

Smaller authority name: EARLEY TOWN COUNCIL

**NOTICE OF PUBLIC RIGHTS AND PUBLICATION
OF UNAUDITED ANNUAL GOVERNANCE &
ACCOUNTABILITY RETURN**

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

**Local Audit and Accountability Act 2014 Sections 26 and 27
The Accounts and Audit Regulations 2015 (SI 2015/234)**

NOTICE	NOTES
<p>1. Date of announcement <u>Friday 29th June 2018</u> (a)</p> <p>2. Each year the smaller authority's Annual Governance and Accountability Return (AGAR) needs to be reviewed by an external auditor appointed by Smaller Authorities' Audit Appointments Ltd. The unaudited AGAR has been published with this notice. As it has yet to be reviewed by the appointed auditor, it is subject to change as a result of that review. Any person interested has the right to inspect and make copies of the accounting records for the financial year to which the audit relates and all books, deeds, contracts, bills, vouchers, receipts and other documents relating to those records must be made available for inspection by any person interested. For the year ended 31 March 2018, these documents will be available on reasonable notice by application to:</p> <p>(b) <u>Philip Truppin, Town Clerk</u> <u>Council Offices, Radstock Lane</u> <u>Earley, Reading, Berkshire RG6 5UL</u></p> <p>commencing on (c) <u>Saturday 30th June 2018</u></p> <p>and ending on (d) <u>Friday 10th August 2018</u></p> <p>3. Local government electors and their representatives also have:</p> <ul style="list-style-type: none"> The opportunity to question the appointed auditor about the accounting records; and The right to make an objection which concerns a matter in respect of which the appointed auditor could either make a public interest report or apply to the court for a declaration that an item of account is unlawful. Written notice of an objection must first be given to the auditor and a copy sent to the smaller authority. <p>The appointed auditor can be contacted at the address in paragraph 4 below for this purpose between the above dates only.</p> <p>4. The smaller authority's AGAR is subject to review by the appointed auditor under the provisions of the Local Audit and Accountability Act 2014, the Accounts and Audit Regulations 2015 and the NAO's Code of Audit Practice 2015. The appointed auditor is:</p> <p>PKF Littlejohn LLP (Ref: SBA Team) 1 Westferry Circus Canary Wharf London E14 4HD (sba@pkf-littlejohn.com)</p> <p>5. This announcement is made by (e) <u>Philip Truppin</u></p>	<p>(a) Insert date of placing of the notice which must be not less than 1 day before the date in (c) below</p> <p>(b) Insert name, position and address/telephone number/ email address, as appropriate, of the Clerk or other person to which any person may apply to inspect the accounts</p> <p>(c) Insert date, which must be at least 1 day after the date of announcement in (a) above and at least 30 working days before the date appointed in (d) below</p> <p>(d) The inspection period between (c) and (d) must be 30 working days inclusive and must include the first 10 working days of July.</p> <p>(e) Insert name and position of person placing the notice – this person must be the responsible financial officer for the smaller authority</p>

Section 1 – Annual Governance Statement 2017/18

We acknowledge as the members of:

EARLEY 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 2018, that:

	Agreed		'Yes' means that this authority:
	Yes	No*	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.		✓	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 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. Describe how the authority will address the weaknesses identified.

This Annual Governance Statement is approved by this authority and recorded as minute reference:

MINUTE REFERENCE 28.2

dated

27-06-2018

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

Chairman

Bin Weir

Clerk

[Signature]

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

www.earley-tc.gov.uk

Town Council Accounts & Audit

Annual return 2017/18

Further to the Annual Internal Audit Report & Governance Statements and the responses recorded therein, the Town Council has been undertaking the following:

1. A review of financial procedures
2. A staffing needs analysis

The review of financial procedures followed from the resignation of the previous Finance Manager in March 2017 and the consequential backlog that occurred following the engagement of temporary staff to cover the vacancy while the staffing needs analysis was undertaken. An Audit Action Plan was devised and actions taken reported to the Policy & Resources Committee of the Council on 14th March 2018. A copy of the minutes of the meeting together with the action plan appended to the minutes is enclosed with this report.

The issues that had arisen during the year have been addressed and the financial record keeping and reporting brought up to date in good time for the preparation of the Accounts and Annual Return.

The staffing analysis has led to changes in the Finance Department, with the appointment of a permanent Finance Manager plus a Finance Assistant. Procedures have been reviewed and improvements are ongoing.

The Council is confident that the issues that arose in 2017/18 will not reoccur.

Philip Truppin

20th June 2018

POLICY & RESOURCES COMMITTEE

Minutes of a meeting of the Policy & Resources Committee held in the Council Chamber, Council Offices, Radstock Lane, Earley, Berkshire on Wednesday, 14th March 2018 commencing at 8.00pm.

Present

Chairman – Councillor N Jorgensen

Councillors Mrs J Clark, M Firmager, G Grandison, T Holton, R Houlbrooke and Mrs A Swaddle

Apologies for absence were received from Councillor Mrs P Jorgensen and B Wedge

53. MINUTES OF PREVIOUS MEETING

The Minutes of the meeting of the Policy & Resources Committee held on 31st January 2018 were confirmed as a true record and signed by the Chairman.

54. SUB-COMMITTEES & WORKING PARTIES

54.1 Community & Youth Sub-Committee

Consideration was given to the Minutes of the Community & Youth Sub-Committee held on 31st January 2018, a copy of which is appended to these Minutes.

RESOLVED that the Minutes be received and approved.

55. AUDIT ACTION PLAN

Further to Minute 17.2, where the Financial Action Plan prepared by Officers was presented following the Internal Audit Review for 2016/17 and also Minute 70.1 which addressed the recent Internal Audit letter in light of the updated Financial Action Plan, Councillors considered the 'Financial Action Plan – (*June 2017*) Updated March 2018' appended to these minutes which provided updated analysis showing progress on the original plan together with additional items. The subjects that were included in the plan considered at Minute 17.2 were indicated italics; the new items in plain text.

Councillors were requested to note that future budget statements may be provided in a different format.

56. URGENCY POWERS

Councillors noted that, under the Urgent Matters Power, the Town Clerk in consultation with the Mayor and Chairman of the relevant Standing Committee, may take any necessary action on issues that arise between meetings.

Councillors further noted that two matters had been dealt with under this power:

1. On 27th February, it had been agreed to move funds allocated in the Policy & Resources Capital Budget for 2018/19 to purchase a small van to the current financial year.

Financial Action Plan – (June 2017) Updated March 2018

Items Completed

- *Prepayments review*
- *Reclaim VAT period ending 30/06/17*
- *Recruitment of Finance Staff*
- *Month End Checklist (to include monthly bank reconciliation)*
- Back-log in data entry on main accounts
- Reviews of key control accounts (debtors, creditors, PAYE, LGPS) – now ongoing
- Review of financial accounting software available (result – improve existing Sage system)

Items Currently Underway

- *Prepare new CoA and place codes within defined bandings*
- *Review of Suppliers and Customers*
- *Induction Training – in preparation for new staff starting 27th/28th March 2018*
- *Financial Procedures Manual*
- Global Avalon system price increase for 2018/19 (facilities/pitch hire charges)
- Address VAT issues on football hire
- Update of Fixed Asset Register (remove items with value < £500)
- Counter control account

Items to be Addressed

- *Financial Risk Assessments – update*
- *Process by which Council monitors finances*
- *Council Financial Regulations – review/update*
- Development of Sage reporting for use by Councillors and Officers
 - to avoid manual input errors in Excel
 - to include earmarked reserves in budget setting process
- Petty Cash expenditure (address VAT issues and obtain council approval for March – November 2018)
- The use of Rialtas for Allotment tracking/invoicing

Section 2 – Accounting Statements 2017/18 for

EARLEY TOWN COUNCIL

	Year ending		Notes and guidance
	31 March 2017 £	31 March 2018 £	
1. Balances brought forward	198,174	303,305	<i>Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to underlying financial records.</i> <i>Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.</i>
2. (+) Precept or Rates and Levies	778,783	812,780	<i>Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.</i>
3. (+) Total other receipts	316,803	370,811	<i>Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.</i>
4. (-) Staff costs	661,954	618,570	<i>Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and employment expenses.</i>
5. (-) Loan interest/capital repayments	24,720	24,234	<i>Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).</i>
6. (-) All other payments	303,781	426,472	<i>Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).</i>
7. (=) Balances carried forward	303,305	417,620	<i>Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).</i>
8. Total value of cash and short term investments	313,353	380,796	<i>The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.</i>
9. Total fixed assets plus long term investments and assets	2,802,931	2,875,139	<i>The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.</i>
10. Total borrowings	298,000 BW 342,000	284,000	<i>The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).</i>
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	<i>The Council acts as sole trustee for and is responsible for managing Trust funds or assets.</i>
	n/a	n/a	<i>N.B. The figures in the accounting statements above do not include any Trust transactions.</i>

I certify that for the year ended 31 March 2018 the Accounting Statements in this Annual Governance and Accountability Return present fairly the financial position of this authority and its income and expenditure, or properly present receipts and payments, as the case may be.

Signed by Responsible Financial Officer



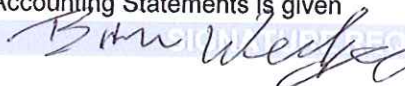
I confirm that these Accounting Statements were approved by this authority on this date:

27-06-2018

and recorded as minute reference:

MIN 28.2 REFERENCE

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



Date

DD/MM/YY

LOCAL AUTHORITY ACCOUNTS: A SUMMARY OF YOUR RIGHTS

Please note that this summary applies to all relevant smaller authorities, including local councils, internal drainage boards and 'other' smaller authorities.

The basic position

The [Local Audit and Accountability Act 2014](#) (the Act) governs the work of auditors appointed to smaller authorities. This summary explains the provisions contained in Sections 26 and 27 of the Act. The Act and the [Accounts and Audit Regulations 2015](#) also cover the duties, responsibilities and rights of smaller authorities, other organisations and the public concerning the accounts being audited.

As a local elector, or an interested person, you have certain legal rights in respect of the accounting records of smaller authorities. As an interested person you can inspect accounting records and related documents. If you are a local government elector for the area to which the accounts relate you can also ask questions about the accounts and object to them. You do not have to pay directly for exercising your rights. However, any resulting costs incurred by the smaller authority form part of its running costs. Therefore, indirectly, local residents pay for the cost of you exercising your rights through their council tax.

The right to inspect the accounting records

Any interested person can inspect the accounting records, which includes but is not limited to local electors. You can inspect the accounting records for the financial year to which the audit relates and all books, deeds, contracts, bills, vouchers, receipts and other documents relating to those records. You can copy all, or part, of these records or documents. Your inspection must be about the accounts, or relate to an item in the accounts. You cannot, for example, inspect or copy documents unrelated to the accounts, or that include personal information (Section 26 (6) – (10) of the Act explains what is meant by personal information). You cannot inspect information which is protected by commercial confidentiality. This is information which would prejudice commercial confidentiality if it was released to the public and there is not, set against this, a very strong reason in the public interest why it should nevertheless be disclosed.

When smaller authorities have finished preparing accounts for the financial year and approved them, they must publish them (including on a website). There must be a 30 working day period, called the 'period for the exercise of public rights', during which you can exercise your statutory right to inspect the accounting records. Smaller authorities must tell the public, including advertising this on their website, that the accounting records and related documents are available to inspect. By arrangement you will then have 30 working days to inspect and make copies of the accounting records. You may have to pay a copying charge. The 30 working day period must include a common period of inspection during which all smaller authorities' accounting records are available to inspect. This will be 2-13 July 2018 for 2017/18 accounts. The advertisement must set out the dates of the period for the exercise of public rights, how you can communicate to the smaller authority that you wish to inspect the accounting records and related documents, the name and address of the auditor, and the relevant legislation that governs the inspection of accounts and objections.

The right to ask the auditor questions about the accounting records

You should first ask your smaller authority about the accounting records, since they hold all the details. If you are a local elector, your right to ask questions of the external auditor is enshrined in law. However, while the auditor will answer your questions where possible, they are not always obliged to do so. For example, the question might be better answered by another organisation, require investigation beyond the auditor's remit, or involve disproportionate cost (which is borne by the local taxpayer). Give your smaller authority the opportunity first to explain anything in the accounting records that you are unsure about. If you are not satisfied with their explanation, you can question the external auditor about the accounting records.

The law limits the time available for you formally to ask questions. This must be done in the period for the exercise of public rights, so let the external auditor know your concern as soon as possible. The advertisement or notice that tells you the accounting records are available to inspect will also give the period for the exercise of public rights during which you may ask the auditor questions, which here means formally asking questions under the Act. You can ask someone to represent you when asking the external auditor questions.

Before you ask the external auditor any questions, inspect the accounting records fully, so you know what they contain. Please remember that you cannot formally ask questions, under the Act, after the end of the period for the exercise of public rights. You may ask your smaller authority other questions about their accounts for any year, at any time. But these are not questions under the Act.

You can ask the external auditor questions about an item in the accounting records for the financial year being audited. However, your right to ask the external auditor questions is limited. The external auditor can only answer 'what' questions, not 'why' questions. The external auditor cannot answer questions about policies, finances, procedures or anything else unless it is directly relevant to an item in the accounting records. Remember that your questions must always be about facts, not opinions. To avoid misunderstanding, we recommend that you always put your questions in writing.

The right to make objections at audit

You have inspected the accounting records and asked your questions of the smaller authority. Now you may wish to object to the accounts on the basis that an item in them is in your view unlawful or there are matters of wider concern arising from the smaller authority's finances. A local government elector can ask the external auditor to apply to the High Court for a declaration that an item of account is unlawful, or to issue a report on matters which are in the public interest. You must tell the external auditor which specific item in the accounts you object to and why you think the item is unlawful, or why you think that a public interest report should be made about it. You must provide the external auditor with the evidence you have to support your objection. Disagreeing with income or spending does not make it unlawful. To object to the accounts you must write to the external auditor stating you want to make an objection, including the information and evidence below and you must send a copy to the smaller authority. The notice must include:

- confirmation that you are an elector in the smaller authority's area;
- why you are objecting to the accounts and the facts on which you rely;
- details of any item in the accounts that you think is unlawful; and
- details of any matter about which you think the external auditor should make a public interest report.

Other than it must be in writing, there is no set format for objecting. You can only ask the external auditor to act within the powers available under the [Local Audit and Accountability Act 2014](#).

A final word

You may not use this 'right to object' to make a personal complaint or claim against your smaller authority. You should take such complaints to your local Citizens' Advice Bureau, local Law Centre or to your solicitor. Smaller authorities, and so local taxpayers, meet the costs of dealing with questions and objections. In deciding whether to take your objection forward, one of a series of factors the auditor must take into account is the cost that will be involved, they will only continue with the objection if it is in the public interest to do so. They may also decide not to consider an objection if they think that it is frivolous or vexatious, or if it repeats an objection already considered. If you appeal to the courts against an auditor's decision not to apply to the courts for a declaration that an item of account is unlawful, you will have to pay for the action yourself.

For more detailed guidance on public rights and the special powers of auditors, copies of the publication [Local authority accounts: A guide to your rights](#) are available from the NAO website.

If you wish to contact your authority's appointed external auditor please write to the address in paragraph 4 of the *Notice of Public Rights and Publication of Unaudited Annual Governance & Accountability Return*.