

Annual Internal Audit Report 2017/18

Tunbridge Wells Commons Conservators

This authority's internal auditor, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls to be in operation during the financial year ended 31 March 2018.

The internal audit for 2017/18 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	Agreed? Please choose one of the following		
	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 and year-end bank account reconciliations were properly carried out	✓		
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. (For local councils only)	Yes	No	Not applicable
	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

Name of person who carried out the internal audit

[Signature]

Rich Clarke

Signature of person who carried out the internal audit

[Signature]

Date

[Date]

*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 2017/18

We acknowledge as the members of:

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.	✓		<i>prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i>
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	✓		<i>made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge</i>
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	✓		<i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i>
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	✓		<i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.</i>
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		<i>considered and documented the financial and other risks it faces and dealt with them properly</i>
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	✓		<i>arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.</i>
7. We took appropriate action on all matters raised in reports from internal and external audit.	✓		<i>responded to matters brought to its attention by internal and external audit.</i>
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.	✓		<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A
			✓

*Please provide explanations to the external auditor on a separate sheet for each 'No' response. Describe how the authority will address the weaknesses identified.

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

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dated 21/6/18

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

Chairman



Clerk



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

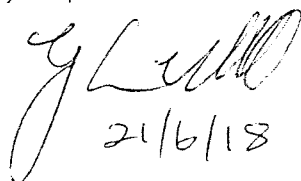
Section 2 – Accounting Statements 2017/18 for

Tunbridge Wells Commons Conservators

	Year ending		Notes and guidance
	31 March 2017 £	31 March 2018 £	
1. Balances brought forward	48,166	37,802	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	145,000	150,000	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	19,686	9,984	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	50,092	50,546	Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and employment expenses.
5. (-) Loan interest/capital repayments	NIL	NIL	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	124,958	107,126	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	37,802	40,114	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	57,511	55,307	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	NIL	NIL	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	NIL	NIL	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	The Council acts as sole trustee for and is responsible for managing Trust funds or assets.
			N.B. The figures in the accounting statements above do not include any Trust transactions.

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

Signed by Responsible Financial Officer


Date 21/6/18

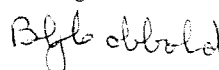
I confirm that these Accounting Statements were approved by this authority on this date:

21/6/18

and recorded as minute reference:

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



Section 3 – External Auditor Report and Certificate 2017/18

In respect of

1 Respective responsibilities of the body and the auditor

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2018; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

Our responsibility is to review Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with guidance issued by the National Audit Office (NAO) on behalf of the Comptroller and Auditor General (see note below). Our work **does not** constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and **does not** provide the same level of assurance that such an audit would do.

2 External auditor report 2017/18

(Except for the matters reported below)* on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return, in our opinion the information in Sections 1 and 2 of the Annual Governance and Accountability Return is in accordance with *Proper Practices* and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met. (*delete as appropriate).

(continue on a separate sheet if required)

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

(continue on a separate sheet if required)

3 External auditor certificate 2017/18

We certify/do not certify* that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2018.

*We do not certify completion because

External Auditor Name

External Auditor Signature

Date

*Note: the NAO issued guidance applicable to external auditors' work on limited assurance reviews for 2017/18 in Auditor Guidance Note AGN/02. The AGN is available from the NAO website (www.nao.org.uk)

Explanation of variances – pro forma

Name of smaller authority: **Tunbridge Wells Commons Conservators**

County area (local councils and parish meetings only): **Kent**

Please provide **full explanations, including numerical values**, for the following:

- variances of more than 15% between totals for individual boxes (except variances of less than £200);
- a breakdown of approved reserves if the total reserves (Box 7) figure is more than twice the annual precept/rates & levies value (Box 2).

Section 2	2016/17 £	2017/18 £	Variance £	Variance %	Detailed explanation of variance (with amounts £)
Box 2 <i>Precept or Rates and Levies</i>	145000	150000	5000	3.4	
Box 3 <i>Total other receipts</i>	19686	9984	-9702	-49.3	See Note below
Box 4 <i>Staff costs</i>	50092	50546	454	0.9	
Box 5 <i>Loan interest/ capital repayments</i>	NIL	NIL			
Box 6 <i>All other payments</i>	124958	107126	-17832	-14.3	
Box 9 <i>Total fixed assets & long term investments & assets</i>	NIL	NIL			
Box 10 <i>Total borrowings</i>	NIL	NIL			
Explanation for 'high' reserves	Box 7 is more than twice Box 2 because the authority held the following breakdown of reserves at the year end:				

OTHER RECEIPTS – VARIANCE

Contributions – Seats	-506
Contributions – Works	-8245
Donations	-82
Interest	-151
Miscellaneous	-350
Natural England Stewardship Grant	-368
TOTAL	-£9702

Bank reconciliation – pro forma

Name of smaller authority: Tunbridge Wells Commons Conservators

County area (local councils and parish meetings only): Kent

Financial year ending 31 March 2018

Prepared by Geoffrey Levitt ,Treasurer

Date 21 May 2018

Balance per bank statements as at 31 March 2018:		£	£
Lloyds Current Account (Treasurers Account)	70195.49		
Lloyds Deposit Business Instant Account	3981.36		
			<hr/>
Petty cash float (if applicable)			74176.85
			60.00
Less: any un-presented cheques at 31 March 2018			
001525	397.00		
001526	1847.00		
001527	16686.00		
			<hr/>
			18930.00
			NIL
Add: any un-banked cash at 31 March 2018			
			<hr/>
Net balances as at 31 March 2018 (Box 8)			55306.85

The net balances reconcile to the Cash Book (receipts and payments account) for the year, as follows:

CASH BOOK:

Opening Balance 1 April 2017 (Prior year Box 8)	57510.79
Add: Receipts in the year (Note 1)	174443.00
Less: Payments in the year (Note 2)	176647.74
	<hr/>
Closing balance per cash book [receipts and payments book] as at 31 March 2018 (must equal net balances above – Box 8)	55306.85

Note 1	
Income for year	159983.80
Less Accruals for 2017/18	NIL
Add Accruals for 2016/17	14460.00
Receipts in Year	174443.80
Note 2	
Expenditure in year	157671.62
Less Creditors accrued for 2017/18	15193.07
Add Creditors for 2016/17 paid in 2018/19	34169.10
Payments in Year	176647.74

Reconciliation between Box 7 and Box 8 in Section 2 – pro forma

(applies to Accounting Statements prepared on an income and expenditure basis only)

Name of smaller authority: Tunbridge Wells Commons Conservators

County area (local councils and parish meetings only): Kent

There should only be a difference between Box 7 and Box 8 where the Accounting Statements (Section 2 of the AGAR) have been prepared on an income and expenditure basis and there have been adjustments for debtors/prepayments and creditors/receipts in advance at the year end. Please provide details of the year end adjustments, showing how the net difference between them is equal to the difference between Boxes 7 and 8.

	£	£
Box 7: Balances carried forward		40113.78
Deduct: Debtors		
•		
•		
•		
	NIL	
Deduct: Payments made in advance (prepayments)		
•		
•		
	NIL	
Total deductions		NIL
Add: Creditors (must not include community infrastructure levy (CIL) receipts)		
•		
•		
	15193.07	
Add: Receipts in advance (must not include deferred grants/loans received)		
•		
•		
	NIL	
Total additions		15193.07
Box 8: Total cash and short term investments		55306.85

**CONFIRMATION OF THE DATES OF THE PERIOD FOR THE
EXERCISE OF PUBLIC RIGHTS**

Name of smaller authority: Tunbridge Wells Commons Conservators

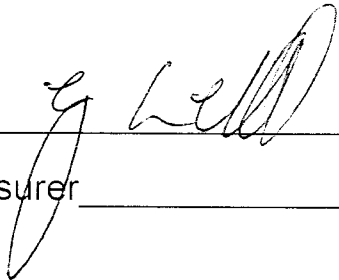
County Area (local councils and parish meetings only): _____

On behalf of the smaller authority, I confirm that the dates set for the period for the exercise of public rights are as follows:

Commencing on Monday 2 July 2018

and ending on Friday 10 August 2018

(Please enter the dates set by the smaller authority as appropriate which **must** be 30 working days inclusive and **must** include the first 10 working days of July 2018.
We have suggested the following dates: Monday 4 June – Friday 13 July 2018.
The latest possible dates that comply with the statutory requirements are Monday 2 July – Friday 10 August 2018.)

Signed: _____


Role: Treasurer

**FOR SMALLER AUTHORITIES SUBJECT TO A REVIEW ONLY:
PLEASE SUBMIT THIS FORM TO PKF LITTLEJOHN LLP WITH
THE AGAR PART 3 AND OTHER REQUESTED DOCUMENTATION**

Contact details

Name of smaller authority: Tunbridge Wells Commons Conservators

County Area (local councils and parish meetings only): _____

Please complete this form and send it back to us with the AGAR or exemption certificate

	Clerk/RFO (Main contact)	Chair
Name	Rodney Stone	Barbara Cobbold
Address	2 Wallace Close Tunbridge Wells TN2 5HW	41 Showfields Road Tunbridge Wells TN2 5PN
Daytime telephone number	01892 539052	01892 536194
Mobile telephone number		
Email address	rodney.j.stone@gmail.com	barbaragcobbold@gmail.com