</p> <p>(e) Insert name and position of person placing the notice – this person must be the responsible financial officer for the smaller authority</p>