

To: All members of the Audit and Governance Panel

A meeting of the Audit and Governance Panel will be held in the Council Chamber, Town Hall, Lewes, on 24 January 2023 at 18:00pm, which you are summoned to attend.

Laura Chrysostomou

Town Clerk

19 January 2023

Agenda

1 Filming of council meetings and mobile phones

During this meeting, the public are allowed to film the committee and officers only from the front of the public gallery, providing it does not disrupt the meeting. Any items in the exempt part of an agenda cannot be filmed. If another member of the public objects to being recorded, the person(s) filming must stop doing so until that member of the public has finished speaking. Please switch mobile devices to silent for the duration of the meeting

2 Apologies for absence

3 Members' declarations of interests

To note any declarations of personal or prejudicial interest in items to be considered at this meeting.

4 Question time

Members of the public are welcome to attend this meeting of the audit and governance panel. Questions regarding items on the agenda may be heard at the start of the meeting with the Chair's consent. A period of 15 minutes is allocated for this purpose. Questions or requests to address the working party must be submitted to the Town Clerk by noon the day before the meeting.

5 Minutes

To agree the minutes of the Audit and Governance Panel meeting held on 25 October 2022. (Attached on pages 3 to 4)

6 Chair's report and urgent items

7 Officers' reports

7.1 External Auditor certificate and report 2021 to 2022
(Report AGP004 attached pages 5 to 11)

7.2 Internal audit report 2022 to 2023

(Report AGP 005 attached pages 12 to 29)

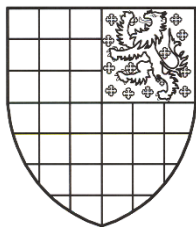
7.3 To receive the budget monitor report for quarters one to two

(Report AGP006/2022 attached pages 30 to 45)

8 Exempt business

It is recommended that:

The public and accredited representatives of the press be excluded from the meeting under Section 100 Local Government Act 1972 due to the confidential nature of the business to be conducted.



Minutes of a meeting of the Audit and Governance Panel held on Tuesday 25 October 2022 in the Council Chamber, Town Hall at 6.30pm

Present:

Councillor M Bird

Councillor W Maples (Chair)

Councillor J Vernon

In attendance:

Town Clerk (TC)

Responsible Finance Officer (RFO)

Committee Administrator

1. Apologies for absence: were noted from Councillor Clarke who was working and Councillors Handy and Milner who had family commitments. The Chair asked that thanks be recorded in the minutes to Councillor Catlin for his long service on the Audit and Governance committee following his resignation at the last meeting and in her absence, welcomed Councillor Clarke to the committee.

2. Members' declarations of interest: There were none.

3. Question time: There were none.

4. Minutes: The minutes of the meeting held on Wednesday 28 September 2022 were agreed as an accurate record.

5. Chairs report and urgent items: There was nothing to report.

6. Officers' reports:

6.1 The Panel considered report AGP003/2022 which highlighted significant variances from budget in income and expenditure relating to the Council's budget for 2022 to 2023.

6.2 The Town Clerk (TC) briefly appraised members of the report and reminded them that the income and expenditure reports presented were from the new Rialtas accounting system.

6.3 There was a query regarding utilities expenditure at the Town Hall and the All Saints Centre and how this would be budgeted for in the future. The Town Clerk explained to the panel that there would be regular monthly readings for utilities, and

this would be overseen by the Interim Deputy Town Clerk and the Finance Officer working with the Centre Managers.

6.4 Another query was raised regarding the Pells grant funding. TC reminded the Panel that liaison meetings were held annually with the Pells Pool Trust and Priory Trust and suggested that future meetings should consider a review of the year and look forward at targets and business plans in more detail.

6.5 The £15,000 allocated for the public waste artwork project would be earmarked at year end should the project not go ahead this financial year. The RFO would provide info for similar projects where grants had been obtained.

6.6 TC explained that members of staff who spend money against budgets would now have access to income and expenditure reports allowing them to check that expenditure has not been miscoded and to monitor budgets.

6.7 The Chair raised a query regarding quarter meetings of this panel and whether the Scheme of Delegation could be amended to include those. TC explained that when Council adopts a committee structure there would then be committee 'cycles' in June, September, December and March. Each committee would have delegated authority for set areas of the budget based on that particular committees responsibilities and those committees would then undertake quarterly budget monitoring.

6.8 **It was resolved that:**

The report on Budget Monitoring report is noted.

The meeting closed at 18.56pm

Signed.....

Dated.....

Lewes Town Council

Non-Confidential

Panel: Audit and Governance Panel

Date: 24 January 2023

Report Number: AGP004

Report of: The Town Clerk and Responsible Financial Officer

Subject: External Auditor certificate 2021 to 2022

1. Summary & Background

- 1.1 Attached is the External Auditor's Certificate and report for the 2021 to 2022 accounts.
- 1.2 The conclusion of the Audit has been advertised in the Councils noticeboards and on the website and copies of the complete Annual Return made available for purchase.
- 1.3 The outcome of the External Audit will also be reported to Full Council their next meeting in February 2023.

2. Recommendation

The Panel is Recommended to note the External Auditor certificate and report for the 2021 to 2022 accounts.

Laura Chrysostomou
Town Clerk and Responsible Financial Officer

Annual Governance and Accountability Return 2021/22 Form 3

To be completed by Local Councils, Internal Drainage Boards and other Smaller Authorities*:

- where the higher of gross income or gross expenditure exceeded £25,000 but did not exceed £6.5 million; or
- where the higher of gross income or gross expenditure was £25,000 or less but that:
 - are unable to certify themselves as exempt (fee payable); or
 - have requested a limited assurance review (fee payable)

Guidance notes on completing Form 3 of the Annual Governance and Accountability Return 2021/22

1. Every smaller authority in England that either received gross income or incurred gross expenditure exceeding £25,000 **must** complete Form 3 of the Annual Governance and Accountability Return at the end of each financial year in accordance with *Proper Practices*.
2. **The Annual Governance and Accountability Return is made up of three parts, pages 3 to 6:**
 - The **Annual Internal Audit Report** **must** be completed by the authority's internal auditor.
 - **Sections 1 and 2** **must** be completed and approved by the authority.
 - **Section 3** is completed by the external auditor and will be returned to the authority.
3. The authority **must** approve Section 1, Annual Governance Statement, before approving Section 2, Accounting Statements, and both **must** be approved and published on the authority website/webpage **before 1 July 2022**.
4. An authority with either gross income or gross expenditure exceeding £25,000 or an authority with neither income nor expenditure exceeding £25,000, but which is unable to certify itself as exempt, or is requesting a limited assurance review, **must** return to the external auditor by email or post (not both) **no later than 30 June 2022**. Reminder letters will incur a charge of £40 +VAT:
 - the Annual Governance and Accountability Return Sections 1 and 2, together with
 - a bank reconciliation as at 31 March 2022
 - an explanation of any significant year on year variances in the accounting statements
 - notification of the commencement date of the period for the exercise of public rights
 - Annual Internal Audit Report 2021/22

Unless requested, do not send any additional documents to your external auditor. Your external auditor will ask for any additional documents needed.

Once the external auditor has completed the limited assurance review and is able to give an opinion, the Annual Governance and Accountability **Section 1, Section 2 and Section 3 – External Auditor Report and Certificate** will be returned to the authority by email or post.

Publication Requirements

Under the Accounts and Audit Regulations 2015, authorities must publish the following information on the authority website/webpage:

Before 1 July 2022 authorities **must** publish:

- Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited;
- **Section 1 - Annual Governance Statement 2021/22**, approved and signed, page 4
- **Section 2 - Accounting Statements 2021/22**, approved and signed, page 5

Not later than 30 September 2022 authorities **must** publish:

- Notice of conclusion of audit
- **Section 3 - External Auditor Report and Certificate**
- **Sections 1 and 2 of AGAR** including any amendments as a result of the limited assurance review.

It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report, page 3.

The Annual Governance and Accountability Return constitutes the annual return referred to in the Accounts and Audit Regulations 2015. Throughout, the words 'external auditor' have the same meaning as the words 'local auditor' in the Accounts and Audit Regulations 2015.

*for a complete list of bodies that may be smaller authorities refer to schedule 2 to the Local Audit and Accountability Act 2014.

Guidance notes on completing Form 3 of the Annual Governance and Accountability Return (AGAR) 2021/22

- The authority **must** comply with *Proper Practices* in completing Sections 1 and 2 of this AGAR. *Proper Practices* are found in the *Practitioners' Guide** which is updated from time to time and contains everything needed to prepare successfully for the financial year-end and the subsequent work by the external auditor.
- Make sure that the AGAR is complete (no highlighted boxes left empty), and is properly signed and dated. If the AGAR contains unapproved or unexplained amendments, it may be returned and additional costs will be incurred.
- The authority **should** receive and note the Annual Internal Audit Report before approving the Annual Governance Statement and the accounts.
- Use the checklist provided below to review the AGAR for completeness before returning it to the external auditor by email or post (not both) no later than 30 June 2022.
- The Annual Governance Statement (Section 1) must be approved on the same day or before the Accounting Statements (Section 2) and evidenced by the agenda or minute references.
- The Responsible Financial Officer (RFO) must certify the accounts (Section 2) before they are presented to the authority for approval. The authority must in this order; consider, approve and sign the accounts.
- The RFO is required to commence the public rights period as soon as practical after the date of the AGAR approval.
- Do not send the external auditor any information not specifically requested. However, **you must inform your external auditor about any change of Clerk, Responsible Financial Officer or Chairman, and provide relevant authority owned generic email addresses and telephone numbers.**
- Make sure that the copy of the bank reconciliation to be sent to your external auditor with the AGAR covers all the bank accounts. If the authority holds any short-term investments, note their value on the bank reconciliation. The external auditor must be able to agree the bank reconciliation to Box 8 on the accounting statements (**Section 2, page 5**). An explanation **must** be provided of any difference between Box 7 and Box 8. More help on bank reconciliation is available in the *Practitioners' Guide**.
- Explain fully significant variances in the accounting statements on **page 5**. Do not just send a copy of the detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include complete numerical and narrative analysis to support the full variance.
- If the external auditor has to review unsolicited information, or receives an incomplete bank reconciliation, or variances are not fully explained, additional costs may be incurred.
- Make sure that the accounting statements add up and that the balance carried forward from the previous year (Box 7 of 2021) equals the balance brought forward in the current year (Box 1 of 2022).
- The Responsible Financial Officer (RFO), on behalf of the authority, **must** set the commencement date for the exercise of public rights of 30 consecutive working days which **must** include the first ten working days of July.
- The authority **must** publish on the authority website/webpage the information required by Regulation 15 (2), Accounts and Audit Regulations 2015, including the period for the exercise of public rights and the name and address of the external auditor **before 1 July 2022**.

Completion checklist – 'No' answers mean you may not have met requirements		Yes	No
All sections	Have all highlighted boxes have been completed?	✓	
	Has all additional information requested, including the dates set for the period for the exercise of public rights, been provided for the external auditor?	✓	
Internal Audit Report	Have all highlighted boxes been completed by the internal auditor and explanations provided?	✓	
Section 1	For any statement to which the response is 'no', has an explanation been published?		✓
Section 2	Has the authority's approval of the accounting statements been confirmed by the signature of the Chairman of the approval meeting?	✓	
	Has an explanation of significant variations been published where required?	✓	
	Has the bank reconciliation as at 31 March 2022 been reconciled to Box 8?	✓	
	Has an explanation of any difference between Box 7 and Box 8 been provided?	✓	
Sections 1 and 2	Trust funds – have all disclosures been made if the authority as a body corporate is a sole managing trustee? NB: do not send trust accounting statements unless requested.	✓	

**Governance and Accountability for Smaller Authorities in England – a Practitioners' Guide to Proper Practices*, can be downloaded from www.nalc.gov.uk or from www.ada.org.uk

Annual Internal Audit Report 2021/22

Lewes Town Council

www.lewes-tc.gov.uk

During the financial year ended 31 March 2022, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2021/22 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	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 bank account reconciliations were properly carried out during the year.	✓		
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 2020/21, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2020/21 AGAR tick "not covered")			✓
L. The authority publishes information on a free to access website/webpage up to date at the time of the internal audit in accordance with any relevant transparency code requirements			✓
M. The authority, during the previous year (2020-21) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set).	✓		
N. The authority has complied with the publication requirements for 2020/21 AGAR (see AGAR Page 1 Guidance Notes).	✓		
O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	✓		

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

03/12/2021 06/06/2022

Name of person who carried out the internal audit

Mark Mulberry

Signature of person who carried out the internal audit



Date

06/06/2022

*If the response is 'no' please 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).

Section 1 – Annual Governance Statement 2021/22

We acknowledge as the members of:

Lewes Town 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 2022, that:

	Agreement		Yes? (include that this is always)
	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 must be published with the Annual Governance Statement.

This Annual Governance Statement was approved at a meeting of the authority on:

23/06/2022

and recorded as minute reference:

36.1

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

Chairman

[Signature]

Clerk

[Signature]

Section 2 – Accounting Statements 2021/22 for

Lewes Town Council

	Year ending		Notes (in £) or balance	
	31 March 2021 £	31 March 2022 £		
			Please round all figures to nearest £1. Do not leave any boxes blank and report £0 as Nil wherever all figures must agree to underlying financial records.	
1. Balances brought forward	1,712,251	1,103,789	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	1,213,829	1,213,829	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.	
3. (+) Total other receipts	57,835	152,193	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	460,300	577,328	Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.	
5. (-) Loan interest/capital repayments	58,374	58,374	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).	
6. (-) All other payments	1,361,452	535,877	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	1,103,789	1,298,232	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	913,231	1,271,032	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	4,221,837	4,222,532	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	594,578	551,484	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	N/A	The Council, as a body corporate, acts as sole trustee for and is responsible for managing Trust funds or assets. NB The figures in the accounting statements above do not include any Trust transactions.
	✓			

I certify that for the year ended 31 March 2022 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

7/6/2022

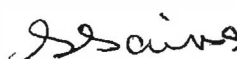
I confirm that these Accounting Statements were approved by this authority on this date:

23/06/2022

as recorded in minute reference:

36.2

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



Section 3 – External Auditor Report and Certificate 2021/22

In respect of

Lewes Town Council – ES0060

1 Respective responsibilities of the body and the auditor

Our responsibility as auditors to complete a **limited assurance review** is set out by the National Audit Office (NAO). A limited assurance review is **not a full statutory audit**, it does not constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and hence it **does not** provide the same level of assurance that such an audit would. The UK Government has determined that a lower level of assurance than that provided by a full statutory audit is appropriate for those local public bodies with the lowest levels of spending.

Under a limited assurance review, the auditor is responsible for reviewing Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with NAO Auditor Guidance Note 02 (AGN 02) as issued by the NAO on behalf of the Comptroller and Auditor General. AGN 02 is available from the NAO website – <https://www.nao.org.uk/code-audit-practice/guidance-and-information-for-auditors/>.

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 2022; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

2 External auditor report 2021/22

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.

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

None.

3 External auditor certificate 2021/22

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 2022.

External Auditor Name

PKF LITTLEJOHN LLP

External Auditor Signature

Date

27/09/2022

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

Lewes Town Council

Non- Confidential

Panel: Audit and Governance Panel

Date: 24 January 2023

Report Number: AGP005

Report by: Town Clerk

Subject: Internal Audit Report 2022 to 2023

1. Summary

- 1.1 Attached, as Appendix 1, is the first internal audit report for Lewes Town Council for the financial year 2022 to 2023. The audit was conducted by the Town Council's Internal Auditor, Mulberry & Co.
- 1.2 One of the functions of Internal Audit is to give assurance to Members of the Council that the systems, financial and otherwise, are following best practice, operating correctly, compliant with all laws and regulations and can be relied upon.

2. Recommendations

- 2.1 The Committee is Recommended to:
 1. Note the Internal Auditor report for the 2022 to 2023 accounts and the action to implement the Internal Auditor's recommendations.

3. Background

- 3.1 The Internal Auditor makes two visits per year. This is the first report for 2022 to 2023.

The areas that were audited were:

- Books of account
- Financial Regulations, Governance and payments
- Risk Management and Insurance
- Budget, Precept and Reserves
- Income
- Payroll
- Assets and Investments
- Bank and Cash
- Year End Accounts, Transparency, Exercise of Public Rights, Publication Requirements
- Trusteeship

Items to be brought to the Committee's attention are:

3.2 Books of account

- 3.2.1 The auditor noted the basic reports being produced and filed as part of the month end procedures. The auditor recommend that an electronic folder is set up to record and monitor all balance sheet accounts, such as but not limited to other debtors, accruals, prepayments, other creditors, loans etc.
- 3.2.2 The Finance Admin Officer (FAO) will implement this with guidance as needed by the locum Responsible Financial Officer (RF).
- 3.2.3 The auditor recommends that the supplier invoice number rather than the batch number is used as the reference and that supplier invoices are filed alphabetically to improve connection between the accounting package and the invoice files.
- 3.2.4 The FAO has begun this change.

3.3 Financial Regulations, Governance and Payments

- 3.3.1 The auditor recommends council consider amending the financial regulation to be more in line with the NALC model and add back the internal controls. the text of the regulation is written in overly complicated language and the auditor believes the council may benefit from reviewing the model regulations text and adopting a similar style.
- 3.3.2 The locum RFO is undertaking this work as outlined in the Council's business plan for 2022 to 2023.
- 3.3.3 The auditor noted that £15,000 was given as a subsidy to a local transport contractor, but the underlying council approval to support this could not be located. The auditor reminded council that there must be documentary and minute evidence of grants and subsidies.
- 3.3.4 The council, through its business plan and current budget setting process is looking to implement transparent and robust service funding agreements for grants and subsidies such as this.
- 3.3.5 The auditor noted that reporting against budget is a key control item for the council, and applauded the new approach being taken by the clerk in this respect. However, the auditor would like to see in the minutes councillor approval of the clerks recommended actions, not just noting receipt of the report.
- 3.3.6 The clerk and committee administrator will ensure this is actioned through reports and minutes.

3.4 Budget, Precept and Reserves

- 3.4.1 The auditor noted that council does not have the power to accumulate general reserves. Rule of thumb calculations suggest that 50% of regular expenditure/precept should be retained in general reserves. At a precept level of £1.2m, the auditor would expect to see general reserves in the region of £500,000 to £600,000. The auditor reminded council that earmarked reserves

should only be used for genuine projects that have a definable end date and that “generalised” earmarked reserves should be discouraged.

- 3.4.2 As part of the current budget setting process for 2022 to 2023 the Finance Working Party has been reviewing the earmarked reserves and these are to be considered by council on 19 January 2023 when confirming the precept.

3.5 Payroll

- 3.5.1 It was noted that copy payslips are filed with the normal supplier invoices. The auditor recommended these are filed in a separate payroll folder under lock and key. Personal data such as this would also be covered by GDPR regulations and should be subject to stricter controls.
- 3.5.2 The FAO has implemented these changes.
- 3.5.3 The auditor was unable to verify the HMRC record because the council does not have a business tax account yet. The auditor recommended the process is followed to create an HMRC business tax account so that the councils tax records (PAYE and VAT) can be monitored.
- 3.5.4 The FAO will set this up with guidance from the RFO.

3.6 Assets and Investments

- 3.6.1 The auditor would recommend that the asset register is updated to show when items were last physically vouched.
- 3.6.2 The Town Ranger checked assets in open spaces, such as benches throughout the summer. The asset register will be amended to reflect the auditors recommendation. The locum RFO will be developing an asset policy for the council.

3.7 Transparency

- 3.7.1 In the spirit of transparency council may want to consider following the Local Transparency Code 2015. The auditor signposted the clerk to a website that shows transparency as best practice.
- 3.7.2 The Communications Officer begun work on the restructure of the website to enable the council to better present information and to comply with the transparency code. The interim Communications Officer has picked up this project and will continue to develop the website to ensure best practice.

3.8 Trusteeship

- 3.8.1 The auditor noted the activities of the charity are in fact undertaken by the council in its position as sole managing trustee and as such the charity accounts should show £nil each year. The charity accounts previously have shown a net zero position with income matching expenditure, the expenditure figures being taken from the Town Council’s own nominal records from the accounting software. This was previously noted as a double count with the charity and council both reporting the same expenditure in their own respective accounts. This is not correct.
- 3.8.2 The return for 2021 to 2022 has been reported as £nil.

4. Conclusion and Opinion

- 4.1 It is clear the council takes governance, policies and procedures very seriously and overall, the systems and procedures in place are fit for purpose.
- 4.2 Whilst the report contains recommendations to change, these are not indicative of any significant failings, but rather are pointers to improving upon an already well-ordered system.

Laura Chrysostomou

Town Clerk



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Lewes Town Council
Town Hall
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21st November 2022

Dear Laura

**Re: Lewes Town Council
Internal Audit Year Ended 31 March 2023 – Interim Audit report**

Executive summary

Following completion of our interim internal audit on 17th November 2022 we enclose our report for your kind attention and presentation to the council. The audit was conducted in accordance with current practices and guidelines and testing was risk based. Whilst we have not tested all transactions, our samples have where appropriate covered the entire year to date.

Our report is presented in the same order as the assertions on the internal auditor report within the published AGAR. The start of each section details the nature of the assertion to be verified. Testing requirements follow those detailed in the audit plan previously sent to the council, a copy of this is available on request. The report concludes with an opinion as to whether each assertion has been met or not at the interim audit. Where appropriate **recommendations for action are shown in bold text and are summarised in the table at the end of the report.**

Our sample testing did not uncover any errors or misstatements that require reporting to the external auditor at this time, nor did we identify any significant weaknesses in the internal controls such that public money would be put at risk.

It is clear the council takes governance, policies and procedures seriously and I am pleased to report that overall, the systems and procedures you have in place are fit for purpose and whilst my report may contain recommendations to change these are not indicative of any significant failings, but rather are pointers to improving upon an already well-ordered system.

It is therefore our opinion that the systems and internal procedures at Lewes Town Council are well established and followed.

Regulation

The Accounts and Audit Regulations 2015 require smaller authorities, each financial year, to conduct a review of the effectiveness of the system of internal control and prepare an annual governance statement in accordance with proper practices in relation to accounts. In addition to this, a smaller authority is required by Regulation 5(1) of the Accounts and Audit Regulations 2015 to “undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.”

Internal auditing is an independent, objective assurance activity designed to improve an organisation’s operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. The purpose of internal audit is to review and report to the authority on whether its systems of financial and other internal controls over its activities and operating procedures are effective.

Internal audit's function is to test and report to the authority on whether its specific system of internal control is adequate and working satisfactorily. The internal audit reports should therefore be made available to all Members to support and inform them when they considering the authority's approval of the annual governance statement.

Independence and competence

Your audit was conducted by Mark Mulberry of Mulberry & Co. We confirm we are independent from the management of the financial controls and procedures of the council and neither the internal auditor or the firm have any conflicts of interest with the audit client, nor do they provide any management or financial assistance to the client.

Your auditor has over 30 years' experience in the financial sector with the last 20 years specialising in local government finance and internal audit.

Engagement Letter

An engagement letter was previously issued to the council covering the 2022/23 internal audit assignment. Copies of this document are available on request.

Planning and inherent risk assessment

The scope and plan of works including fee structure was issued to the council under separate cover. Copies of this document are available on request. In summary, our work will address each of the internal control objectives as stated on the Annual Internal Audit Report of the AGAR. As part of the inherent risk assessment, we have concluded that:

- There have been no reported instances of breaches of regulations in the past
- The client uses an industry approved financial reporting package
- The client regularly carries out reconciliations and documents these
- There is regular reporting to council
- The management team are experienced and informed
- Records are neatly maintained and referenced
- The client is aware of current regulations and practices
- There has been no instance of high staff turnover

It is our opinion that the inherent risk of error or misstatement is low, and the controls of the council can be relied upon and as such substantive testing of individual transactions is not required. Testing to be carried out will be "walk through testing" on sample data to encompass the period of the council year under review.

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A. BOOKS OF ACCOUNT

Internal audit requirement

Appropriate accounting records have been properly kept throughout the financial year.

Audit findings

On the 1st April 2022 the council started using the RBS Rialtus package to record the financial transactions of that of the council. This an industry specific accounting package and the system is used regularly to report and record the financial transactions of the council. The system encompasses, sales ledger, purchase ledger bank and booking modules and provides for the reconciliation of key control accounts and regular reporting against budget. I make no recommendation to change in this system and am pleased to note that users have been properly trained and am under no doubt the council will see the benefits of this package over Sage not only in clarity of reporting, but also making staff time more effective.

There are three main users.

1. Clerk – full access all areas
2. RFO – full access all areas
3. Finance Officer – full access all areas

The system is not cloud based, access is by secure log on to the local machine and a separate password for the finance system. Passwords are not automatically prompted for change; however, the council went through a process in the summer of 2022 to change and update all passwords and users. There is a daily backup.

Every month, the finance manager, produces soft copy reports which are filed in logical order on the “w” drive. Hard copy supplier invoices and bank statements are filed in folders in the finance office. I reviewed the hard and soft copy folders and can confirm supplier invoices and bank statements were in evidence. I was pleased to note that the finance manager uses the system generated month end checklist as this will avoid key tasks being missed. **I would however, recommend that a file/on-line folder is set up to record and monitor all balance sheet accounts, such as but not limited to other debtors, accruals, prepayments, other creditors, loans etc.**

The system requires the population of key data fields to enable the user to record a transaction with sufficient detail to understand the nature and scope of the transaction. This is a clear and easy to follow system and a review of the system shows that all data fields are being entered, the reports are easy to read and logically filed.

My walk-through audit testing of receipts and payments to underlying documentation chosen at random showed that the that the source documents could be located in the council records; however, it was noted there was a disconnect between the physical supplier invoice and the financial record that would be improved by using the supplier invoice number rather than the batch payment number as a reference. **I would recommend though that the supplier invoice number rather than the batch number is used as the reference and that supplier invoices are filed alphabetically.**

I tested opening balances as at 1/4/22 and confirmed they could be agreed back to the audited accounts for 2021/22.

The council is not VAT registered and the last VAT reclaim was for year ended 31st March 2022. The return was a refund return for £23,475.66 and I proved the amount shown on the return to the system on the 19th May 2022.

B. FINANCIAL REGULATIONS, GOVERNANCE AND PAYMENTS

Internal audit requirement

This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for.

Audit findings

Check the publication & minuting of the prior year audited AGAR and notice of conclusion of audit.

The external auditors report was not qualified in 2021/22. The signed AGAR and the notice of conclusion of audit are posted to the council website in accordance with regulations. This will be taken to audit and governance in January 2022.

Confirm by sample testing that councillors sign statutory office forms

I confirmed by sample testing that Councillors sign "Acceptance of Office" forms and "register of members interests", in line with regulations.

Each councillor is listed on the website, together with links to register of interests and committee on which they service. This is in the process of being updated as it did not support the spirit of transparency.

Confirm that the Council is compliant with the GDPR & Accessibility regulations.

The council is aware of GDPR, it was noted the Council has common email addresses internally which gives a natural segregation, so it is clear beyond doubt in what capacity a councillor is acting, gives control to the council, adds a degree of professionalism and in the event of a FOI request limits access to personal computers.

Confirm that the Council meets regularly throughout the year

The council meets circa five weekly. There are also a number of committees and working parties which meet as and when necessary to cover specific tasks, no committee has spending powers. The committees have a scheme of delegation, however this is going to be changed after April 2023 to give them spending powers.

Check that agendas for meetings are published giving 3 clear days' notice.

I can see that at least 3 clear days' notice is given.

Check the draft minutes of the last meeting(s) are on the council's website

Minutes are uploaded to the council website, and these agree to signed hard copies.

Confirm that the Parish Council's Standing Orders have been reviewed within the last 12 months.

The standing orders are based on an older NALC model. These were last reviewed in 2019, they are currently being reviewed and updated this year.

Confirm that the Parish Council has adopted and recently reviewed Financial Regulations.

The financial regulations are based on an older NALC model and are heavily tailored to the requirements of the council. These were last reviewed in 2019, they are currently being reviewed and updated again this year.

Check that the council's Financial Regulations are being routinely followed.

Financial regulation 6.13 deals with bank reconciliations. *Periodic bank reconciliation check must be carried-out against full record showing on the face of the first order copy which is then archived.*

The council is performing regular bank reconciliation for all accounts in accordance with local regulations. However, I note that the FR has been tailored to remove the control requirement of signing off the bank reconciliation and minuting this activity. The model regulation is written such that it requires the councillors to take an active role to ensure relevant and important internal controls are in place and are seen to be monitoring these controls. In addition to this, the text of the regulation is not in my opinion clear as to what is being stipulated. **I would recommend council consider amending the financial regulation to be more in line with the NALC model and add back the internal controls.**

Financial regulation 3 deals with budgetary control and authority to spend. *“3.1. The inclusion of an estimate in an approved budget resource account shall be authority for the expenditure of sums not exceeding that estimate (inclusive of virement or supplementary estimates which may be authorized from time to time), without further approval.*

3.2. No expenditure may be incurred which will exceed the amount provided in the revenue budget, unless such expenditure is rechargeable to a third party or income will be generated sufficient to offset the overspend. The RFO shall regularly provide the Council with a statement of receipts and payments to date under each resource account, comparing actual expenditure against that planned.

3.3. The Town Clerk may incur expenditure on behalf of the Council which is necessary to carry out any repair replacement or other work which is of such extreme urgency that it must be done at once, whether or not there is any budgetary provision for the expenditure, subject to a limit of £2000. The RFO shall report the action to the Council as soon as practicable thereafter.

In conducting our walk-through testing, we reviewed the nominal ledger and agreed that there were no instances of netting off and that transactions were posted to the heading to which they related. Where expenditure was above the quote threshold – quotes were taken and remained in evidence.

It was also noted that the clerk correctly writes reports to council on actual versus budget expenditure. The new system enables a much greater depth of budget reporting and currently an exercise is being undertaken to update the budgets further to make reporting more accurate for council.

We noted that £15,000 was given as a subsidy to a local transport contractor, we could not locate the underlying council approval to support this. **I remind council that there must be documentary and minute evidence of grants and subsidies.**

Reporting against budget is a key control item for the council, and I applaud the new approach being taken by the clerk in this respect. **However, I would like to see in the minutes councillor approval of the clerks recommended actions, not just noting receipt of the report.**

Finally, the text of the regulation is written in overly complicated language and I believe council may benefit from reviewing the model regulations text and adopting a similar style.

Confirm all section 137 expenditure meets the guidelines & does not exceed the annual per elector limit of £8.41 (2021: £8.32 per elector.)

The council has no S137 expenditure currently has GPC until 2023.

C. RISK MANAGEMENT AND INSURANCE

Internal audit requirement

This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.

Audit findings

The council has a detailed risk management schedule in tabular format. This covers items from business continuity to financial controls. This was taken to council on the 1st September 2022. I am under no doubt the council manages risk appropriately.

I have confirmed that the Council has a valid insurance certificate. The Council reviews its insurance requirements as part of the renewal process. The council is insured with Zurich. Asset cover seems consistent with the asset register, it is noted the money cover is lower than the current bank balances. The certificate is in date.

D. BUDGET, PRECEPT AND RESERVES

Internal audit requirement

The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.

I confirmed that the 2022-23 budget and precept setting process was completed and approved by council at the meeting held in January 2022, which is within the timescales set within the financial regulations and submitted its application on time to the precepting authority. This also agreed to the precept received and that noted in the cashbook.

I confirmed the 2023/24 budget setting process was underway at the time of the audit. The first draft shows this will be a balanced budget.

Councillors receive reports on budget against actuals.

In 2021/22 the council made a surplus of £194,443 (2020/21 a deficit of £608,462) at the same time bank and cash balances increased by £357,801 to £1,271,032. The November 2022 budget report indicates the 2022/23 year end position will be a surplus of circa £130k. This will result in closing reserves of circa £1.4m.

The council has two classes of reserves, it is therefore anticipated the year end closing balances will be in the region of:

- | | |
|--------------|-------|
| 1. General | £506k |
| 2. Earmarked | £894k |

As council is aware it does not have the power to accumulate general reserves. Rule of thumb calculations suggest that 50% of regular expenditure/precept should be retained in general reserves. At a precept level of £1.2m, I would expect to see general reserves in the region of £500-600k. **I remind council that earmarked reserves should only be used for genuine projects that have a definable end date and that “generalised” earmarked reserves should be discouraged.**

E. INCOME

Internal audit requirement

Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.

Audit findings

The council has multiple income sources to support the precept, grants, allotments, pitch hire, and other miscellaneous sources.

A review of the nominal ledger report and cashbooks shows income is clearly recorded with sufficient narrative description to identify the source. There was no evidence of netting off and the income item appears to be posted to the correct heading to which the expenditure related.

I verified the precept to minute evidence – there were no errors and I was able to see via the minutes that council approvals annual charges.

There is no evidence that the council should be VAT registered, although there maybe some benefit in gaining a registration and an option to tax in future.

F. PETTY CASH

Internal audit requirement

Petty cash payments were properly supported by receipts, all petty cash expenditure was approved, and VAT appropriately accounted for.

Audit findings

No petty cash

G. PAYROLL

Internal audit requirement

Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.

Audit findings

The payroll is processed in house using Sage. Salary approvals are part of the general payments approval process.

The council has fulfilled its obligations in respect of auto-enrolment and uses LGPS.

I tested the tax deduction and pay scales there were no errors. I am of the opinion salaries are correctly calculated and paid.

I tested the month 8 PAYE and NI Liability and agreed this to a physical payment made. There were no errors, and I can confirm the PAYE and NI liabilities are paid on time.

It was noted that copy payslips are filed with the normal supplier invoices. **I would recommend these are filed in a separate payroll folder under lock and key. Personal data such as this would also be covered by GDPR regulations and should be subject to stricter controls.**

I was unable to verify the HMRC record because the council does not have a business tax account yet. **I recommend the process is followed to create an HMRC business tax account so that the councils tax records (PAYE and VAT) can be monitored.**

All council employees are paid through the payroll for all council work undertaken. No employees are paid separately for any other council work undertaken.

H. ASSETS AND INVESTMENTS

Internal audit requirement

Asset and investments registers were complete and accurate and properly maintained.

Audit findings

The Council does not hold any long-term investments i.e. over 1 year. The fixed asset register is maintained in Excel and agrees to the AGAR. Assets are correctly stated at historic or proxy cost.

The council has circa £4.3m of assets encompassing, building, street furniture and office equipment.

The financial regulations state "FR: 14.4. The RFO shall be responsible for periodic checks of stocks and stores at least annually". **I would recommend that the register is updated to show when item was last physically vouched.**

I. BANK AND CASH

Internal audit requirement

Periodic and year-end bank account reconciliations were properly carried out.

Audit findings

The bank reconciliations for all accounts are completed on a monthly basis and are presented to chair of audit and governance for review. I can confirm monthly reconciliations are properly completed in accordance with financial regulations.

I was able to confirm all the balances to the bank statements and found no errors.

Due to the council's budget exceeding €500,000, it does not benefit from the protection form the Financial Services Compensation Scheme (FSCS).

J. YEAR END ACCOUNTS

Internal audit requirement

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.

Section 1 – Annual Governance Statement

	Annual Governance Statement	'Yes' means that this authority	Suggested response based on evidence
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>	YES –accounts follow latest Accounts and Audit Regulations and practitioners guide recommendations.
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>	YES – there is regular reporting of financial transactions and accounting summaries, offering the opportunity for scrutiny.
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>	YES – the Clerk is experienced and advises the council in respect of its legal powers.
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>	YES – the requirements and timescales for 2021/22 year-end were followed.
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>	YES – the council has a risk management scheme and appropriate external insurance.
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>	YES – the council has appointed an independent and competent internal auditor has completed two audits during the year.
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>	YES – where matters are raised, action taken by council is recorded in the minutes.
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>	YES – no matters were raised during the internal audit visits.
9	Trust funds including charitable – In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/asset(s), including financial reporting and, if required, independent examination or audit.	<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>	YES – the council has met its responsibilities as a trustee.

Section 2 – Accounting Statements

AGAR box number		2020/21	2021/22	Auditor notes
1	Balances brought forward	1,712,251	1,103,789	Agrees to carry forward (box 7)
2	Precept or rates and levies	1,213,829	1,213,829	Figure confirmed to central records
3	Total other receipts	57,835	152,193	Agrees to underlying records
4	Staff costs	460,300	577,328	Agrees to underlying records
5	Loan interest/capital repayments	58,374	58,374	Agrees to underlying records
6	All other payments	1,361,452	535,877	Agrees to underlying records
7	Balances carried forward	1,103,789	1,298,232	Casts correctly
8	Total value of cash and short-term investments	913,231	1,271,032	Agrees to bank reconciliation
9	Total fixed assets plus long term investments and assets	4,221,837	4,222,532	Matches asset register
10	Total borrowings	594,578	551,484	Agrees to underlying records
11	For Local Councils only - Disclosure note re Trust funds (including charitable)	YES v	NO	

The year-end accounts have been correctly prepared on the receipts and payments basis, with a for a box 7 and 8 reconciliation properly carried out.

The variance analysis was required because there were variances greater than 15% and £500. This was properly prepared on a summary table basis showing the financial elements and explanatory narrative.

K. LIMITED ASSURANCE REVIEW**Internal audit requirement**

If the authority certified itself as exempt from a limited assurance review in 2021/22, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2021/22 AGAR tick “not covered”)

Audit findings

The council did not certify itself exempt in 2021/22 due to exceeding the income and expenditure limits and this test does not apply.

L: TRANSPARENCY**Internal audit requirement**

The authority publishes information on a free to access website/webpage up to date at the time of the internal audit in accordance with any relevant transparency code requirements

Audit findings

The council has income and expenditure in excess of £200,000 and as such is required to follow the “Local Government Transparency Code 2015” which is recommend practice not law. The Code requires local authorities in England to publish the following information quarterly:

Expenditure exceeding £500	
Government Procurement Card transactions	
Procurement information	

Additionally, local authorities are required to publish the following information annually:

Local Authority Land	
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Social Housing Assets	
Grants to voluntary, community and social enterprise organisations	
Organisational Chart	
Trade union facility time	
Parking account	
Parking spaces	
Senior salaries	
Constitution	
Pay multiple	
Fraud	

In the spirit of transparency council may want to consider following this best practice regulation. **I have sign pointed the clerk to a website that shows transparency as best practice.**

<https://www.salisburycitycouncil.gov.uk/your-council/transparency-code>

M: EXERCISE OF PUBLIC RIGHTS - INSPECTION OF ACCOUNTS

Internal audit requirement

The authority, during the previous year (2021-22) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set).

Audit findings

I confirmed that arrangements are in place at this council to ensure proper exercise of public rights. Relevant dates are set out in the table below.

Inspection - Key date	2021/22
Date Inspection Notice Issued	24 th June
Inspection period begins	27 June 2022
Inspection period ends	5 August 2022
Correct length	Yes
Common period included?	Yes

I am satisfied the requirements of this control objective were met for 2021/22.

N: PUBLICATION REQUIREMENTS

Internal audit requirement

The authority has complied with the publication requirements for 2021/22. Under the Accounts and Audit Regulations 2015, authorities must publish the following information on the authority website / webpage.

Before 1 July 2022 authorities must publish:

- *Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited*
- *Section 1 - Annual Governance Statement 2021/22, approved and signed, page 4*
- *Section 2 - Accounting Statements 2021/22, approved and signed, page 5*

Not later than 30 September 2022 authorities must publish:

- *Notice of conclusion of audit*
- *Section 3 - External Auditor Report and Certificate*
- *Sections 1 and 2 of AGAR including any amendments as a result of the limited assurance review.*

It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report, page 3.

Audit findings

I was able to confirm that the publication requirements for 2021/22 have been met and the Notice of Public Rights and notice of conclusion is published on the council website.

O. TRUSTEESHIP

Internal audit requirement

Trust funds (including charitable) – The council met its responsibilities as a trustee.

Audit findings

The council is the trustee of the Town Brook Charity (charity number 1008223), and a review of the Charity Commission website shows that all reporting is up to date to the 31st March 2021.

It is noted that the charity accounts as published with the charities commission show a net zero position with income matching expenditure in all years. The expenditure figures being taken from the councils own nominal records from the council Sage system. The notes of the accounts also state that the charity has no bank accounts of its own.

This is an obvious double count with the charity and the local authority both reporting the same expenditure in their own respective accounts. This is not correct.

I believe the activities of the charity are in fact undertaken by the council in its position as sole managing trustee and as such the charity accounts should show £nil each year. This would dispense with the requirement to complete charity accounts.

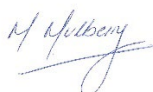
Achievement of control assertions at interim audit date

Based on the tests conducted during the interim audit, our conclusions on the achievement of the internal control objectives are summarised in the table below. A further review and update of this opinion will be conducted at the final audit.

	INTERNAL CONTROL OBJECTIVE	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 assesses 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 bank account reconciliations were properly carried out during the year.	✓		
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 2021/22, it met the exemption criteria and correctly declared itself exempt. <i>(If the authority had a limited assurance review of its 2020/21 AGAR tick "not covered")</i>			✓
L	The authority publishes information on a free to access website/webpage up to date at the time of the internal audit in accordance with any relevant transparency code requirements	✓		
M	The authority, during the previous year (2021-22) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations <i>(evidenced by the notice published on the website and/or authority approved minutes confirming the dates set)</i> .	✓		
N	The authority has complied with the publication requirements for 2021/22 AGAR.	✓		
O	Trust funds (including charitable) – The council met its responsibilities as a trustee.	✓		

Should you have any queries please do not hesitate to contact me.

Yours sincerely



Mark Mulberry
For Mulberry & Co

Interim Audit - Points Carried Forward

Books of account	<p>I would recommend that a file/on-line folder is set up to record and monitor all balance sheet accounts, such as but not limited to other debtors, accruals, prepayments, other creditors, loans etc.</p> <p>I would recommend though that the supplier invoice number rather than the batch number is used as the reference and that supplier invoices are filed alphabetically.</p>	
Payments and governance	<p>The council is performing regular bank reconciliation for all accounts in accordance with local regulations. However, I note that the FR has been tailored to remove the control requirement of signing off the bank reconciliation and minuting this activity. The model regulation is written such that it requires the councillors to take an active role to ensure relevant and important internal controls are in place and are seen to be monitoring these controls. In addition to this, the text of the regulation is not in my opinion clear as to what is being stipulated.</p> <p>I would recommend council consider amending the financial regulation to be more in line with the NALC model and add back the internal controls.</p> <p>I remind council that there must be documentary and minute evidence of grants and subsidies.</p> <p>Reporting against budget is a key control item for the council, and I applaud the new approach being taken by the clerk in this respect. However, I would like to see in the minutes councillor approval of the clerks recommended actions, not just noting receipt of the report.</p> <p>Finally, the text of the regulation is written in overly complicated language and I believe council may benefit from reviewing the model regulations text and adopting a similar style.</p>	
Payroll	<p>I would recommend t payslips are filed in a separate payroll folder under lock and key. Personal data such as this would also be covered by GDPR regulations and should be subject to stricter controls.</p> <p>I was unable to verify the HMRC record because the council does not have a business tax account yet. I recommend the process is followed to create an HMRC business tax account so that the councils tax records (PAYE and VAT) can be monitored.</p>	
Fixed assets	<p>The financial regulations state <i>“FR: 14.4. The RFO shall be responsible for periodic checks of stocks and stores at least annually”</i>. I would recommend that the register is updated to show when item was last physically vouched.</p>	

<p>Transparency</p>	<p>In the spirit of transparency council may want to consider following this best practice regulation. I have sign pointed the clerk to a website that shows transparency as best practice.</p>	
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Lewes Town Council

Non-Confidential

Panel: Audit and Governance Panel

Date: 24 January 2023

Report Number: AGP006

Report by: Town Clerk

Subject: Budget Monitor Report

1. Summary

- 1.1 The report highlights significant variances from budget in Income and Expenditure relating to the Council's budget for 2022 to 2023. Actual figures are shown in Appendix 1.
- 1.2 Overall, it is currently projected that nett expenditure will be within budget by the end of the financial year (31st March 2023).
- 1.3 The Income and Expenditure report covers quarter three of the financial year 2022 to 2023. As can be seen in the budget summary in Appendix 2, 47.8% of the budget has been spent.

2. Recommendations

- 2.1 The Panel is Recommended to:
 1. note and agree the overspends in the report
 2. otherwise note the report

3. Budget monitor 2022 to 2023

- 3.1 Members are reminded that Income and Expenditure is not always received, or paid out, evenly throughout the year. Therefore, fluctuations will occur as to the percentage of the budget used even when the Income or Expenditure is expected to be in line with the budget by the end of the financial year.
- 3.2 It should be noted that the actual figures do not include all earmarked reserves (EMR) movement, some of which occurs at year end.

3.2 Corporate Admin

- 3.2.1 ICT budget is overspent by £19,999, although £2,663 is to be met from the General Fund for the new accounting software as agreed by Full Council on 23 June 2022. A further £4,000 of expenditure is anticipated for the remainder of this financial year. As previously raised with this panel the budget set is not sufficient. In 2020 to 2021 the total spend was circa £27,000 and 2019 to 2020 it was £29,000. In 2021 to 2022 the total spend was £48,509 but this included the new phone system, cancellation of the old phone system, the installation of public Wi-Fi, a new laptop and set up costs for new staff.

3.2.2 The budget for Consultants includes subscriptions for payroll and accounting software, national and regional local council subscriptions, internal and external audit fees. This budget shows as overspent by £17,261 but £13,731 of the expenditure is to be met from the General Fund as agreed by Full Council for the General Data Protection project, change to the accounting software and external audit fees from 2019 to 2021. A further £5,000 is to be recoded to EMR for the locum Responsible Financial Officer costs, and £3,196.50 offset against salaries. £450 is to be recoded to staff training (miscellaneous expenses). The external auditor fees of £2,000 for 2022 to 2023 will be carried forward to the next financial year as the invoice won't be received until late 2023.

3.3 Civic Admin

3.3.1 The Catering budget is £4,684 underspent as expenditure for some events and activities have not yet been paid.

3.3.2 Miscellaneous Expenses normally covers costs associated with twinning, tourism and Civic Awards. £15,000 of this budget was the contribution to fireworks for the Queen's Jubilee. It is projected that this budget will have an underspend of circa £9,000 by year end.

3.3.3 The Grants budget includes £8,000 for Citizens Advice Bureau which is about to be paid. It includes £2,000 for Late Night Shopping, of which £570 has been spent on road closures and £150 is committed but not yet paid for the Lewes District shop local at Christmas campaign contribution. The Grants budget also includes £60,000 for General Grants and a total of £33,135 has been awarded and £1,620 committed through three cycles.

3.4 Mayoralty

3.4.1 The Regalia budget is overspent by £2,742 due to insufficient budget being provided for the cost of past mayor and mayoress badges which was £2,916.67. This can be met by underspends within this cost centre.

3.4.2 The Miscellaneous Expenses budget is overspent by £810. This can be met by underspends within this cost centre.

3.5 Town Hall

3.5.1 Electricity shows as overspent due to a large bill of over £15,000 received in the summer. This has been queried and a credit note received to the same amount.

3.5.2 The Repairs and Maintenance budget shows as £125,368 overspent. However, £126,564.43 will be met from earmarked reserves as part of the heating project.

3.5.3 Income is only 70.3% of the projected income target. It is projected that the income target of £85,000 will be under by £15,000.

3.6 All Saints Centre

- 3.6.1 There is an overspend showing in the ICT budget as £1,700 of expenditure has been miscoded and needs to come from Corporate Admin ICT.
- 3.6.2 The Repairs and Maintenance budget shows as £12,114 overspent. £11,478.50 of this is to come from EMR for work relating to the building survey work. This leaves the budget overspent by £635.50.
- 3.6.3 The Gas budget is overspent by £1,037. A further £1,000 of expenditure is anticipated.
- 3.6.4 Income is only 43.7% of the projected income target. It is projected that a further £10,000 will be received by year end, meaning the income target is expected to be under by £14,000.

3.7 Malling Community Centre

- 3.7.1 The Equipment Rental budget is overspent by £811 due to a large invoice for the mat contract. This contract will be reviewed going forward.
- 3.7.2 Repairs and Maintenance budget is overspent by £28,262 but £28,600.31 will be met from EMR as it relates to the refurbishment work, including the final certificate.
- 3.7.3 Income is only 35% of the projected income target. It is projected that the income target will be under by £10,000.

3.8 Pells

- 3.8.1 This cost centre is projected to be within budget.

3.9 Open Spaces

- 3.9.1 The Equipment Rental budget is for CCTV and although showing under is expected to be spent by year end.
- 3.9.2 The £11,000 Miscellaneous Expenses budget is for the contributions towards Christmas trees and bonfire stewards in the Town.
- 3.9.3 The Repairs and Maintenance budget in Open Spaces shows as overspent. £2,992 needs to be recoded to a different cost centre. Other expenditure in this budget will be recoded to Grounds Maintenance. Both budgets are expected to be spent by year end due to expected tree work of circa £15,000 following the recent tree inspection.

3.10 Priory

- 3.10.1 The Grant budget is showing as £6,642 overspent. The Priory Grant has been paid this year and was £13,860.16, from a budget of £13,315. £5,500 will be met from the General Fund for the major funding grant as agreed by Full Council. £597 will be met from the General Fund for membership of the federation, also agreed by Full Council.

3.11 Amenities

3.11.1 This cost centre is projected to be within budget.

3.12 Allotments

3.12.1 The Grounds Maintenance budget has £1,965 remaining and is likely to be circa £1,000 underspent by year end.

Laura Chrysostomou
Town Clerk

17/01/2023

Lewes Town Council

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Detailed Income & Expenditure by Budget Heading 17/01/2023

Month No: 10

Cost Centre Report

	Actual Current	Actual Year To Date	Current Annual	Variance Annual	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
100 Corporate Admin								
1000 Fees & Charges	3	95	50	(45)			190.5%	
1015 Miscellaneous Income	0	43	1,230	1,187			3.5%	
Corporate Admin :- Income	3	138	1,280	1,142			10.8%	0
4000 Salaries & Wages	0	37,026	47,553	10,527		10,527	77.9%	
4010 National Insurance	0	3,555	7,157	3,602		3,602	49.7%	
4020 Superannuation	0	12,258	10,509	(1,749)		(1,749)	116.6%	
4055 Other Staff Expenses	28	7,441	3,950	(3,491)		(3,491)	188.4%	
4125 Printing	0	590	200	(390)		(390)	295.2%	
4130 Stationery	0	538	300	(238)		(238)	179.3%	
4135 Books & Periodicals	0	206	100	(106)		(106)	205.7%	
4140 Postage	0	80	400	320		320	20.0%	
4145 Telephones/ICT	2,532	27,377	10,378	(16,999)		(16,999)	263.8%	
4150 Office Equipment	0	1,752	2,000	248		248	87.6%	
4165 Consultants	0	24,361	7,100	(17,261)		(17,261)	343.1%	2,234
4185 Miscellaneous Expenses	0	1,349	6,000	4,651		4,651	22.5%	
4190 Grants & Subscriptions	0	3,967	4,300	333		333	92.3%	
4195 Advertising & Promotions	0	205	800	595		595	25.6%	
4200 Traveling & Subsistence	0	63	120	57		57	52.8%	
4400 Repairs & Maintenance	0	0	100	100		100	0.0%	
4430 Equipment & Furniture etc	0	0	102	102		102	0.0%	
4445 Premises Insurance	0	2,228	1,510	(718)		(718)	147.6%	
4605 Miscellaneous Insurance	0	4,711	4,570	(141)		(141)	103.1%	
4610 Contributions to Reserves	0	0	7,300	7,300		7,300	0.0%	
4615 Other Miscellaneous Exp	0	750	600	(150)		(150)	125.0%	
Corporate Admin :- Indirect Expenditure	2,560	128,458	115,049	(13,409)	0	(13,409)	111.7%	2,234
Net Income over Expenditure	(2,557)	(128,320)	(113,769)	14,551				
6000 plus Transfer from EMR	0	2,234						
Movement to/(from) Gen Reserve	(2,557)	(126,086)						

Detailed Income & Expenditure by Budget Heading 17/01/2023

Month No: 10

Cost Centre Report

	Actual Current	Actual Year To Date	Current Annual	Variance Annual	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
<u>150 Civic Admin</u>								
1000 Fees & Charges	0	881	0	(881)			0.0%	
1015 Miscellaneous Income	0	726	150	(576)			483.9%	
Civic Admin :- Income	0	1,607	150	(1,457)			1071.3%	0
4000 Salaries & Wages	0	33,947	48,311	14,364		14,364	70.3%	
4010 National Insurance	0	3,248	7,271	4,023		4,023	44.7%	
4020 Superannuation	0	6,603	10,677	4,074		4,074	61.8%	
4110 Regalia	0	235	1,200	965		965	19.6%	
4120 Catering	0	2,316	7,000	4,684		4,684	33.1%	
4125 Printing	0	38	700	662		662	5.4%	
4130 Stationery	0	44	500	456		456	8.8%	
4140 Postage	0	33	190	157		157	17.4%	
4145 Telephones/ICT	0	35	330	295		295	10.5%	
4150 Office Equipment	0	0	87	87		87	0.0%	
4170 Legal Expenses	0	0	2,000	2,000		2,000	0.0%	
4180 Members Allowance	589	5,833	8,802	2,969		2,969	66.3%	
4185 Miscellaneous Expenses	0	15,769	25,500	9,731		9,731	61.8%	
4190 Grants & Subscriptions	1,900	32,685	70,000	37,315		37,315	46.7%	3,000
4195 Advertising & Promotions	0	0	642	642		642	0.0%	
4200 Traveling & Subsistence	0	393	1,000	607		607	39.3%	
4605 Miscellaneous Insurance	0	842	1,000	158		158	84.2%	
4610 Contributions to Reserves	0	0	21,000	21,000		21,000	0.0%	
Civic Admin :- Indirect Expenditure	2,489	102,021	206,210	104,189	0	104,189	49.5%	3,000
Net Income over Expenditure	(2,489)	(100,414)	(206,060)	(105,646)				
6000 plus Transfer from EMR	0	3,000						
Movement to/(from) Gen Reserve	(2,489)	(97,414)						

Detailed Income & Expenditure by Budget Heading 17/01/2023

Month No: 10

Cost Centre Report

	Actual Current	Actual Year To Date	Current Annual	Variance Annual	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
<u>180</u> <u>Mayoralty</u>								
1000 Fees & Charges	65	573	0	(573)			0.0%	
1015 Miscellaneous Income	0	12	500	488			2.4%	
Mayoralty :- Income	65	585	500	(85)			117.0%	0
4000 Salaries & Wages	0	20,824	30,140	9,316		9,316	69.1%	
4010 National Insurance	0	1,999	4,536	2,537		2,537	44.1%	
4020 Superannuation	0	4,046	6,661	2,615		2,615	60.7%	
4110 Regalia	0	2,992	250	(2,742)		(2,742)	1196.7%	
4120 Catering	0	6,113	9,000	2,887		2,887	67.9%	
4125 Printing	0	72	300	228		228	23.9%	
4130 Stationery	0	26	300	274		274	8.8%	
4140 Postage	0	22	170	148		148	12.8%	
4145 Telephones/ICT	0	21	200	179		179	10.4%	
4150 Office Equipment	0	0	80	80		80	0.0%	
4175 Hospitality	0	147	850	703		703	17.3%	
4180 Members Allowance	76	626	978	352		352	64.0%	
4185 Miscellaneous Expenses	0	2,310	1,500	(810)		(810)	154.0%	
4190 Grants & Subscriptions	0	0	250	250		250	0.0%	
4200 Traveling & Subsistence	0	1,396	1,600	204		204	87.3%	
4605 Miscellaneous Insurance	0	228	406	178		178	56.2%	
Mayoralty :- Indirect Expenditure	76	40,821	57,221	16,400	0	16,400	71.3%	0
Net Income over Expenditure	(11)	(40,237)	(56,721)	(16,484)				

Detailed Income & Expenditure by Budget Heading 17/01/2023

Month No: 10

Cost Centre Report

	Actual Current	Actual Year To Date	Current Annual	Variance Annual	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
<u>190 Income</u>								
1076 Precept	0	1,259,778	1,259,778	0			100.0%	
1080 Interest Received	69	942	0	(942)			0.0%	
1090 CIL Receipts	0	58,469	0	(58,469)			0.0%	58,469
Income :- Income	69	1,319,188	1,259,778	(59,410)			104.7%	58,469
Net Income	69	1,319,188	1,259,778	(59,410)				
6001 less Transfer to EMR	0	58,469						
Movement to/(from) Gen Reserve	69	1,260,720						

Detailed Income & Expenditure by Budget Heading 17/01/2023

Month No: 10

Cost Centre Report

	Actual Current	Actual Year To Date	Current Annual	Variance Annual	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
200 Town Hall								
1000 Fees & Charges	10,920	59,770	85,000	25,230			70.3%	
1010 Rentals	1,300	6,500	7,800	1,300			83.3%	
1020 Flat Water Recharge	40	200	0	(200)			0.0%	
Town Hall :- Income	12,260	66,470	92,800	26,330			71.6%	0
4000 Salaries & Wages	0	64,611	103,273	38,662		38,662	62.6%	
4010 National Insurance	0	5,879	15,543	9,664		9,664	37.8%	
4020 Superannuation	0	11,359	22,823	11,464		11,464	49.8%	
4100 Consumable Store	534	2,791	2,600	(191)		(191)	107.4%	
4105 Equipment Rental	0	63	900	838		838	6.9%	
4115 Small Plant & Tools	0	842	1,100	258		258	76.5%	
4125 Printing	0	91	250	159		159	36.2%	
4130 Stationery	0	512	500	(12)		(12)	102.4%	
4140 Postage	0	279	350	71		71	79.8%	
4145 Telephones/ICT	0	1,165	1,100	(65)		(65)	105.9%	
4150 Office Equipment	0	35	150	115		115	23.5%	
4160 Loan Charges	0	5,028	10,056	5,028		5,028	50.0%	
4165 Consultants	0	0	1,000	1,000		1,000	0.0%	
4170 Legal Expenses	0	320	2,450	2,130		2,130	13.1%	
4195 Advertising & Promotions	0	0	750	750		750	0.0%	
4400 Repairs & Maintenance	5,208	140,368	15,000	(125,368)		(125,368)	935.8%	123,814
4405 Grounds Maintenance	(597)	1,123	4,800	3,677		3,677	23.4%	
4410 Electricity	0	23,193	13,195	(9,998)		(9,998)	175.8%	
4415 Gas	0	3,440	11,165	7,725		7,725	30.8%	
4420 Water & Drainage	0	1,890	3,000	1,110		1,110	63.0%	
4425 Alarm Systems	0	2,724	3,500	776		776	77.8%	
4430 Equipment & Furniture etc	0	2,781	2,500	(281)		(281)	111.2%	
4440 NNDR	6,298	62,976	65,130	2,154		2,154	96.7%	
4445 Premises Insurance	0	16,762	15,735	(1,027)		(1,027)	106.5%	
4605 Miscellaneous Insurance	0	1,001	1,025	24		24	97.7%	
4610 Contributions to Reserves	0	0	100,000	100,000		100,000	0.0%	
Town Hall :- Indirect Expenditure	11,444	349,232	397,895	48,663	0	48,663	87.8%	123,814
Net Income over Expenditure	816	(282,762)	(305,095)	(22,333)				
6000 plus Transfer from EMR	3,304	123,814						
Movement to/(from) Gen Reserve	4,120	(158,947)						

Detailed Income & Expenditure by Budget Heading 17/01/2023

Month No: 10

Cost Centre Report

	Actual Current	Actual Year To Date	Current Annual	Variance Annual	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
<u>220 All Saints</u>								
1000 Fees & Charges	75	24,011	55,000	30,989			43.7%	
All Saints :- Income	75	24,011	55,000	30,989			43.7%	0
4000 Salaries & Wages	1,340	68,073	95,590	27,517		27,517	71.2%	
4010 National Insurance	0	5,181	14,386	9,205		9,205	36.0%	
4020 Superannuation	0	13,741	21,125	7,384		7,384	65.0%	
4100 Consumable Store	0	405	1,400	995		995	28.9%	
4105 Equipment Rental	0	0	500	500		500	0.0%	
4115 Small Plant & Tools	0	44	200	156		156	22.0%	
4120 Catering	0	0	400	400		400	0.0%	
4125 Printing	0	109	500	391		391	21.9%	
4130 Stationery	0	472	350	(122)		(122)	134.9%	
4140 Postage	0	116	480	364		364	24.1%	
4145 Telephones/ICT	1,700	2,532	1,000	(1,532)		(1,532)	253.2%	
4150 Office Equipment	0	0	250	250		250	0.0%	
4165 Consultants	0	1,366	0	(1,366)		(1,366)	0.0%	
4170 Legal Expenses	0	180	1,600	1,420		1,420	11.3%	
4185 Miscellaneous Expenses	0	0	350	350		350	0.0%	
4195 Advertising & Promotions	0	0	280	280		280	0.0%	
4400 Repairs & Maintenance	582	16,114	4,000	(12,114)		(12,114)	402.8%	350
4405 Grounds Maintenance	0	317	500	183		183	63.4%	
4410 Electricity	0	1,226	2,030	804		804	60.4%	
4415 Gas	0	2,257	1,220	(1,037)		(1,037)	185.0%	
4420 Water & Drainage	0	0	2,480	2,480		2,480	0.0%	
4425 Alarm Systems	0	6,590	380	(6,210)		(6,210)	1734.2%	6,590
4430 Equipment & Furniture etc	210	3,496	9,500	6,004		6,004	36.8%	
4440 NNDR	384	3,074	3,875	801		801	79.3%	
4445 Premises Insurance	0	3,699	3,860	161		161	95.8%	
4605 Miscellaneous Insurance	0	1,102	1,178	76		76	93.6%	
4610 Contributions to Reserves	0	0	40,000	40,000		40,000	0.0%	
All Saints :- Indirect Expenditure	4,216	130,094	207,434	77,340	0	77,340	62.7%	6,940
Net Income over Expenditure	(4,141)	(106,083)	(152,434)	(46,351)				
6000 plus Transfer from EMR	0	6,940						
Movement to/(from) Gen Reserve	(4,141)	(99,143)						

Detailed Income & Expenditure by Budget Heading 17/01/2023

Month No: 10

Cost Centre Report

	Actual Current	Actual Year To Date	Current Annual	Variance Annual	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
<u>240</u> <u>Malling C/Centre</u>								
1000 Fees & Charges	0	17,491	50,000	32,509			35.0%	
Malling C/Centre :- Income	0	17,491	50,000	32,509			35.0%	0
4000 Salaries & Wages	0	49,597	68,569	18,972		18,972	72.3%	
4010 National Insurance	0	4,054	10,320	6,266		6,266	39.3%	
4020 Superannuation	0	9,005	15,154	6,149		6,149	59.4%	
4100 Consumable Store	0	470	1,200	730		730	39.2%	
4105 Equipment Rental	0	1,311	500	(811)		(811)	262.2%	
4115 Small Plant & Tools	0	59	150	91		91	39.1%	
4125 Printing	0	8	100	92		92	7.5%	
4130 Stationery	0	225	150	(75)		(75)	150.1%	
4140 Postage	0	7	100	93		93	6.6%	
4145 Telephones/ICT	0	645	1,000	355		355	64.5%	
4150 Office Equipment	0	0	100	100		100	0.0%	
4160 Loan Charges	0	24,159	48,000	23,841		23,841	50.3%	
4165 Consultants	0	0	1,000	1,000		1,000	0.0%	
4170 Legal Expenses	0	180	1,500	1,320		1,320	12.0%	
4185 Miscellaneous Expenses	0	67	300	233		233	22.3%	
4195 Advertising & Promotions	0	0	120	120		120	0.0%	
4400 Repairs & Maintenance	0	30,262	2,000	(28,262)		(28,262)	1513.1%	2,497
4405 Grounds Maintenance	0	1,271	1,000	(271)		(271)	127.1%	
4410 Electricity	500	2,144	1,020	(1,124)		(1,124)	210.2%	
4415 Gas	0	854	1,020	166		166	83.7%	
4420 Water & Drainage	0	745	1,500	755		755	49.7%	
4425 Alarm Systems	0	2,110	600	(1,510)		(1,510)	351.7%	
4430 Equipment & Furniture etc	35	99	1,000	902		902	9.8%	
4440 NNDR	0	3,932	5,275	1,343		1,343	74.5%	
4445 Premises Insurance	0	1,195	2,030	835		835	58.8%	
4605 Miscellaneous Insurance	0	76	1,420	1,344		1,344	5.4%	
Malling C/Centre :- Indirect Expenditure	536	132,474	165,128	32,654	0	32,654	80.2%	2,497
Net Income over Expenditure	(536)	(114,983)	(115,128)	(145)				
6000 plus Transfer from EMR	0	2,497						
Movement to/(from) Gen Reserve	(536)	(112,486)						

Detailed Income & Expenditure by Budget Heading 17/01/2023

Month No: 10

Cost Centre Report

	Actual Current	Actual Year To Date	Current Annual	Variance Annual	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
<u>260 Pells</u>								
1000 Fees & Charges	71	130	150	20			86.5%	
Pells :- Income	71	130	150	20			86.5%	0
4000 Salaries & Wages	0	10,215	10,745	530		530	95.1%	
4010 National Insurance	0	901	1,617	716		716	55.7%	
4020 Superannuation	0	1,997	2,375	378		378	84.1%	
4105 Equipment Rental	0	0	40	40		40	0.0%	
4115 Small Plant & Tools	0	0	120	120		120	0.0%	
4125 Printing	0	15	0	(15)		(15)	0.0%	
4130 Stationery	0	18	50	32		32	35.1%	
4140 Postage	0	13	70	57		57	18.9%	
4145 Telephones/ICT	0	14	100	86		86	13.8%	
4150 Office Equipment	0	0	35	35		35	0.0%	
4165 Consultants	0	0	770	770		770	0.0%	
4170 Legal Expenses	0	0	90	90		90	0.0%	
4190 Grants & Subscriptions	0	5,000	10,000	5,000		5,000	50.0%	
4200 Traveling & Subsistence	0	107	0	(107)		(107)	0.0%	
4400 Repairs & Maintenance	0	1,138	4,500	3,363		3,363	25.3%	
4405 Grounds Maintenance	1,091	6,857	12,240	5,383		5,383	56.0%	
4445 Premises Insurance	0	784	1,120	336		336	70.0%	
4605 Miscellaneous Insurance	0	380	173	(207)		(207)	219.7%	
4610 Contributions to Reserves	0	0	8,300	8,300		8,300	0.0%	
Pells :- Indirect Expenditure	1,091	27,437	52,345	24,908	0	24,908	52.4%	0
Net Income over Expenditure	(1,020)	(27,307)	(52,195)	(24,888)				

Detailed Income & Expenditure by Budget Heading 17/01/2023

Month No: 10

Cost Centre Report

	Actual Current	Actual Year To Date	Current Annual	Variance Annual	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
300 Open Spaces								
1015 Miscellaneous Income	6,392	6,392	0	(6,392)			0.0%	
Open Spaces :- Income	6,392	6,392	0	(6,392)				0
4000 Salaries & Wages	0	14,657	22,144	7,487	7,487	66.2%		
4010 National Insurance	0	1,282	3,333	2,051	2,051	38.5%		
4020 Superannuation	0	2,852	4,894	2,042	2,042	58.3%		
4100 Consumable Store	0	145	1,000	855	855	14.5%		
4105 Equipment Rental	0	4,208	9,000	4,792	4,792	46.8%		
4115 Small Plant & Tools	0	21	150	129	129	14.2%		
4125 Printing	0	19	30	11	11	62.9%		
4130 Stationery	0	22	50	28	28	43.9%		
4140 Postage	0	17	90	74	74	18.3%		
4145 Telephones/ICT	0	142	450	308	308	31.5%		
4150 Office Equipment	0	0	50	50	50	0.0%		
4165 Consultants	0	998	15,000	14,003	14,003	6.7%		
4170 Legal Expenses	0	0	1,200	1,200	1,200	0.0%		
4185 Miscellaneous Expenses	0	1	11,000	10,999	10,999	0.0%		
4190 Grants & Subscriptions	0	0	1,500	1,500	1,500	0.0%		
4195 Advertising & Promotions	0	0	200	200	200	0.0%		
4200 Traveling & Subsistence	0	51	50	(1)	(1)	101.6%		
4400 Repairs & Maintenance	0	27,198	2,000	(25,198)	(25,198)	1359.9%		
4405 Grounds Maintenance	259	12,264	56,510	44,246	44,246	21.7%		
4605 Miscellaneous Insurance	0	152	264	112	112	57.6%		
4610 Contributions to Reserves	0	3,000	4,000	1,000	1,000	75.0%		
Open Spaces :- Indirect Expenditure	259	67,028	132,915	65,887	0	65,887	50.4%	0
Net Income over Expenditure	6,133	(60,635)	(132,915)	(72,280)				

Detailed Income & Expenditure by Budget Heading 17/01/2023

Month No: 10

Cost Centre Report

	Actual Current	Actual Year To Date	Current Annual	Variance Annual	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
<u>305 Lewes Priory</u>								
4000 Salaries & Wages	0	2,853	3,764	911		911	75.8%	
4010 National Insurance	0	253	566	313		313	44.7%	
4020 Superannuation	0	560	832	272		272	67.3%	
4115 Small Plant & Tools	0	0	25	25		25	0.0%	
4125 Printing	0	4	0	(4)		(4)	0.0%	
4130 Stationery	0	5	15	10		10	30.1%	
4140 Postage	0	3	20	17		17	16.5%	
4145 Telephones/ICT	0	3	30	27		27	11.5%	
4150 Office Equipment	0	0	20	20		20	0.0%	
4190 Grants & Subscriptions	0	19,957	13,315	(6,642)		(6,642)	149.9%	
4400 Repairs & Maintenance	0	0	200	200		200	0.0%	
4420 Water & Drainage	0	80	180	100		100	44.7%	
4445 Premises Insurance	0	0	315	315		315	0.0%	
4610 Contributions to Reserves	0	0	300	300		300	0.0%	
Lewes Priory :- Indirect Expenditure	0	23,718	19,582	(4,136)	0	(4,136)	121.1%	0
Net Expenditure	0	(23,718)	(19,582)	4,136				

Detailed Income & Expenditure by Budget Heading 17/01/2023

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Cost Centre Report

	Actual Current	Actual Year To Date	Current Annual	Variance Annual	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
<u>310 Amenities</u>								
1000 Fees & Charges	0	600	0	(600)			0.0%	
Amenities :- Income	0	600	0	(600)				0
4000 Salaries & Wages	0	10,544	17,254	6,710		6,710	61.1%	
4010 National Insurance	0	886	2,597	1,711		1,711	34.1%	
4020 Superannuation	0	2,037	3,813	1,776		1,776	53.4%	
4100 Consumable Store	0	107	80	(27)		(27)	133.2%	
4115 Small Plant & Tools	0	0	200	200		200	0.0%	
4125 Printing	0	15	0	(15)		(15)	0.0%	
4130 Stationery	0	18	45	27		27	39.0%	
4140 Postage	0	13	75	62		62	17.6%	
4145 Telephones/ICT	0	14	150	136		136	9.2%	
4150 Office Equipment	0	0	40	40		40	0.0%	
4190 Grants & Subscriptions	0	0	600	600		600	0.0%	
4400 Repairs & Maintenance	0	1,962	6,000	4,038		4,038	32.7%	
4405 Grounds Maintenance	428	2,500	5,000	2,500		2,500	50.0%	
4410 Electricity	0	141	700	559		559	20.1%	
4430 Equipment & Furniture etc	0	688	2,000	1,313		1,313	34.4%	
4445 Premises Insurance	0	0	1,056	1,056		1,056	0.0%	
4605 Miscellaneous Insurance	0	0	177	177		177	0.0%	
4610 Contributions to Reserves	0	27,487	27,600	113		113	99.6%	
Amenities :- Indirect Expenditure	428	46,410	67,387	20,977	0	20,977	68.9%	0
Net Income over Expenditure	(428)	(45,810)	(67,387)	(21,577)				

Detailed Income & Expenditure by Budget Heading 17/01/2023

Month No: 10

Cost Centre Report

	Actual Current	Actual Year To Date	Current Annual	Variance Annual	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
<u>320 Allotments</u>								
1000 Fees & Charges	0	13	0	(13)			0.0%	
1010 Rentals	0	10,640	4,975	(5,665)			213.9%	
1015 Miscellaneous Income	0	48	0	(48)			0.0%	
Allotments :- Income	0	10,701	4,975	(5,726)			215.1%	0
4000 Salaries & Wages	0	13,530	18,454	4,924		4,924	73.3%	
4010 National Insurance	0	1,128	2,777	1,649		1,649	40.6%	
4020 Superannuation	0	2,632	4,078	1,446		1,446	64.5%	
4100 Consumable Store	0	14	0	(14)		(14)	0.0%	
4115 Small Plant & Tools	0	16	120	104		104	13.2%	
4120 Catering	0	20	250	230		230	8.0%	
4125 Printing	0	15	0	(15)		(15)	0.0%	
4130 Stationery	0	18	50	32		32	35.1%	
4140 Postage	0	13	90	77		77	14.7%	
4145 Telephones/ICT	0	14	140	126		126	9.9%	
4150 Office Equipment	0	0	20	20		20	0.0%	
4190 Grants & Subscriptions	0	55	70	15		15	78.6%	
4195 Advertising & Promotions	0	416	650	235		235	63.9%	
4200 Traveling & Subsistence	0	0	100	100		100	0.0%	
4400 Repairs & Maintenance	0	791	1,500	709		709	52.8%	
4405 Grounds Maintenance	0	4,035	6,000	1,965		1,965	67.3%	
4420 Water & Drainage	120	2,320	4,000	1,680		1,680	58.0%	
4605 Miscellaneous Insurance	0	152	168	16		16	90.5%	
4610 Contributions to Reserves	0	0	5,000	5,000		5,000	0.0%	
Allotments :- Indirect Expenditure	120	25,168	43,467	18,299	0	18,299	57.9%	0
Net Income over Expenditure	(120)	(14,468)	(38,492)	(24,024)				
Grand Totals:- Income	18,936	1,447,313	1,464,633	17,320			98.8%	
Expenditure	23,219	1,072,862	1,464,633	391,771	0	391,771	73.3%	
Net Income over Expenditure	(4,283)	374,451	0	(374,451)				
plus Transfer from EMR	3,304	138,485						
less Transfer to EMR	0	58,469						
Movement to/(from) Gen Reserve	(980)	454,468						