

Section 1 – Annual Governance Statement 2018/19

We acknowledge as the members of:

CHERRY WILLINGHAM PARISH COUNCIL

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2019, that:

| | Agreed | | 'Yes' means that this authority: |
|---|--------|-----|---|
| | Yes | No* | |
| 1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements. | ✓ | | prepared its accounting statements in accordance with the Accounts and Audit Regulations. |
| 2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness. | ✓ | | made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge. |
| 3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances. | ✓ | | has only done what it has the legal power to do and has complied with Proper Practices in doing so. |
| 4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations. | ✓ | | during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts. |
| 5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required. | ✓ | | considered and documented the financial and other risks it faces and dealt with them properly. |
| 6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems. | ✓ | | arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority. |
| 7. We took appropriate action on all matters raised in reports from internal and external audit. | ✓ | | responded to matters brought to its attention by internal and external audit. |
| 8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements. | ✓ | | disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant. |
| 9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit. | Yes | No | N/A |
| | | | has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts. |
| | | | ✓ |

*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:

14/05/19

and recorded as minute reference:

2019/13 a/c

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

Chairman

S A Byler

Clerk

M. Vail

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

Authority web address

lincolnshire.gov.uk/cherrywillingham

e.mail - cwparishcouncil@gmail.com

Section 2 – Accounting Statements 2018/19 for

CHERRY WILLINGHAM PARISH COUNCIL

| | Year ending | | Notes and guidance |
|---|--------------------|--------------------|---|
| | 31 March 2018 £ | 31 March 2019 £ | |
| 1. Balances brought forward | 78,924 | 56,548 | 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 | 70,400 | 73,900 | Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received. |
| 3. (+) Total other receipts | 72,028 | 17,815 | 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 | 28,096 | 25,555 | 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 | 8,792 | 8,792 | Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any). |
| 6. (-) All other payments | 127,916 | 59,544 | 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 | 56,548 | 54,372 | 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 | 52,463 | 54,372 | 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 | 412,142 | 420,750 | 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 | 204,769 | 203,068 | 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. |
| | NOT APPLICABLE | | 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

C Hedger REQUIRED

Date

1/5/2019

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

14/05/19

as recorded in minute reference:

2019/13 @ 11

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

S A Bognowski REQUIRED

Annual Internal Audit Report 2018/19

CHERRY WILLINGHAM 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. | | | 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

03/05/19

Name of person who carried out the internal audit

ANDREW SEYMOUR

Signature of person who carried out the internal audit



Date

03/05/19

*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).

Bank reconciliation – pro forma

This reconciliation should include **all** bank and building society accounts, including short term investment accounts. It **must** agree to Box 8 in the ending 31 March 2019” in Section 2 of the AGAR – and will also agree to Box 7 where the accounts are prepared on a receipts and payments bas highlighted boxes, remembering that un-presented cheques should be entered as negative figures.

Name of smaller authority: **CHERRY WILLINGHAM PARISH COUNCIL**

County area (local councils and parish meetings only): **LINCOLNSHIRE**

Financial year ending 31 March 2019

Prepared by (Name and Role): **CHRISTINE HODGSON (RFO)**

Date: **15/04/2019**

| | £ | £ |
|---|--------|---------------|
| Balance per bank statements as at 31/3/19: | | |
| NATIONWIDE | 50,000 | |
| HSBC DEPOSIT | 3 | |
| HSBC CURRENT | 4,369 | |
| [add more accounts if necessary] | | |
| account 4 | | |
| account 5 | | |
| account 6 | | |
| account 7 | | |
| account 8 | | |
| | | 54,372 |
| Petty cash float (if applicable) | - | - |
| Less: any un-presented cheques as at 31/3/19 (enter these as negative numbers) | | |
| 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 | | |
| | | |
| Net balances as at 31/3/19 (Box 8) | | 54,372 |

Explanation of variances – pro forma

Name of smaller authority: **CHERRY WILLINGHAM PARISH COUNCIL**
County area (local councils are): **LINCOLNSHIRE**

Insert figures from Section 1 of the AGAR in all Blue highlighted boxes

Next, please provide full explanations, including numerical values, for the following that will be flagged in the green boxes where relevant:

- variances of more than 15% between totals for individual boxes (except variances of less than £200);
- a breakdown of approved reserves on the next tab if the total reserves (Box 7) figure is more than twice the annual precept/rates & levies value (Box 2).

| | 2017/18 £ | 2018/19 £ | Variance £ | Variance % | Explanation Required? | Automatic responses trigger below based on figures input. DO NOT OVERWRITE THESE BOXES | Explanation from smaller authority (must include narrative and supporting figures) |
|--|--------------|--------------|---------------|---------------|--------------------------|--|--|
| 1 Balances Brought Forward | 78,924 | 56,548 | | | | Explanation of % variance from PY opening balance not required - Balance brought forward agrees | |
| 2 Precept or Rates and Levies | 70,400 | 73,900 | 3,500 | 4.97% | NO | | |
| 3 Total Other Receipts | 72,028 | 17,815 | -54,213 | 75.27% | YES | | £44k reduction in grant income & £11.2k reduction in VAT receipts |
| 4 Staff Costs | 28,086 | 25,555 | -2,541 | 9.04% | NO | | |
| 5 Loan Interest/Capital Repayment | 8,792 | 8,792 | 0 | 0.00% | NO | | |
| 6 All Other Payments | 127,916 | 59,544 | -68,372 | 53.45% | YES | | £50K + £11.2k VAT = £67.2k as a result of decrease in payments on recently acquired land |
| 7 Balances Carried Forward | 56,548 | 54,372 | | | NO | VARIANCE EXPLANATION NOT REQUIRED | |
| 8 Total Cash and Short Term Investments | 52,463 | 54,372 | | | | VARIANCE EXPLANATION NOT REQUIRED | |
| 9 Total Fixed Assets plus Other Long Term Investments at | 412,142 | 420,750 | 8,608 | 2.09% | NO | | |
| 10 Total Borrowings | 204,768 | 203,068 | -1,701 | 0.83% | NO | | |

Rounding errors of up to £2 are tolerable

Variances of £200 or less are tolerable

Smaller authority name: CHERRY WILLINGHAM 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 <u>FRIDAY 24th MAY 2019</u> (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: <u>C. HODGSON (RFO)</u> <u>CHERRY WILLINGHAM PARISH COUNCIL</u> (b) <u>16 HIGH ST. CHERRY WILLINGHAM</u> <u>TEL: 01522 753398 or e-mail</u> <u>cwparishcouncil@gmail.com</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">• 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. <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>C. HODGSON</u> <u>RFO to Cherry willingham PC</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 Chair 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 Chair of the parish meeting</p> |