

Hunston Parish Meeting

Treasurer's report for Year ended 31 March 2019

1 Summary

- The Parish Meeting incurred a deficit of **£13,517.52** for the year (2018: surplus of £6,197.03)
- Cash reserves fell to **£10,540.61**, (2018: £24,058.13). Reserves will fall to about **£5,000** once the cottage refurbishment is complete.
- In November 2018, the Parish Meeting authorised spending of up to **£20,000** on the cottage refurbishment. The final cost is likely to be about **£18,400**.
- Expenditure during the year fell into three categories – see the notes to the accounts for a detailed breakdown.
 - Cottage refurbishment: £13,021.00
 - General Cottage overheads: £3,491.68
 - General Parish costs: £975.31
 - **TOTAL:** £17,487.99
- Income for the year was **£3,970.47** (2018: £8,823.21).

2 Cash flow forecast (worst case)

Cost of the Cottage if vacant for 12 months (includes £1,500 for repairs)	£4,689.00
Other Parish costs at 2018/19 levels	£390.00
TOTAL:	<u>£5,079.00</u>
Projected income for 2019/20	£140.00
SHORTFALL	<u>£4,939.00</u>

3 Statutory requirements:

3.1 Audit

- Under current statutory arrangements, PKF Littlejohn LLP has been appointed as our External Auditor for the next four years.
- However, as neither our income nor expenditure exceed £25,000pa, and subject to some other qualifying criteria (see Paragraph 5 below) we can declare ourselves exempt from the need for an external audit (which would cost £240).
- The Parish Meeting must still conduct an Internal Audit, approve an Annual Governance Statement (see Paragraph 4 below) and allow the exercise of certain public rights (see Paragraph 6 below).

3.2 Decisions to be taken

The four resolutions we need to consider are:

1. To approve the Annual Governance Statement 2018/19, subject to the completion of a satisfactory Internal Audit.
2. That, subject to completion of a satisfactory Internal Audit, the accounts fairly present the financial position of the Parish Meeting for the year ended 31 March 2019.
3. To certify that, as we satisfy the qualifying criteria and as our annual gross income and gross expenditure for the year to 31 March 2019 was respectively £25,000 or less, Hunston Parish Meeting is exempt from a limited assurance review under Section 9 of the Local Audit (Smaller Authorities) Regulations 2015 and to authorise the completion and signing of the Certificate of Exemption.
4. That the commencement date for the exercise of public rights be set as Friday 28th June 2019 and that from that date until Friday 9th August inclusive the accounts and accounting records will be available for public inspection.

4 Annual Governance Statement

In approving the Annual Governance Statement, we are confirming to the best of our knowledge and belief, with respect to the year ended 31 March 2019, that:

- 1) We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.
- 2) We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.
- 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 Parish Meeting to conduct its business or manage its finances.
- 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.
- 5) We carried out an assessment of the risks facing this Parish Meeting and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.
- 6) We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.
- 7) We took appropriate action on all matters raised in reports from 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 Parish Meeting and, where appropriate, have included them in the accounting statements.

5 The Qualifying Criteria

The qualifying criteria for an authority to declare itself as exempt from External Audit are:

- 1) The parish has no Parish Council
- 2) The Parish Meeting has been in existence since before 1 April 2015
- 3) In relation to the preceding financial year (2017/18), the external auditor has not:
 - a) Issued a public interest report in respect of the Parish Meeting or any entity connected with it
 - b) made a statutory recommendation to the Parish Meeting
 - c) issued an advisory notice under paragraph 1(1) of Schedule 8 to the Audit and Accountability Act 2014 (“the Act”), and not withdrawn the notice
 - d) commenced judicial review proceedings under section 31(1) of the Act
 - e) made an application under section 28(1) of the Act for a declaration that an item of account is unlawful, and the application has not been withdrawn nor has the court refused to make the declaration
- 4) The court has not declared an item of account unlawful after a person made an appeal under section 28(3) of the Act.
- 5) The Parish Meeting neither received gross income, nor incurred gross expenditure, exceeding £25,000.

6 Exercise of Public Rights

- 1) The Chairman, on behalf of the Parish Meeting, must set the commencement date for the exercise of public rights.
- 2) From the commencement date for a single period of 30 consecutive working days, the approved accounts and accounting records can be inspected. Whatever period is set must include the first ten working days of July.
- 3) The Parish Meeting must publish the information required by Regulation 15 (2), Accounts and Audit Regulations 2015, before 1 July 2019.