

# SOUTHWATER 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

1. Date of announcement 31<sup>st</sup> May 2019

2. Each year the smaller authority prepares an Annual Governance and Accountability Return (AGAR). The AGAR has been published with this notice. It will not be reviewed by the appointed auditor, since the smaller authority has certified itself as exempt from the appointed auditor's review.

Any person interested has the right to inspect and make copies of the AGAR, the accounting records for the financial year to which it 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:

Mrs Dawn Spouge Parish Acting Clerk,  
Southwater Parish Council, Beeson House, 26 Lintot Square  
Fairbank Road, Southwater, West Sussex RH13 9LA  
Email: [clerk@southwater-pc.gov.uk](mailto:clerk@southwater-pc.gov.uk)  
Telephone: 01403 733202  
From 10.30 am – 3.30 pm (Subject to Appointment)

commencing on **Monday 3 June 2019**

and ending on **Friday 12 July 2019**

3. Local government electors and their representatives also have:

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

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

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

Moore Stephens, (Ref SW/cc)  
Rutland House, Minerva Business Park, Lynch Wood, Peterborough  
PE2 6PZ

5. This announcement is made by 31<sup>st</sup> May 2019



Mrs Dawn Spouge – Acting Clerk)

## Section 1 – Annual Governance Statement 2018/19

We acknowledge as the members of:

### SOUTHWATER 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.	✓		<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
			✓

\*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:

16/05/19

and recorded as minute reference:

mem 48 - minutes of AMPC 16/05/19

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

Chairman



Clerk



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

Authority web address

[www.southwater-pc.gov.uk](http://www.southwater-pc.gov.uk)

## Section 2 – Accounting Statements 2018/19 for

### SOUTHWATER PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2018 £	31 March 2019 £	
1. Balances brought forward	248,500	202,743	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	398,407	509,107	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	315,411	287,088	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	405,416	418,152	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	354,159	437,536	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	202,743	143,250	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	209,892	158,655	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	3,734,827	3,781,053	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



Date

16/05/19

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

16/05/19

as recorded in minute reference:

Item 51 Minutes of AMPC 6/05/19

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



In respect of

SOUTHWATER PARISH COUNCIL

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 as 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 the accordance with guidance issued by the National Audit Office (NAO) on behalf of the Controller and Auditor General (see note below). Our work **does not** constitute an audit carried out in accordance with the International Standards on Auditing (UK and 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 matter 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 the *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)

It has been identified through our review of reserves held at the year end and the internal auditor's 'No' response to Assertion D in the Annual Internal Audit Report that an effective budget system has not been in place in recent years which is contrary to proper practices. As a result the Council was using its reserves which were falling to a critical level. This process has now been addressed and the Council has improved its budgetary procedures but the Council has answered 'Yes' to boxed 1 and 2 of Section 1 of the Annual Governance and Accountability Return which does not reflect the position in the year.

Although the previous clerk performed a risk assessment review in the year, the findings were not presented to the Council and so it has not been formally reviewed and minuted in the period. As such the Council has not properly considered risk as required and therefore should have answered 'No' to box 5 in Section 1 of the Annual Governance and Accountability Return. We note however that this is being addressed post year end.

(continue on a separate sheet if required)

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

The risk assessment performed identified several areas of improvement required. We are satisfied that the new clerk is taking forward and addressing risk procedures but expect these to be fully considered and changes adopted where necessary by the end of the 2019/20 year.

(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

MOORE

External Auditor Signature



Date 25/09/2019

\*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](http://www.nao.org.uk))