



ANNUAL RETURN

TOWN COUNCIL MEETING

REPORT 91/18

8 OCTOBER 2018

The purpose of this Report is to inform Members of the delay in the External Auditor's processing of the Town Council's Annual Governance and Accountability Return and of its publication.

No. DETAILS

1) BACKGROUND

- a) The Town Council's Annual Governance and Accountability Return (AGAR) was approved at its meeting of 11 June 2018 and submitted the following day.
 - b) The Town Council has a statutory responsibility to display the final version of the AGAR on the Noticeboard and its website by 30 September.
 - c) However, compliance with that requirement was not possible this year as the new External Auditors – PKF Littlejohn LLP - had not been able to return the document with their section of it completed in time.
 - d) There were other Town and Parish Councils on the Island in the same position as at Thursday 27 September.
-

2) CONFIRMATION OF DELAY

- a) An email from the External Auditors dated Saturday 29 September – one weekend day prior to the statutory deadline for display - included a letter that opens with: *We have commenced our review of the Annual Governance and Accountability Return for Ventnor Town Council for the year ended 31 March 2018 but cannot formally complete it.*
 - b) The missing final piece of the AGAR – the auditor's Report and Certificate - arrived in an email at 9pm on Sunday 30 September.
 - c) A copy of the relevant sections is attached to this Report for Members' information.
-

3) CORRECTION

- a) The audit has identified one error in the figures in Boxes 2 and 3 of Section 2, with a grant element of £2,551 that has been included in Box 2 instead of Box 3.
 - b) As this has no impact on the Town Council's financial situation, the auditor has only asked for the correction to be made in next year's AGAR.
-

4) DISPLAY

Sections 1 – 3 of the AGAR and the Notice of Completion of Audit are now available as required on the Town Council's web site and Noticeboard.

5) RECOMMENDATION

Members are recommended to note the delay in the provision of the auditor's report and certificate.

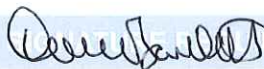
Section 2 – Accounting Statements 2017/18 for

VENTNOR TOWN COUNCIL

	Year ending		Notes and guidance
	31 March 2017 £	31 March 2018 £	
1. Balances brought forward	117,273	133,124	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	271,809	282,974	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	173,220	153,459	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	173,957	198,621	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	11,498	11,498	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	243,723	250,811	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	133,124	108,627	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	172,376	166,034	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	18,495	17,570	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	161,273	155,731	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 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 2018 the Accounting Statements in this Annual Governance and Accountability Return present fairly the financial position of this authority and its income and expenditure, or properly present receipts and payments, as the case may be.

Signed by Responsible Financial Officer



Date

6/06/18

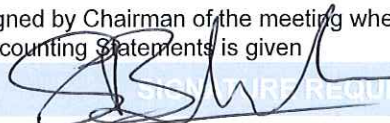
I confirm that these Accounting Statements were approved by this authority on this date:

11/06/18

and recorded as minute reference:

70/18

Signed by Chairman of the meeting where approval of the Accounting Statements is given



Final External Auditor Report and Certificate 2017/18 in respect of Ventnor Town Council HA0268

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 2018; 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.

External auditor report 2017/18

On 28 September 2018 we issued a report detailing the results of our limited assurance review of Sections 1 and 2 of this authority's Annual Governance & Accountability Return for the year ended 31 March 2018. We explained that we were unable to certify completion of the review at that time. We are now in a position to certify completion of the review.

The external auditor report given in Section 3 of the Annual Governance & Accountability Return requires amendments as follows:

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 AGAR was not accurately completed before submission for review. Please ensure that amendments are corrected in the prior year comparatives when completing next year's AGAR.:

- Section 2, Box 2, the annual precept, does not agree to the figure published by the precepting authority. The figures in Boxes 2 and 3 should read £280,423 and £156,010 respectively. All grants, including Council Tax Support Grant, should be shown in Box 3, as per the guidance notes on the AGAR.

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

None

External auditor certificate 2017/18

We certify that we have completed our review of Sections 1 and 2 of the Annual Governance & Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2018.



PKF Littlejohn LLP
30/09/2018