

Section 1 – Annual Governance Statement 2018/19

We acknowledge as the members of:

WITHAM ST HUGHS 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.	✓		<i>prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i>
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>
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>
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>
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>
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>
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>
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.	✓		<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>
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
			✓
			<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>

*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:

19/06/19 ~~19/05/2019~~

and recorded as minute reference:

19-06-19:3-1 REFERENCE

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

Chairman

Leven Harrison

Clerk

[Signature]

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

www.wshparishcouncil.co.uk AUTHORITY WEBSITE ADDRESS

Section 2 – Accounting Statements 2018/19 for

WITHAM ST HUGHS PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2018 £	31 March 2019 £	
1. Balances brought forward	27,689	129,163	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. <i>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.</i>
2. (+) Precept or Rates and Levies	63,005	77,987	<i>Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.</i>
3. (+) Total other receipts	111,189	48,677	<i>Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.</i>
4. (-) Staff costs	20,177	27,513	<i>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.</i>
5. (-) Loan interest/capital repayments	0	0	<i>Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).</i>
6. (-) All other payments	52,543	66,052	<i>Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).</i>
7. (=) Balances carried forward	129,163	162,262	<i>Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).</i>
8. Total value of cash and short term investments	129,163	162,262	<i>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.</i>
9. Total fixed assets plus long term investments and assets	733,679	711,108	<i>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.</i>
10. Total borrowings	0		<i>The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).</i>
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	<i>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>
		✓	

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

 SIGNED REQUIRED

Date

17/06/19

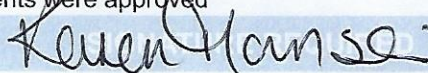
I confirm that these Accounting Statements were approved by this authority on this date:

19 06 2019

as recorded in minute reference:

19:06:3.3. REFERENCE

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



Section 3 – External Auditor Report and Certificate 2018/19

In respect of

Witham St Hughs Parish Council - LI0426

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 (AGAR), in our opinion the information in Sections 1 and 2 of the AGAR 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.

The smaller authority has disclosed that it made proper provision during the year 2018/19 for the exercise of public rights, by answering 'Yes' to Section 1, Assertion 4. However, as was reported last year, we are aware that it failed to do this and therefore should have answered 'No' to this assertion. It has also disclosed that it took appropriate action on all matters raised in reports from internal and external audit, by answering 'Yes' to Section 1, Assertion 7, which, on the basis of the above, is not correct.

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

None

3 External auditor certificate 2018/19

We 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.

External Auditor Name

PKF LITTLEJOHN LLP

External Auditor Signature

PKF Littlejohn LLP

Date

24/09/2019

* Note: the NAO issued guidance applicable to external auditors' work on limited assurance reviews for 2018/19 in Auditor Guidance Note AGN/02. The AGN is available from the NAO website (www.nao.org.uk)



Explanations for variances

QUESTION: Section 2, Box 3: the unexplained variance for this box is £62,512 or 56% which is above 15% - please provide an explanation (both narrative and numerical) for this variance.

ANSWER:

- The Parish Council had long term investments which matured in 2017. These funds are from s106 monies and are earmarked for future development within the village. This was explained in last years comments. Please see attached document also.

28.12.2017	INVESTEC INVESTMENT MATURITY	£92,840.00
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- There was a delay in me reclaiming the VAT in 2017, this was reclaimed in May 2017 and a sum of £6,024.58. please see chart below:

11 th April 2017	£ 1862.15
24 th November 2017	£ 1768.1
Total reclaim for 2017-18	£ 3630.25

16 th May 2018	£ 6024.58
7 th December 2018	£ 3817.21
Total reclaim for 2018- 19	£ 9841.79

- There was a change in allotment management and invoices were sent later than expected in 2018 meaning that fees taken in 2018/19 were much higher. The average income for allotments per annum is around £1000

2017/18	£ 473.99
2018/19	£ 1608.00

- Hall bookings increased slightly due to popularity of fitness classes.

2017/18	£ 11672.67
2018/19	£ 13936.80

Mrs Nicola Green
Witham St Hughs Parish Council
The Parish Office
Village Hall
Caraway Drive
Witham St Hughs
LINCS
LN6 9XG

Our ref LI0426
SAAA SB09561
ref
Email sba@pkf-littlejohn.com

24 September 2019

Dear Mrs Green

Witham St Hughs Parish Council
Completion of the limited assurance review for the year ended 31 March 2019

We have completed our review of the Annual Governance & Accountability Return (AGAR) for Witham St Hughs Parish Council for the year ended 31 March 2019. Please find the external auditor report and certificate (Section 3 of the AGAR Part 3) included for your attention as another attachment to the email containing this letter along with a copy of Sections 1 and 2, on which our report is based.

The external auditor report and certificate detail any matters arising from the review. The smaller authority must consider these matters and decide what, if any, action is required.

Action you are required to take at the conclusion of the review

The Accounts and Audit Regulations 2015 (SI 2015/234) set out what you must do at the conclusion of the review. In summary, you are required to:

- Prepare a "Notice of conclusion of audit" which details the rights of inspection, in line with the statutory requirements. We attach a pro forma notice you may use for this purpose.
- Publish the "Notice" along with the certified AGAR (Sections 1, 2 & 3) before 30 September, which must include publication on the smaller authority's website.
- Keep copies of the AGAR available for purchase by any person on payment of a reasonable sum.
- Ensure that Sections 1, 2 and 3 of the published AGAR remain available for public access for a period of not less than 5 years from the date of publication.

Fee

We enclose our fee note for the review, which is in accordance with the fee scales set by Smaller Authorities' Audit Appointments Ltd. Please arrange for this to be paid **at the earliest opportunity**.

Additional charges are itemised on the fee note if applicable. These arise where either we were required to issue chaser letters and/or exercise our statutory powers due to a failure to provide an AGAR; or we had to

send the AGAR back for correction due to a mistake or omission by the smaller authority; or we had to seek clarification and/or correction to supporting documentation due to a mistake or omission by the smaller authority; or it was necessary for us to undertake additional work; or we had to send back documentation that was not requested.

Please return the remittance advice with your payment, which should be sent to: PKF Littlejohn LLP, Ref: Credit control (SBA), 2nd Floor, 1 Westferry Circus, Canary Wharf, London, E14 4HD. Please include the reference LI0426 or Witham St Hughs Parish Council as a reference when paying by BACS.

Timetable for 2019/20

Next year we plan to set a submission deadline for the return of the completed AGAR Part 3 and associated documents (or Certificate of Exemption) in the usual way and this is expected to be Monday 29 June 2020.

It is anticipated that the instructions will be sent out during March 2020 in line with current practice, subject to arrangements for the 2019/20 AGARs and Certificates of Exemption being finalised by SAAA. Our instructions will cover any changes about which smaller authorities need to be aware.

In line with the Accounts and Audit Regulations 2015:

- The smaller authority must inform the electorate of a single period of 30 working days during which public rights may be exercised. This information **must be published at least the day before** the inspection period commences;
- The inspection period **must** include the first 10 working days of July 2020, i.e. 1 to 14 July inclusive. In practice this means that public rights may be exercised:
 - at the earliest, between Wednesday 3 June and Tuesday 14 July 2020; and
 - at the latest, between Wednesday 1 July and Tuesday 11 August 2020.

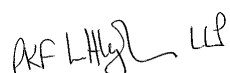
If there are any changes to the above arising from updates to the statutory requirements, you will be notified in good time.

In order to assist you in this process, we plan to include a pro forma template notice with a suggested inspection period on our website, as in previous years. On submitting your AGAR and associated documentation, as was the case for this year, we will need you to either confirm that the suggested dates have been adopted or inform us of the alternative dates selected.

Feedback on 2018/19

Please note that if you wish to provide feedback, our satisfaction survey template can be used, which is available on our website: https://www.pkf-littlejohn.com/sites/default/files/media/documents/xsatisfaction_survey_2018-19.docx

Yours sincerely



PKF Littlejohn LLP

Witham St Hughs Parish Council

Notice of conclusion of audit

Annual Governance & Accountability Return for the year ended 31 March 2019

Sections 20(2) and 25 of the Local Audit and Accountability Act 2014

Accounts and Audit Regulations 2015 (SI 2015/234)

	Notes
1. The audit of accounts for Witham St Hughs Parish Council for the year ended 31 March 2019 has been completed and the accounts have been published.	This notice and Sections 1, 2 & 3 of the AGAR must be published by 30 September. This must include publication on the smaller authority's website.
2. The Annual Governance & Accountability Return is available for inspection by any local government elector of the area of Witham St Hughs Parish Council on application to: (a) <u>MRS NICOLA GREEN, CLERK & RFO</u> <u>WITHAM ST HUGHS PARISH OFFICE</u> <u>THE VILLAGE HALL, CARAWAY DRIVE</u> <u>WITHAM ST HUGHS, LINCOLN</u> (b) <u>BY APPOINTMENT BETWEEN THE FOLLOWING</u> <u>HOURS - MONDAY 09:30 - 12:30, TUESDAY</u> <u>11:00 - 14:00, WEDNESDAY 09:30 - 12:30</u>	(a) Insert the name, position and address of the person to whom local government electors should apply to inspect the AGAR (b) Insert the hours during which inspection rights may be exercised
3. Copies will be provided to any person on payment of <u>£1.50</u> (c) for each copy of the Annual Governance & Accountability Return.	(c) Insert a reasonable sum for copying costs
Announcement made by: (d) <u>NICOLA GREEN, CLERK & RFO</u>	(d) Insert the name and position of person placing the notice
Date of announcement: (e) <u>WEDNESDAY 25th SEPTEMBER 2019</u>	(e) Insert the date of placing of the notice