

REPORT TO FULL COUNCIL

Date: 15 May 2023

Public Report

Item no: 17 a

Matter: Joint Panel on Governance and Accountability Practitioners' Guide March 2023

Author: Responsible Finance Officer

Purpose of Report:

Ratify the adoption of Joint Panel on Governance and Accountability Practitioners' Guide March 2023.

Recommendation

Note The Practitioners' Guide ('the guide') is issued by the Joint Panel on Accountability and Governance (JPAG) to support the preparation by smaller authorities in England of statutory annual accounting and governance statements found in the Annual Governance and Accountability Return. The Guide is mandatory.

Note the 2023 edition of the Guide applies in respect of financial years commencing on or after 1 April 2023. Thus the 'proper practices' laid down in Sections 1 and 2 of the edition of the Guide must be applied in the financial year ending 31 March 2024 and the Annual

Note Governance and Accountability Return ('AGAR') for the year ending 31 March 2024 ('the 2024 AGAR') must be prepared in accordance with Sections 1 and 2 of this edition of the Guide.

That the Council adopt the Joint Panel on Governance and Accountability Practitioners' Guide March 2023.

Law and legal implications

The Town Council resolved from 20 May 2019, until the next relevant Annual Meeting of the Council, which having met the conditions of eligibility as defined in the Localism Act 2011 and SI 965 The Parish Councils (General Power of Competence) (Prescribed Conditions) Order 2012, to adopt the General Power of Competence.

The Council is required to follow the governance and accounting regime set out in the Accounts and Audit Regulations 2015. Statutory proper practice issued under these Regulations has been issued in the Joint Panel on Accountability and Governance (JPAG) Practitioners Guide published by NALC. This document is the mandatory guide to both completion of the statutory Annual Governance and Accountability Return (AGAR), describing how accounting transactions are to be treated and reported, and appropriate governance arrangements for local councils.

Report

- 1.1 The Practitioner's Guide is issued by the relevant local government associations, usually in the form of annual updates. The latest version is dated March 2023 and can be opened using the underlined link below:

[Practitioners-guide-2023 \(nalc.gov.uk\)](https://www.nalc.gov.uk/practitioners-guide-2023)

- 1.2 The guidance represents statutory proper practice and is mandatory for all 'smaller authorities,' i.e., where the higher of the authority's gross income for the year and its gross expenditure for the year does not exceed £6.5million.
- 1.3 The 2023 edition of the Guide applies for the financial year commencing on or after the 01 April 2023. There are only limited changes to the 2023 statutory guidance, concerning management of email addresses, accruing income, an amendment to Box 11 on the AGAR form, onus on the Council to publish information in line with legislation rather than referring to specific transparency codes, highlighting the importance of considering risk when setting reserve levels, accounting for credit notes and refunds and a section on the need for documentary permission for the siting of assets on third party land. Council is invited to adopt its provisions for the 2023/24 financial year, as the changes are already in place or do not affect this Council. Members are recommended to approve its adoption.

2. Options Analysis including Risk Assessment

There are no alternative options to consider for 2023/24 as this is a statutory obligation; as there are only minor changes to existing guidance, it can be readily adopted for 2022/23.

2.1 Risk

Noncompliance with legal requirements or statutory guidance.

2.2 Consequence

Transactions are recorded incorrectly or inconsistently in statutory returns, leading to adverse criticism.

2.3 Controls Required

Maintenance of strong internal controls and adherence to the correct principles for the recording and reporting of the Council's transactions.

3. Financial Implications

There are no direct financial implications arising from this report.

4. Equalities Implications

None identified.

5. Climate Change and Environmental Implications

None identified.

6. Legal Implications

Compliance with the Practitioners Guide meets legislative requirements.

Appendices

None.

Background Papers

JPAG Practitioners Guide 2023, published by NALC in March 2023

Joint Practitioners Advisory Group JPAG Guide 2023 Changes.

REPORT TO FULL COUNCIL

Date: 15 May 2023

Public Report

Matter: Fixed Asset Register

Item no: 17b

Author: Town Clerk

Purpose of Report:

Ratify the Fixed Asset Register for 31 March 2023 and the reconciliation of transactions in 2022-23

Recommendations:

- i. Note that for accounting purposes, assets have been valued in accordance with the Council's Asset Valuation Policy and total £181,919.13.
- ii. Note that the value, £181,919.13 recorded in box 9 of the Annual Governance and Accounts Return (AGAR) 2022-2023 is taken from the Council's asset register which is up to-date on 31 March 2023 and includes all acquisition and disposal transactions recorded in the cashbook during the year.
- iii. Note the insurance value of the assets is £689,674.
- iv. Note that an insurance review has been completed and the Council's insurance will renew automatically in May, as the Council is committed to a three-year agreement.
- v. Ratify the Fixed Asset Register for 31 March 2023 and the reconciliation of transactions in 2022-23.

Law and legal implications

The Town Council resolved from 20 May 2019, until the next relevant Annual Meeting of the Council, which having met the conditions of eligibility as defined in the Localism Act 2011 and SI 965 The Parish Councils (General Power of Competence) (Prescribed Conditions) Order 2012, to adopt the General Power of Competence.

Council's need to maintain a register of the fixed assets, long-term investments, and other non-current assets that they hold to ensure fixed assets are appropriately safeguarded and to meet the requirements of statutory proper practice as issued under the Accounts and Audit Regulations 2015.

1. Report Details

- 1.1 The Fixed assets are also known as non-current assets: property, plant, and equipment with a useful life of more than one year used by the authority to deliver its services.
- 1.2 The Council's Fixed Asset Register:
 - a) Forms the basis for completion of the AGAR Box 9 (except for assets held on trust)
 - b) Forms a basis for decisions on risk and insurance issues.
 - c) Provides information on the age and potential lifespan of certain items.
 - d) Provides assurance of the continued existence of Council property.
- 1.3 Once recorded on the Asset Register, the value of assets must not change from year to year until disposal. Concepts of depreciation and impairment adjustments are not appropriate for local councils.
- 1.4 The Register is adopted by the Council at the end of each Municipal Year but is a working document over the following Municipal Year, during which Council Officers will update and amend details, as necessary.
- 1.5 Once recorded on the Asset Register, the value of assets must not change from year to year until disposal. Concepts of depreciation and impairment adjustments are not appropriate for local councils.
- 1.6 The following items are included in the Council's asset register, whether purchased, gifted, or otherwise acquired, together with their holding location:
Land and buildings held freehold or on long term lease in the name of the Council.
Community assets.
Vehicles, plant, and machinery.
Assets considered to be portable, attractive or of community significance.
Long term investments, shares and loans made by the Council.
IT leased assets are included in the register for management purposes only, with no value attached.
- 1.7 Small value assets up to a value of £100 are considered de minimis and not included in the register.
- 1.8 The values indicated in the Asset Register will inform the 'total fixed assets' section of the Annual Return except for assets held on trust.
- 1.9 A newly acquired asset is added to the register at the date of acquisition for management purposes. It is assigned to a particular category which both groups similar assets and determines the basis of their valuation.
- 1.10 The following categories of asset have a nominal proxy value of £1:
 - a) Community Assets, i.e., assets that do not have a functional purpose or any intrinsic resale value.
 - b) Gifted assets.
 - c) Assets transferred from other authorities, e.g., under a devolution scheme.
- 1.11 For accounting purposes, acquisitions and disposals of fixed assets should be treated as any other purchase or sale and recorded as part of annual payments or receipts, expenditure, or income.
- 1.12 All other categories of asset are valued at their actual purchase cost, unless this is not known, in which case a proxy cost is applied. This proxy value is taken to be the insurance value of the asset at the date of acquisition.

- 1.13 Assets sited on third party property remain assets of the authority. It is essential that authorities are in possession of documentary evidence of permission to site such assets on third party land. This evidence may consist of a formal lease or simply permission to occupy.
- 1.14 There is no guidance where land or buildings have been subject to substantial renovation and improvement to such an extent that the new market value bears no relation to the original purchase cost. In order to avoid renovation and improvement work being separately recorded on the Asset Register and in these exceptional circumstances only, a market value supplied by a qualified surveyor may be entered.
- 1.15 The following items fall outside the definition for inclusion:
- a) Land and buildings held on short term lease or rented.
 - b) Land and buildings maintained or serviced, but not owned by the Council.
 - c) Assets rented by or loaned to the Council.
 - d) Stationery and other consumable items
 - e) Floor or land surfaces and drainage
 - f) Plants and trees
 - g) IT software is an intangible asset and is not treated as a fixed asset.
 - h) Assets with a purchase or resale value of less than £100 (other than items listed
 - i) As for inclusion in the asset register)
 - j) Repairs
 - k) Cash, short term investments and other current assets
 - l) Intangible assets (e.g., Trademarks, internet domain names, contingent assets, broadcast rights)
 - m)'Negative' assets (e.g., provisions, borrowings, creditors, and contingent liabilities)
- 1.16 A separate section of the Asset Register will contain a Schedule of Disposals. On the disposal of an asset, its register value is reduced to zero at the date of the disposal.
- 1.17 New assets will be assessed at the time of purchase to determine their expected life span.
- 1.18 The Asset Register will be used to inform the insurers of Council assets. For the purposes of insurance, the value to be used is the replacement value of items (index linked) and not the purchase price as per the Asset Register.
- 1.19 The Council should ensure land, assets and building are valued accurately for insurance purposes. Buildings should be valued every five years to ensure the appropriate insurance is held.
- 1.20 The advice of the internal auditor will sought for 2023-24 regarding items listed as fixed assets that fall outside the definition of a fixed asset – trees, paths, plants, drainage and repairs.

2. Options Analysis including risk assessment.

There are no alternative options to consider for 2023/24 as this is a statutory obligation.

2.1 Risk

- Noncompliance with legal requirements or statutory guidance.
- Inadequate insurance.
- Assets lost.

2.2 Consequence

- External audit failure.
- Impact on insurance claims.
- Transactions are recorded incorrectly or inconsistently.

2.3 Controls Required

Adherence to the correct principles for the recording and reporting of the Council's transactions.

3. Financial and Resource Implications

None Identified.

4. Equalities Implications

None identified.

5. Climate Change and Environmental Implications

None identified.

Appendices: Asset Register and reconciliation

Background Documents:

- Asset Valuation Policy:

<https://www.penrithtowncouncil.gov.uk/wp-content/uploads/2021/03/210301-Asset-Valuation-Policy.pdf>

- JPAG Practitioners Guide 2023, published by NALC in March 2023:

[Practitioners-guide-2023 \(nalc.gov.uk\)](https://www.nalc.gov.uk/practitioners-guide-2023)

PENRITH TOWN COUNCIL
ASSET REGISTER 31 MARCH 2023

ITEM 17 B

Total of assets held as at 31 March 2022

Category	ASSET	Custodian	Location	Date acquired	Transfer from	Value £	Asset Transfer Value £	Insurance Value £p	Insurance Value 2022-23 £
Allotments	Folly Lane allotment: 1.50 hectare	Clerk	Folly Lane	23/08/2016	EDC	-	1.00	0.00	0
Allotments	Eden Treescapes - Tree planting & Fencing	Services & Contracts Manager	Folly Lane	01/06/2018		732.35	-	0.00	0
Allotments	James Street allotment: 0.27 hectare	Clerk	James Street	23/08/2016	EDC	-	1.00	0.00	0
Allotments	Castletown allotment: 2.80 hectare	Clerk	Musgrave Street	23/08/2016	EDC	-	1.00	0.00	0
Allotments	Salkeld Road allotment: 0.78 hectare	Clerk	Salkeld Road	23/08/2016	EDC	-	1.00	0.00	0
Allotments	Brackenber Allotments - Drainage Improvements	Services & Contracts Manager	Brackenber	30/11/2021		9,600.00	-	9,600.00	9,600
Allotments Total						10,332.35	4.00	9,600.00	9,600
Bus Shelters	Bus Shelter	Services & Contracts Manager	Bridge Lane East	19/10/2018	EDC	-	1.00	15,000.00	15,000
Bus Shelters	Bus Shelter	Services & Contracts Manager	Bridge Lane West	19/10/2018	EDC	-	1.00	13,000.00	13,000
Bus Shelters	Replacement panes, Bridge Lane shelter	Services & Contracts Manager	Bridge Lane	12/01/2022		279.17	-	279.17	279
Bus Shelters	Bus Shelter	Services & Contracts Manager	Clifford Road	19/10/2018	EDC	-	1.00	2,400.00	2,400
Bus Shelters	Bus Shelter	Services & Contracts Manager	Newton Road	19/10/2018	EDC	-	1.00	2,400.00	2,400
Bus Shelters	Bus Shelter	Services & Contracts Manager	Opposite Penny Hill Park, Scotland Road	19/10/2018	EDC	-	1.00	2,400.00	2,400
Bus Shelters	Bus Shelter	Services & Contracts Manager	Pategill/Sim Court	19/10/2018	EDC	-	1.00	2,400.00	2,400
Bus Shelters	B & C Shelter Bus Shelter, Tara Hill	Services & Contracts Manager	Scotland Road, Tara Hill	29/06/2018		2,744.00	-	2,744.00	2,744
Bus Shelters	AST Signs - Signage, bus shelters	Services & Contracts Manager	Various	01/03/2019		862.72	-	862.72	863
Bus Shelters	Ace Shelters - Bus Shelter (replacement)	Services & Contract Manager	Scotland Road, East	04/05/2022		2,967.50	-	2,967.50	2,968
Bus Shelters Total						6,853.39	6.00	44,453.39	44,454
Civic Functions	Barnard & Westwood - Condolence Book	Clerk	Council Office	31/03/2020		299.87	-	299.87	300
Civic Functions Total						299.87	0.00	299.87	300
Civic Regalia	Regalia	Deputy Mayors Consort	Deputy Mayor	16/12/2016		80.42	-	80.42	84
Civic Regalia	Regalia	Deputy Mayor	Deputy Mayor	16/12/2016		362.27	-	362.27	380
Civic Regalia	Mayoral Chain	Mayor	Mayor	18/05/2015		-	1.00	5,000.00	5,250
Civic Regalia	Regalia	Mayors consort	Mayor	16/12/2016		47.23	-	47.23	49
Civic Regalia	Vaughtons - Penrith TC press with embossed seal	Clerk	Council Office	26/05/2021		485.10	-	485.10	509
Civic Regalia Total						975.02	1.00	5,975.02	6,272
Community Asset	Bandstand	Services & Contracts Manager	Cornmarket	29/03/2018	EDC	-	1.00	68,100.00	71,505
Community Asset	Musgrave Monument	Services & Contracts Manager	Middlegate	01/02/2019	EDC	-	1.00	340,700.00	357,735
Community Asset	WWW1 Plaque	Services & Contracts Manager	St Andrew's Church	28/09/2017	EDC	-	1.00	0.00	0
Community Asset	WWW2 Plaque	Services & Contracts Manager	St Andrew's Church	28/09/2017	EDC	-	1.00	0.00	0
Community Asset	War Memorial - Obelisk	Services & Contracts Manager	St Andrew's Churchyard	28/09/2017	EDC	-	1.00	11,000.00	11,000
Community Asset Total						0.00	5.00	419,800	440,240
Equipment	Parish Noticeboard Co - Noticeboard	Clerk	Adjacent to Bakewells electronics	22/04/2020		1,000.00	-	1,000.00	1,000
Equipment	Therebutnothtere - 2 Steel Tommies	Services & Contracts Manager	Council Office	22/10/2018		1,552.61	-	1,552.61	1,553
Equipment	Hampshire Flag Company - Bunting	Deputy Clerk	Council Office	31/03/2020		725.55	-	725.55	726
Equipment Total						3,278.16	0.00	3,278.16	3,279
IT Equipment	Ipad mini 32gb	Council Office	Council Office	17/02/2017		239.00	-	239.00	239
IT Equipment	STARTECH 1M PATCH LEAD RED	Council Office	Council Office	25/09/2017		6.72	-	6.72	7
IT Equipment	1U LETTERBOX BRUSH STRIP	Council Office	Council Office	25/09/2017		25.00	-	25.00	25
IT Equipment	FIXED SHELF 600MM - 50KG LOAD	Council Office	Council Office	25/09/2017		29.00	-	29.00	29
IT Equipment	VARIOUS	Council Office	Council Office	25/09/2017		32.26	-	32.26	32
IT Equipment	FIXED CAB SHELF 100KG 600MM	Council Office	Council Office	25/09/2017		53.00	-	53.00	53
IT Equipment	CABINET CASTOR SET (X4)	Council Office	Council Office	25/09/2017		59.00	-	59.00	59
IT Equipment	VIGOR 2760N ROUTER/FIREWALL	Council Office	Council Office	25/09/2017		79.00	-	79.00	79
IT Equipment	NSN PANASONIC VVX310 HOSTED PHONE	Council Office	Council Office	25/09/2017		85.00	-	85.00	85
IT Equipment	NSN PANASONIC VVX310 HOSTED PHONE	Council Office	Council Office	25/09/2017		85.00	-	85.00	85
IT Equipment	NSN PANASONIC VVX310 HOSTED PHONE	Council Office	Council Office	25/09/2017		85.00	-	85.00	85
IT Equipment	NSN PANASONIC VVX310 HOSTED PHONE	Council Office	Council Office	25/09/2017		85.00	-	85.00	85
IT Equipment	ZYXEL PRES 660R-D1 ADSL2+ ROUT	Council Office	Council Office	25/09/2017		99.00	-	99.00	99
IT Equipment	ZYXEL AMG1302 MODEM/ROUTER	Council Office	Council Office	25/09/2017		99.00	-	99.00	99
IT Equipment	CAT 6 UTP MODULE	Council Office	Council Office	25/09/2017		116.00	-	116.00	116
IT Equipment	ASSINIA 24 PORT PATCH PANEL CAT6	Council Office	Council Office	25/09/2017		136.00	-	136.00	136
IT Equipment	UBIQUITI UNIFI AC LR AP	Council Office	Council Office	25/09/2017		179.00	-	179.00	179
IT Equipment	UBIQUITI UNIFI AC LR AP	Council Office	Council Office	25/09/2017		179.00	-	179.00	179
IT Equipment	NSN PANASONIC VVX310 HOSTED PHONE	Council Office	Council Office	25/09/2017		179.00	-	179.00	179
IT Equipment	TP-LINK 24 PORT GIG POE SWITCH	Council Office	Council Office	25/09/2017		299.00	-	299.00	299
IT Equipment	PATCH 29 PORTS TO PATCH PANEL	Council Office	Council Office	25/09/2017		495.00	-	495.00	495
IT Equipment	INTEL I5 3330 3.00/4G/1TB/DVD1	Council Office	Council Office	25/09/2017		549.00	-	549.00	549
IT Equipment	CABINET 27U 600X1000X1322	Council Office	Council Office	25/09/2017		689.00	-	689.00	689
IT Equipment	BROTHER MFC-J6930DW MULTIFUNCTION -COPIER	Council Office	Council Office	01/02/2018		299.00	-	299.00	299
IT Equipment	KTD - Lenovo Laptop & Hanns-G Monitor	Clerk	Council Office	11/06/2018		619.00	-	619.00	619
IT Equipment	KTD - Portable Hard Drives	Clerk	Council Office	30/06/2018		475.00	-	475.00	475
IT Equipment	KTD - Ubiquito G3 Dome CCTV Camera	Clerk	Council Office	24/06/2019		159.00	-	159.00	159

PENRITH TOWN COUNCIL
ASSET REGISTER 2022-23: RECONCILIATION

Category	Asset	Custodian	Location	Date acquired	Cost £	Transfer Value £		Invoice Ref
Asset Value: 31 March 2022					156,248.76	50.00		
Purchased in 2022-23:								
Bus Shelters	Ace Shelters - Bus Shelter (replacement)	Services & Contract Manager	Scotland Road	04/05/2022	2,967.50	-		22-24
Office Equipment	Fire Resistant Key safe	Council Office	Council Office	23/05/2022	101.43			22-44
Recreational Land	Glasdon - Keyless lockable litter bin	Services & Contract Manager	Thacka Beck	08/06/2022	195.47	-		22-59
IT Equipment	HP 250 G8 15-1035G1 8GB 256GB SSD Laptop	Clerk	Council Office	12/09/2022	565.00			22-166
IT Equipment	HP 250 G8 15-1035G1 8GB 256GB SSD Laptop	Clerk	Council Office	12/09/2022	565.00			22-166
IT Equipment	Hanns-G HP247HJV 23.6 HD LED LCD Monitor	Clerk	Council Office	12/09/2022	169.00			22-166
Playing Fields	Steel Gate & Timber Bollards	Services & Contracts Manager	Fairhill Park	26/10/2022	2,500.00			22-157
IT Equipment	Hanns-G HP247HJV 23.6 HD LED LCD Monitor	Clerk	Council Office	12/09/2022	169.00			22-176
IT Equipment	Hannspree 24 LCD HC240PFB Monitor	Clerk	Council Office	12/09/2022	149.00			22-176
Recreational Land	Self Binding Gravel Path	Services & Contracts Manager	Thacka Beck	23/11/2022	14,375.00			22-177
Seats & Benches	Glasdon Ltd - Bench	Services & Contract Manager	Thacka Beck	05/12/2022	846.77			22-189
IT Equipment	Jabra Evolve 65 Mono Headset x 7	Clerk	Council Office	21/12/2022	1,113.00			22-203
IT Equipment	Jabra Evolve 65 Mono Headset x 1	Clerk	Council Office	27/01/2023	159.00			22-255
Seats & Benches	2 x Lowther Vandelex Benches	Services & Contracts Manager	Thacka Beck	17/01/2023	1,607.20			22-216
IT Equipment	Hanns Monitor	Clerk	Council Office	22/02/2023	139.00			22-241
Disposed of in 2022-23:								
Bus Shelters	Bus Shelter, Scotland Road - storm damaged	Services & Contracts Manager	Scotland Road East	19/10/2018	-	(1.00)		
Total of assets held as at 31 March 2023:					181,870.13	49.00		
					Total Value	181,919.13		

Category	ASSET	Custodian	Location	Date acquired	Transfer from	Value £	Asset Transfer Value £	Insurance Value £p	Insurance Value 2022-23 £
IT Equipment	KTD - Ubiquito Unifi CCTV Video Recorder	Clerk	Council Office	24/06/2019		395.00	-	395.00	395
IT Equipment	IT Equipment ex Grenke Leasing: Virtual Server	Clerk	Council Office	17/10/2019		1,293.54	-	1,293.54	1,294
IT Equipment	KTD - HP 250 G7 Laptop for Solicitor	Clerk	Council Office	31/10/2019		599.00	-	599.00	599
IT Equipment	KTD - Conference Room Phone Polycom Sound Station 2 IP7000	Clerk	Council Office	09/01/2020		399.00	-	399.00	399
IT Equipment	KTD - HP 250 G7 Laptop	Clerk	Council Office	08/04/2020		729.00	-	729.00	729
IT Equipment	KTD - Polycom mains power supply units for telephones	Clerk	Council Office	22/04/2020		280.00	-	280.00	280
IT Equipment	IT equipment, hardware, software, etc	Clerk	Council Office/Clerk's residence	27/05/2015		3,084.20	-	3,084.20	3,084
IT Equipment	Website	KTD	KTD Server	22/05/2015		2,800.00	-	2,800.00	2,800
IT Equipment	KTD - Kyocera Taskalfa 3253ci multi-function printer/photocopier	Clerk	Council Office	23/03/2021		3,759.00	-	3,759.00	3,759
IT Equipment	KTD - HP 250 G7-15 Laptop	Clerk	Council Office	23/03/2021		689.00	-	689.00	689
IT Equipment	HP 250 G8 15-1035G1 8GB 256GB SSD Laptop	Clerk	Council Office	12/09/2022		565.00	-	565.00	565
IT Equipment	HP 250 G8 15-1035G1 8GB 256GB SSD Laptop	Clerk	Council Office	12/09/2022		565.00	-	565.00	565
IT Equipment	Hanns-G HP247HJV 23.6 HD LED LCD Monitor	Clerk	Council Office	12/09/2022		169.00	-	169.00	169
IT Equipment	Hanns-G HP247HJV 23.6 HD LED LCD Monitor	Clerk	Council Office	12/09/2022		169.00	-	169.00	169
IT Equipment	Hannspree 24 LCD HC240PFB Monitor	Clerk	Council Office	12/09/2022		149.00	-	149.00	149
IT Equipment	Jabra Evolve 65 Mono Headset x 7	Clerk	Council Office	21/12/2022		1,113.00	-	1,113.00	1,113
IT Equipment	Jabra Evolve 65 Mono Headset x 1	Clerk	Council Office	27/01/2023		159.00	-	159.00	159
IT Equipment	Hanns Monitor	Clerk	Council Office	22/02/2023		139.00	-	139.00	139
IT Equipment Total						22,489.72	0.00	22,489.72	22,490.00
Office Equipment	Legal reference books	Clerk	Council Office	28/04/2015		243.28	-	243.28	243
Office Equipment	Staff welfare - Fridge & microwave	Clerk	Council Office	29/04/2015		141.67	-	141.67	142
Office Equipment	Puridea mini projector	Council Office	Council Office	25/01/2017		148.43	-	148.23	148
Office Equipment	XL display boards x 8	Council Office	Council Office	06/02/2017		574.00	-	574.00	574
Office Equipment	Gazebo	Council Office	Council Office	06/02/2017		1,176.84	-	1,176.84	1,177
Office Equipment	Office Blinds	Council Office	Council Office	09/09/2017		506.21	-	506.21	506
Office Equipment	2 - ALBA CHROME COAT STAND CHROME/BLACK PMCLASS	Council Office	Council Office	11/09/2017		215.70	-	215.70	216
Office Equipment	3 - ACRYLIC PLAQUES, 1 - ACRYLIC DOOR SIGN & DOOR VINYLs	Council Office	Council Office	20/09/2017		1,034.00	-	1,034.00	1,034
Office Equipment	1 - 4 DRAWER FILING CABINET	Council Office	Council Office	16/10/2017		115.00	-	115.00	115
Office Equipment	1 - RANGER FIRE RESISTANT HIGH STEEL STORAGE WITH KEY LOCK W930 X D	Council Office	Council Office	31/10/2017		1,075.00	-	1,075.00	1,075
Office Equipment	1- NOBO DARK BLUE BARRACUDA MOBILE FLIPCHART/DRYWIPe EASEL 19023	Council Office	Council Office	13/11/2017		186.84	-	186.84	187
Office Equipment	Argos - Vacuum Cleaner	Clerk	Council Office	08/06/2018		141.64	-	141.64	142
Office Equipment	SLCC Enterprises Ltd - Local Council Administration Law Book	Clerk	Council Office	08/10/2018		103.99	-	103.99	104
Office Equipment	Heatons Office Solutions - Steel cupboard	Clerk	Council Office	29/03/2019		136.67	-	136.67	137
Office Equipment	Heatons Office Solutions - Fire Ranger Fireproof Safe	Clerk	Council Office	30/11/2021		855.56	-	855.56	856
Office Equipment	Heatons Group - Two Fellowes AeraMax DX55 Air Purifiers 9393001	Clerk	Council Office	23/03/2022		370.00	-	370.00	370
Office Equipment	Fire Resistant Key safe	Clerk	Council Office	23/05/2002		101.43	-	101.43	101
Office Equipment Total						7,126.26	0.00	7,126.06	7,026
Office Furniture	1- Tubby 2 Seater Sofa, Navy Product code: SOFTUBY51BLU-UK	Council Office	Council Office	11/07/2017		179.00	-	179.00	179
Office Furniture	1 - RADIAL END EXTENSION BOARDROOM TABLE WITH SILVER TRUMPET BASE	Council Office	Council Office	29/09/2017		183.60	-	183.60	184
Office Furniture	3 - MAESTRO 25 C LEG STRAIGHT DESK SILVER LEG 1600 OAK	Council Office	Council Office	29/09/2017		327.00	-	327.00	327
Office Furniture	12 - ORION CHROME FRAME STACKABLE CHAIR - BLUE FABRIC	Council Office	Council Office	29/09/2017		332.28	-	332.28	332
Office Furniture	1 - RECTANGULAR 2000MM WIDE BOARDROOM TABLE WITH SILVER TRUMPET	Council Office	Council Office	29/09/2017		345.00	-	345.00	345
Office Furniture	4 - TALL, DEEP MOBILE PEDESTAL WITH TWO SHALLOW DRAWERS AND ONE O	Council Office	Council Office	29/09/2017		416.00	-	416.00	416
Office Furniture	2 - QUATTRO EXTRA HIGH BACK POSTURE CHAIR IN COBALT AD004	Council Office	Council Office	29/09/2017		550.00	-	550.00	550
Office Furniture	1 - PISA RECTANGULAR MEETING/LEISURE TABLE	Council Office	Council Office	09/10/2017		270.20	-	270.20	270
Office Furniture	Office Furniture - various	Council Office	Council Office	April - Dec 15		2,574.46	-	2,503.24	2,503
Office Furniture	Heatons - Two Quattro Extra high back office chairs	Council Office	Council Office	05/01/2022		562.24	-	562.24	562
Office Furniture Total						5,739.78	0.00	5,668.56	5,668
Play Equipment	Fairhill Play Equipment	Services & Contracts Manage	Fairhill Park	03/04/2018	EDC	-	1.00	39,000.00	40,950
Play Equipment	Kompan - EA Playground Sign	Services & Contracts Manage	Fairhill Park	19/08/2020		388.00	-	388.00	407
Play Equipment	Kompan - FAHR Panel Games	Services & Contracts Manage	Fairhill Park	19/08/2020		1,122.00	-	1,122.00	1,178
Play Equipment	Kompan - Swing Frame	Services & Contracts Manage	Fairhill Park	19/08/2020		2,710.00	-	3,520.00	3,696
Play Equipment	Kompan - Home Multi Seesaw	Services & Contracts Manage	Fairhill Park	19/08/2020		2,816.00	-	3,755.00	3,943
Play Equipment	Kompan - Supernova	Services & Contracts Manage	Fairhill Park	19/08/2020		3,236.00	-	4,370.00	4,589
Play Equipment	Kompan - Saturn Carousel	Services & Contracts Manage	Fairhill Park	19/08/2020		3,533.00	-	4,763.00	5,001
Play Equipment	Kompan - PCM112401 Custom Tower	Services & Contracts Manage	Fairhill Park	19/08/2020		5,696.00	-	7,583.00	7,962
Play Equipment	Kompan - EPDM Wetpour Safer Surfacing	Services & Contracts Manage	Fairhill Park	19/08/2020		13,137.00	-	13,137.00	13,794
Play Equipment Total						32,638.00	1.00	77,638.00	81,520
Playing Fields	Fairhill Playing Fields	Services & Contracts Manage	Fairhill Park	03/04/2018	EDC	-	1.00	0.00	0
Playing Fields	Mark Harrod 9V9 Goals - Fairhill Playing Fields	Services & Contracts Manage	Fairhill Park	30/06/2018		570.00	-	570.00	599
Playing Fields	HH Reeds - Supply & Install Signs At Fairhill	Services & Contracts Manage	Fairhill Park	06/08/2018		824.00	-	824.00	865
Playing Fields	Glasdon UK - 2 Clifton picnic tables	Services & Contracts Manage	Fairhill Park	01/07/2020		1,448.52	-	1,448.52	1,521
Playing Fields	Kompan - Excavation, disposal of old equipment, fit turf, MOT Type 1, prelimina	Services & Contracts Manage	Fairhill Park	19/08/2020		9,354.08	-	0.00	0
Playing Fields	Kompan - IAE Single Leaf Prosafe Gate	Services & Contracts Manage	Fairhill Park	19/08/2020		981.18	-	981.18	1,030
Playing Fields	Kompan - IAE Playspec Bow Top Fence	Services & Contracts Manage	Fairhill Park	19/08/2020		5,009.16	-	5,009.16	5,259
Playing Fields	Glasdon UK - Keyless lockable bin	Services & Contracts Manage	Fairhill Park	09/09/2020		176.52	-	176.52	186
Playing Fields	Ian Cannon - Paths, etc	Services & Contracts Manage	Fairhill Park	16/09/2020		17,380.00	-	0.00	0
Playing Fields	Ian Cannon - Gates, fencing	Services & Contracts Manage	Fairhill Park	16/09/2020		2,000.00	-	2,000.00	2,100
Playing Fields	Ian Cannon - Steel Gates and Timber Bollards	Services & Contracts Manage	Fairhill Park	26/10/2022		2,500.00	-	2,500.00	2,500

Category	ASSET	Custodian	Location	Date acquired	Transfer from	Value £	Asset Transfer Value £	Insurance Value £p	Insurance Value 2022-23 £
Playing Fields Total						40,243.46	1.00	13,509.38	11,560
Recreational Land	Cumbria CC - Land Transfer	Services & Contracts Manag	Thacka Beck	01/11/2020	CCC		1.00	0.00	0
Recreational Land	Ian Cannon - Fencing & Gates, Thacka Beck	Services & Contracts Manag	Thacka Beck	30/03/2022		4,985.00	-	4,985.00	4,985
Recreational Land	H H Reeds - Signage, Thacka Beck	Services & Contracts Manag	Thacka Beck	31/03/2022		1,389.00	-	1,389.00	1,389
Recreational Land	Glasdon - Keyless lockable litter bin	Services & Contract Manag	Thacka Beck	08/06/2022		195.47	-	195.00	195
Recreational Land	Ian Cannon - Self Binding Gravel Path	Services & Contracts Manag	Thacka Beck	23/11/2022		14,375.00		0.00	0
Recreational Land Total						20,944.47	1.00	6,569.00	6,569
Seats & Benches	Seats and Benches (30 No)	Services & Contracts Manag	Various	19/10/2018	EDC	-	30.00	15,660.00	16,443
Seats & Benches	Glasdon - 1 No Lowther Seat Penrith Remembers	Services & Contracts Manag	Various	22/03/2019		470.31	-	470.31	494
Seats & Benches	Glasdon - 1 No Lowther Seat Memorial	Services & Contracts Manag	Various	22/03/2019		546.13	-	546.13	573
Seats & Benches	Glasdon - 6 No Lowther Seat Penrith Remembers	Services & Contracts Manag	Various	22/03/2019		3,276.78	-	3,276.78	3,441
Seats & Benches	Glasdon - 5 Lowther seats & plaques	Services & Contracts Manag	Various	01/07/2019		2,958.14	-	2,958.14	3,106
Seats & Benches	Glasdon - 2 Lowther seats & plaques	Services & Contracts Manag	Various	12/09/2019		1,168.09	-	1,168.09	1,226
Seats & Benches	Glasdon - 2 Lowther seats & plaques	Services & Contracts Manag	Various	29/02/2020		940.60	-	940.60	988
Seats & Benches	Glasdon UK - 1 Lowther seat & plaque	Services & Contracts Manag	Various	19/08/2020		575.75	-	575.75	605
Seats & Benches	Glasdon - Lowther seat	Services & Contracts Manag	Various	04/11/2020		519.69	-	519.69	546
Seats & Benches	Glasdon - Fusion bench	Services & Contracts Manag	Various	04/11/2020		326.03	-	326.03	342
Seats & Benches	Glasdon - Lowther seat	Services & Contracts Manag	Various	13/01/2021		575.75	-	575.75	605
Seats & Benches	Glasdon & Ian Cannon - Lowther seat and plinth	Services & Contracts Manag	Fairhill Park	23/03/2021		850.75	-	850.75	894
Seats & Benches	Ian Cannon - Two concrete plinths for benches, Fairhill Park	Services & Contracts Manag	Fairhill Park	05/10/2021		550.00	-	550.00	578
Seats & Benches	Glasdon - Lowther seat	Services & Contracts Manag	Fairhill Park	20/10/2021		629.28	-	629.28	660
Seats & Benches	Glasdon - Fusion Seat (from Fairhill Community Group)	Services & Contracts Manag	Fairhill Park	16/03/2022		609.79	-	609.79	641
Seats & Benches	Glasdon - Lowther Seat, Beacon Edge	Services & Contracts Manag	Beacon Edge	23/03/2022		629.28	-	629.28	629
Seats & Benches	Glasdon - Lowther Seat, Rimington Way	Services & Contracts Manag	Rimington Way	23/03/2022		638.65	-	638.65	639
Seats & Benches	Glasdon Ltd - Bench	Services & Contracts Manag	Thacka Beck	05/12/2022		846.77		846.77	847
Seats & Benches	Glasdon Ltd - 2 Lowther Bench	Services & Contracts Manag	Thacka Beck	17/01/2023		1,607.20		1,607.20	1,607
Seats & Benches Total						17,718.99	30.00	30,925.02	32,410
Street Furniture	Street Furniture Direct - 2 Cycle stands	Services & Contracts Manag	Storage	25/06/2020		110.00	-	110.00	110
Street Furniture	21CC Group Ltd - 3 Platinum Jubilee Beacons	Economic Development Offic	Various	23/02/2022		1,470.00	-	1,470.00	1,470
Street Furniture Total						1,580.00	0.00	1,580.00	1,580
Speed Indicator Devices	TWM Traffic Control Systems - Three Dual Colour Digit Large DSDs	Deputy Town Clerk	Various	30/03/2022		11,650.66	-	11,650.66	11,651
Speed Indicator Devices Total						11,650.66	0.00	11,650.66	11,651
Grand Total						181,870.13	49.00	663,016.81	689,674
						Total Value	181,919.13		

0.00

REPORT TO FULL COUNCIL

Date: 15 May 2023

Public Report

Item no: 17c

Matter: Finance Outturn Report: Year ended 31 March 2023

Author: Responsible Finance Officer

Purpose of Report:

Ratify the final outturn report for the financial year 31 March 2023.

Recommendation

Ratify the outturn report for the financial year ended 31 March 2023.

Law and legal implications

The Town Council resolved from 20 May 2019, until the next relevant Annual Meeting of the Council, which having met the conditions of eligibility as defined in the Localism Act 2011 and SI 965 The Parish Councils (General Power of Competence) (Prescribed Conditions) Order 2012, to adopt the General Power of Competence.

The Local Government Act 1972 requires the Council to have sound financial management. The Accounts and Audit Regulations 2015, supplemented by statutory guidance on proper practice, prescribe an accounting regime for local councils.

Report

A. 2022-23 Outturn Statement: Income and Expenditure Account (Appendix A)

The attached outturn statement shows the following information, analysed over the most detailed budget headings:

- The actual outturn figures for the preceding financial year 2021-22, for reference only.
- The full year's Latest Budget for 2022-23, which was revised in July 2022.
- Actual outturn income and expenditure for 2022-23, based on the matching principle, which means taking account of all income and expenditure which relates to the year, irrespective of when it is received/paid.

- The variance between the actual outturn income and expenditure and the Latest Budget for the year. Variances are expressed as favourable (positive) where there was an underspending or increased income, and as adverse (negative and bracketed) where there was an overspending or reduced income.
- The position and transactions on the Council's reserves: its General, Devolution, Election and Acquisitions Reserves.

B. Commentary

There was a significant overall underspend of the Latest Budget, with almost all major headings recording underspendings. Individual variances are detailed below.

B.1 Total Income £11,565

Total income of £476,174 was above the £464,609 Budget, a variance of £11,565.

- The annual precept of £455,209 was received from Eden DC in line with budget.
- The Budget assumed investment interest of only £2,000. This actual figure of £13,577 was much higher due to higher rates of interest.

B.2 Planning Committee +£18,272

Expenditure of £5,028 is shown against the Latest Budget of £23,300, an underspending of £18,272.

- The Planning budget of £10,000 was set as a block allocation to cover all its expenditure on this service; at outturn, this was underspent by £7,882.
- In January 2022 the Council approved its budget and programme to deliver its Climate Change Strategy, allocating £13,300 for this year's activities. Unfortunately, staff resources has prevented progress being made on the initiative.

B.3 CCEG Committee +£63,216

Net spend of £51,284 is shown against the budget of £114,500, an underspending of £63,216.

All areas were underspent except Arts and Culture Development which was overspent due to the costs of an event earlier in the year, but this was more than covered by an underspend on officer support.

Expenditure on grants increased from £9,500 in 2021/22 to £20,283 in 2022/23 but is still £29,717 below the budget of £50,000.

There was no expenditure on greening (budget £5,000) or participatory budgeting (budget £10,000)

B.4 Finance Committee +£24,407

Net outturn expenditure of £369,067 is shown against the Latest Budget of £393,474, an underspending of £24,407.

The variances on staff salaries £10,103, National Insurance £2,202 and Pensions (£30) total to an underspend of £12,275. The main reasons for this were the sickness absence of the Sustainability Officer and the late starts of new RFO and Community Services Officer.

Recruitment expenses were over budget by £1,279 which reflects the challenges in recruiting staff.

Heat, Light and water were £3,104 (£1,233 actual 2021/22), which is £1,304 over budget. This reflects the increases in gas and electric prices which have been inflicted on us all, and a return to office working post pandemic.

IT spend was £26,800 which was £6,800 over budget, this reflects the costs of equipment for new members of staff and the costs of keeping our systems up to date including the purchase of new telephone equipment and the transfer to 'Sharepoint'.

Costs of devolved services were £15,695 less than budget. The main reasons were the improvements at Thacka Beck were less than anticipated and there was less spent on the bus shelters. The underspends mean that £6,939 is being transferred to the devolution reserve instead of a budgeted £8,756 contribution from the reserve.

Printing, postage and stationery was £1,815 higher than budget contributed to by the printing of the Neighbourhood Plan consultation and the return of face-to-face meetings and office working.

There was no spend on local government re-organisation (budget £15,000) and no spend on council projects (budget £3,000)

B.5 Contingency Provision

- The contingency provision of £7,800 is shown as fully underspent as costs have been allocated to the correct budget heading.

B.6 Transfer to/(from) Acquisitions Reserve and Election Reserve

- As previously decided £50,000 was transferred from the acquisition reserve. This reserve now has a zero balance, and the reserve is being removed.
- An election reserve has now been created with a transfer of £30,000.

B.7 Total Expenditure & Increase/(Decrease) in General Reserve

- The Latest Budget expected that £24,465 would be used from the General Reserve in 2022-23. Because of outturn underspendings, income exceeded expenditure by £70,795 so this amount has been transferred to the General Reserve rather than the reserve being needed to meet expenditure. As described within this report, the resulting variance of £95,260 arose from the following variations from budget:

	£
Income	11,565
Planning Committee	18,272
CCEG Committee	63,216
Finance Committee	24,407
Contingency	7,800
Transfer to Election Reserve	-30,000
Total Underspending	<u>95,260</u>

- During the 2023-24 Budget process, a Forecast Outturn was produced for 2022-23, which anticipated that the Latest Budget would be underspent by some £55,000; the actual outturn underspending of £71,000 means that an extra £16,000 has been transferred to the General Reserve, compared to the budget assumptions made in January this year.

B.8 Reserves

Overall, reserves at 31 March 2023 are at a much higher level than anticipated in the Latest Budget. In addition to the 2022-23 underspending of £95,000, the General Reserve balance at the start of the year was £69,000 higher than budgeted. Also, the Devolution Reserve opened the year with an additional £9,000 and an extra £15,000 was added during the year.

As noted above, a more up to date comparison can be made with the 2022-23 Forecast Outturn which was used in compiling the 2023-24 Approved Budget. The two comparisons show the following:

Balance at 31 March 2023	Latest Budget	Forecast Outturn	Actual Outturn
Reserve:	£	£	£
General	403,625	482,605	498,885
Devolution	141,099	164,819	156,794

Acquisitions	0	0	0
Elections	0	30,000	30,000
Total Reserves	544,724	677,424	685,679

- The Council's Reserves Policy sets a target to accumulate a balance equivalent to 35% of net revenue expenditure by 31 March 2025 reducing to 30% of expenditure from 01 April 2026 onwards. The 2023-24 Budget provides for £30,000 over the next five years to fund new initiatives. The outturn underspendings will not only help to secure this programme of expenditure but provide additional funds should the Council wish to invest further in services.

C. Balance Sheet (Appendix B)

Appendix B shows the Council's balance sheet as at 31 March 2023. The following points may be noted:

- Investments with two organisations total £616,626, with the majority being held in the CCLA Public Sector Deposit Fund.
- The VAT Debtor of £1,340 represents March's transactions and has been reclaimed from HMRC.
- Prepayments of £3,795 include adjustments for office rent £1,875, IT support agreements £767, and licences and subscriptions £647.
- The Cash at Bank balance of £80,598 is held at HSBC.
- Accruals of £11,719 comprise of goods and services received by 31 March, but unpaid at that date.
- The Receipts in Advance figure of £2,129 is the remaining income received from United Utilities for planting maintenance at Fairhill Park.

The outturn statement highlights a £84,000 underspending of the approved 2022-23 Budget, when taking in to account additional income received from investments the statements highlights and underspending of £95,000. The underspendings have resulted in the General Reserve balance being £16,000 higher than anticipated when setting the 2022-23 Budget. This will provide an opportunity to consider aspirations beyond those already identified in the medium-term financial plan. Members are reminded that, although 2022-23 budgets were significantly underspent, Financial Regulations prevent such unspent budgets being carried forward to a subsequent year.

Finally, the Council's balance sheet at 31 March 2023 shows it to be in a healthy financial position, with minimal debtors and creditors, its reserves invested in a range of organisations and a bank balance adequate to fund cash flow requirements.

2. Options Analysis including Risk Assessment

2.1 Risk

- Inadequate financial monitoring.
- Inaccurate or non-compliant accounts.

2.2 Consequence

- Unexpected overspending, potentially leading to the curtailment of planned expenditure.
- Reputational damage.
- Adverse criticism of over or underspending.
- Adverse criticism of inaccurate accounts, from Auditors or the general public.

2.3 Controls Required

- A sound budgetary control system with regular reporting and identification of issues.
- An understanding of, and compliance with statutory guidance, standard and sector specific accounting principles.

3. Financial Implications

This report is concerned solely with financial accounting and management.

4. Equalities Implications

None identified.

5. Climate Change and Environmental Implications

None identified.

6. Legal Implications

There are no legal implications arising from this report.

Appendices

- Appendix A - 2021-22 Outturn Statement: Income and Expenditure Account.
- Appendix B – Balance Sheet

Background Papers

- Transaction and trial balance reports from the Sage accountancy system
- Budget, Budgetary Control and Outturn working papers.



Penrith Town Council

2022/23 OUTTURN STATEMENT INCOME AND EXPENDITURE ACCOUNT

ACTUAL OUTTURN 2021/22		LATEST BUDGET 2022/23	HEADING	ACTUAL OUTTURN 2022/23	Favourable/ (Adverse) Variance
£		£		£	£
			INCOME		
			Precept:		
450,069		455,209	Council Tax	455,209	0
7,551		7,390	EDC - CTRS Grant	7,388	(2)
			Other Income:		
641		2,000	Investment Interest	13,577	11,577
0		10	Miscellaneous Income	0	(10)
458,261		464,609	TOTAL INCOME	476,174	11,565
			EXPENDITURE		
			PLANNING COMMITTEE:		
			Planning Services:		
1,692	{		Officer Support	1,270	}
5,788	10,000		Planning Consultancy	848	7,882
0	{		Consultation	0	}
7,480	10,000			2,118	7,882
			Climate Change:		
0	5,000		Community Consultation	0	5,000
0	2,000		Internal Business Plan	0	2,000
0	1,000		Carbon Footprinting: High level baseline	0	1,000
0	500		Carbon Footprinting: Calculator licence	0	500
0	3,000		BIG STEP	0	3,000
0	800		Staff Development/Exceptional Expenses	0	800
0	1,000		Carbon Literacy Training	2,910	(1,910)
0	13,300			2,910	10,390
7,480	23,300		Planning Committee Total	5,028	18,272
			CCEG COMMITTEE:		
			Town Projects:		
4,458	10,000		Town Projects	3,336	6,664
1,081	5,000		Covid-19 Response	0	5,000
			Marketing Penrith	1,352	(1,352)
5,539	15,000			4,688	10,312
			Arts & Entertainment:		
1,807	7,500		Officer Support	3,147	4,353
1,986	0		Arts & Cultural Strategy	0	0
215	17,000		Arts & Culture Development	18,327	(1,327)
0	0		Events Grants	0	0
4,008	24,500			21,474	3,026
			Environment:		
7,844	5,000		Greening	0	5,000
			Grants:		
2,000	15,000		Small Grants	1,780	13,220
0	15,500		Grow Nature Grants	1,460	14,040
7,500	19,500		Large Grants	17,043	2,457
9,500	50,000			20,283	29,717
			Corporate Communications:		
5,264	7,500		Community Engagement	3,319	4,181

ACTUAL OUTTURN 2021/22		LATEST BUDGET 2022/23	HEADING	ACTUAL OUTTURN 2022/23	Favourable/ (Adverse) Variance
£		£		£	£
3,760		2,500	Press Support	1,520	980
9,024		10,000		4,839	5,161
0		10,000	Participatory Budgeting	0	10,000
35,915		114,500	CCEG Committee Total	51,284	63,216
			FINANCE COMMITTEE:		
			Staffing:		
175,242		204,850	Salaries	194,747	10,103
15,982		21,470	National Insurance	19,268	2,202
35,824		42,200	Superannuation	42,230	(30)
58		1,750	Recruitment Expenses	3,029	(1,279)
348		950	Staff Training	1,282	(332)
420		1,000	Conferences	0	1,000
139		500	Staff Expenses	238	262
228,013		272,720		260,794	11,926
			Accommodation:		
7,500		7,500	Rent	7,500	0
1,233		1,800	Heat, Light & Water	3,104	(1,304)
1,181		920	Service Charges	2,331	(1,411)
923		1,730	Room Hire & Meetings	1,782	(52)
390		380	Insurances	390	(10)
0		(10)	Letting Income	0	(10)
11,227		12,320		15,107	(2,787)
			Civic Functions:		
68		400	Civic Functions	76	324
700		700	Mayoral Expenses	700	0
300		300	Deputy Mayor's Expenses	300	0
784		100	Civic Regalia	102	(2)
1,852		1,500		1,178	322
			Cost of Democracy:		
302		200	Annual Meeting	225	(25)
84		1,000	Members' Training	160	840
0		200	Members' Expenses	0	200
197		200	Notice/Honours Board	0	200
583		1,600		385	1,215
14,526		20,000	IT	26,800	(6,800)
533		2,050	Website	340	1,710
			Devolved Services:		
(1,400)		0	Bring Site	0	0
9,142		800	Allotments	(450)	1,250
838		400	War Memorial	0	400
395		1,500	Benches	0	1,500
1,227		8,750	Bus Shelters	3,330	5,420
287		1,750	Bandstand	1,021	729
278		800	Musgrave Monument	653	147
3,628		3,300	Fairhill Park	7,426	(4,126)
0		0	Play Areas	0	0
0		300	Signage, etc	27	273
8,319		28,700	Thacka Beck	19,407	9,293
9,723		8,800	Community Caretaker	7,991	809
13,907		(8,756)	Contribution to Devolution Reserve	6,939	(15,695)
46,344		46,344		46,344	0
0		15,000	Local Government Re-organisation	0	15,000
			Council Projects:		
0		3,000	Officer Support	0	3,000
8,000		0	Project Budget	0	0
8,000		3,000		0	3,000
			Other Overheads:		
1,827		1,800	Printing, Postage & Stationery	3,615	(1,815)
1,990		1,450	Audit Fees	1,166	284

ACTUAL OUTTURN 2021/22		LATEST BUDGET 2022/23	HEADING	ACTUAL OUTTURN 2022/23	Favourable/ (Adverse) Variance
£		£		£	£
3,366		3,800	Insurance	3,241	559
139		130	Bank Charges & Interest	123	7
1,685		2,600	Accountancy Fees	2,205	395
77		1,500	Legal Fees	1,898	(398)
430		500	Licences	827	(327)
3,978		4,160	Subscriptions	3,354	806
13,492		15,940		16,429	(489)
2,638		3,000	Repairs & Renewals	1,690	1,310
327,208		393,474	Finance Committee Total	369,067	24,407
0		7,800	Contingency	0	7,800
0		(50,000)	Transfer to/(from) Acquisitions Reserve	(50,000)	0
0		0	Transfer to Election Reserve	30,000	(30,000)
370,603		489,074	TOTAL EXPENDITURE	405,379	83,695
87,658		(24,465)	INCREASE/(DECR) IN GENERAL RESERVE	70,795	95,260
			RESERVES:		
			General Reserve:		
340,432		428,090	Balance brought forward 1 April	428,090	0
87,658		(24,465)	Increase/(decrease) in year	70,795	95,260
428,090		403,625	Balance carried forward 31 March	498,885	95,260
			Devolution Reserve:		
135,948		149,855	Balance brought forward 1 April	149,855	0
13,907		(8,756)	Contribution from Budget	6,939	15,695
149,855		141,099	Balance carried forward 31 March	156,794	15,695
			Acquisitions Reserve:		
50,000		50,000	Balance brought forward 1 April	50,000	0
0		(50,000)	Contribution from Budget	(50,000)	0
50,000		0	Balance carried forward 31 March	0	0
			Election Reserve:		
0		0	Balance brought forward 1 April	0	0
0		0	Contribution from Budget	30,000	30,000
0		0	Balance carried forward 31 March	30,000	30,000
627,945		544,724	TOTAL RESERVES 31 MARCH	685,679	110,955



Penrith Town Council

2022/23 OUTTURN STATEMENT BALANCE SHEET AS AT 31 MARCH 2023

31 MARCH 2022
£
£
Investments

84,935.50
378,860.00
86,112.96

549,908.46

Current Assets

4,084.21
6,298.61
8,786.92
76,617.30
95,787.04

Debtors
Debtor - VAT
Prepayments
Cash at bank: HSBC

2,169.14
1,339.51
3,795.50
80,597.74
87,901.89

Current Liabilities

9,000.00
6,621.36
0.00
2,129.25
17,750.61

Creditors
Accruals
Payroll Control
Receipts in Advance

5,000.00
11,718.88
0.00
2,129.25
18,848.13

78,036.43

Net Current Assets

69,053.76

627,944.89

685,679.39

Represented by:
Reserves

428,090.15
149,854.74
50,000.00
0.00

General Reserve
Devolution Reserve
Acquisitions Reserve
Election Cost Reserve

498,885.70
156,793.69
0.00
30,000.00

627,944.89

685,679.39

REPORT TO FULL COUNCIL

Date: 15 May 2023

Public Report

Item no: 17d

Matter: Internal Audit 2022/23

Author: Responsible Finance Officer

Purpose of Report:

The Council's Internal Auditors final report for 2022/23.

Recommendation

Ratify the Internal Auditors final report for 2022/23.

Law and legal implications

The Town Council resolved from 20 May 2019, until the next relevant Annual Meeting of the Council, which having met the conditions of eligibility as defined in the Localism Act 2011 and SI 965 The Parish Councils (General Power of Competence) (Prescribed Conditions) Order 2012, to adopt the General Power of Competence.

The Council is required to follow the governance and accounting regime set out in the Accounts and Audit Regulations 2015. This requires the Council to undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, considering public sector internal auditing standards or guidance.

Internal Auditors are required to follow the provisions of the JPAG Guide to Governance and Accountability, which represents statutory best practice.

Report

- 1.1 The internal audit for 2022/23 has been carried out by Mrs Jean Airey.
- 1.2 Her interim report was reported to the last meeting of Council on 27 March 2023.
- 1.3 She has now presented her final report for 2022/23 which contains the auditors formal opinion. Her final report and statutory audit opinion forms part of the AGAR.

2. Options Analysis including Risk Assessment

2.1 Risk

Lack of a robust audit regime resulting in irregularities not being detected.

2.2 Consequence

Loss or waste of resources, criticism from external audit and reputational damage.

2.3 Controls Required

Appointment of an independent and competent internal auditor, working to an appropriate internal audit plan.

3. Financial Implications

There are no direct financial implications arising from this report.

4. Equalities Implications

None identified.

5. Climate Change and Environmental Implications

None identified.

6. Legal Implications

An effective internal audit function meets the requirements of the relevant legislation.

Appendices

- Appendix A – Internal Auditors Report

Background Papers

- 27 March 2023 Review of Effectiveness of Internal Audit 2022-23.
Full Council agenda pack
- Account and Audit Regulations 2015.
- JPAG Guide to Governance & Accountability 2022 & 2023 Editions.

FINAL REPORT BY THE INTERNAL AUDITOR TO PENRITH TOWN COUNCIL
1ST APRIL 2022- 31ST MARCH 2023
FINANCIAL YEAR ENDING 31ST MARCH 2023

Introduction

This final report for the financial year 1st April 2022 to 31st March 2023 covers elements required by the Account and Audit Regulations (England) 2015 which were not covered in the interim report for the period 1st April 2022 – 30th December 2022.

I confirm I have, on the 18th April 2023 undertaken a final audit which covers the period 1st January 2023 to 31st March 2023 in accordance with the Account and Audit Regulations (England) 2015 as outlined in the schedule previously circulated and approved by Council and incorporating any new requirements as outlined in “Governance and Accountability for Smaller Authorities in England” March 2023

Appropriate accounting records have been kept throughout the year.

The completed 2023 Annual Governance and Accountability Return (AGAR) confirms that the closing balance at 31st March 2022 has been correctly carried forward to 1st April 2023 to commence the financial year.

The bank reconciliation at 31st March 2023 correctly reflects the balances on all bank accounts.

The Council having reserve cash funds in excess of £100,000 has identified the need for an investment strategy with clear aims and objectives, namely to consider security, liquidity, yield, here listed in order of priority.

The Council has a comprehensive investment policy, and strategy for reserves, which were adopted 19th January 2023.

A full report was available for inspection which had been prepared for presentation to the Finance Committee to be held on 24th April 2023 and to be further ratified at the full Council meeting in May. The investment strategy is to be subject to review annually.

The authority complied with its financial regulations, invoices supported payments, all expenditure was approved and VAT was accounted for.

The rigorous tendering process for goods and services was evidenced by the documentation made available. All tenders and quotes adhere to the up to date Financial Regulations.

A selection of financial transactions was reviewed in excess of £2000.00 all were supported by a clear audit trail.

Vat reclaims are prepared on a monthly basis. Evidence was available to confirm the reclaims for January, February and March. – Sage Reconciliation, Sage Transactions and HMRC verification.

The claim for the final month of the financial year 31st March 2023 had been reconciled and submitted to HMRC - £1339.51.

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

All aspects of this section were covered in the interim report. Further financial risks were identified and controls documented in the report to the Finance Committee when recommended to review the outturn report for the financial year 31st March 2023 and recommend its acceptance to Full Council

The Precept requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored and reserves are appropriate.

The Responsible Financial Officer (RFO) with full explanations of the recommendations prepares a budget report and it is presented to the Finance Committee for approval and development prior to recommendations being made to Council. The Council subsequently approves the budget and notes in the Minutes the precept to be requested for the 2023-2023 financial year. -

The budget is set in time to comply with the District Council's timetable.

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

The Council has minimal income from sources other than the Precept. Where received, it is properly recorded and promptly banked. No cash income.

The Council has 200 allotment plots allocated over 4 sites. Penrith Allotment Association operates the sites on the Council behalf.

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

The Council does not operate a Petty Cash account. Sums incurred on Debit Cards are fully supported by invoices/receipts. VAT is identified and purchases are allocated to the appropriate budget headings.

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

All payments reflect salary scales approved by Council. Returns to HMRC are processed by the external accountant. The record with all deductions for staff was properly prepared and available for inspection.

Assets and investments register were completed and accurate and properly maintained.

The Asset Register for the current financial year has been completed and will be reviewed and adopted, as it is annually, to a scheduled timetable ensuring accuracy for completion of the 2022-2023 AGAR.

All investments adhere to the Investment Strategy.

Accounting statements prepared during the year were prepared on the correct accounting basis – income and expenditure , all schedules, etc agreed and were supported by an adequate audit trail from the core Sage accounts. Debtors and Creditors were properly recorded. The Council has published on the website all documentation required under relevant legislation.

The Council accounts are prepared on an Income and Expenditure basis as required by the Accounts and Audit regulations being an authority with income/ expenditure in excess of £200,000. The Sage Accounts clearly identifies Debtors, Creditors, Receipts in Advance, and Accruals.

It is confirmed that the Council is fully compliant with requirements to publish information in line with relevant legislation.

The audit reports confirm that Penrith Town Council has fulfilled its statutory obligations and all finance and procedures comply with legislation. The comprehensive website ensures the electorate is fully aware of the use of all public funds.

I wish to express my appreciation to the Responsible Financial Officer for the of preparation all relevant financial documents and reports and for the assistance of the Town Clerk and all Officers for comprehensive governance documents and the completeness of information on the website which facilitated the audit.

A handwritten signature in black ink, appearing to read 'G D Airey', with a stylized flourish at the end.

Georgina D Airey - Internal Auditor – 20th April 2023.

Annual Internal Audit Report 2022/23

PENRITH TOWN COUNCIL

<https://www.penrithtowncouncil.gov.uk/>

During the financial year ended 31 March 2023, 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 2022/23 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 2021/22, it met the exemption criteria and correctly declared itself exempt. <i>(If the authority had a limited assurance review of its 2021/22 AGAR tick "not covered")</i>			✓
L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.	✓		
M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations <i>(during the 2022-23 AGAR period, were public rights in relation to the 2021-22 AGAR evidenced by a notice 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 <i>(see AGAR Page 1 Guidance Notes)</i> .	✓		
O. (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

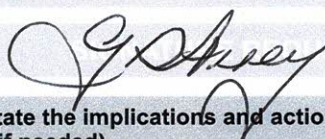
07/02/2023

18/04/2023

Name of person who carried out the internal audit

G. D. Airey

Signature of person who carried out the internal audit



Date

18/04/2023

***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).

REPORT TO FULL COUNCIL

Date: 15 May 2023

Public Report

Item no: 17e

Matter: Review the effectiveness of the Council's Internal Audit provision during 2022/23 and re-appoint the Internal Auditor for the current financial year 2023/24

Author: Responsible Finance Officer

Purpose of Report:

Ratify the review of the effectiveness of the Council's Internal Audit provision during 2022/23 and confirm the provision for 2023-24.

Recommendation

- i. Ratify the review of internal audit provision and confirm that the function has operated effectively during 2022/23.
- ii. Ratify the re-appointment of G. Airey as the Internal Auditor for 2023-24.

Law and legal implications

The Town Council resolved from 20 May 2019, until the next relevant Annual Meeting of the Council, which having met the conditions of eligibility as defined in the Localism Act 2011 and SI 965 The Parish Councils (General Power of Competence) (Prescribed Conditions) Order 2012, to adopt the General Power of Competence.

The Council is required to follow the governance and accounting regime set out in the Accounts and Audit Regulations 2015. This requires the Council to undertake an effective internal audit to evaluate the effectiveness of its risk management, control, and governance processes, considering public sector internal auditing standards or guidance.

Internal Auditors are required to follow the provisions of the JPAG Guide to Governance and Accountability, which represents statutory best practice.

Report

- 1.1 The internal audit for 2022/23 has been conducted by Mrs Jean Airey.
- 1.2 The appendix to this report presents a review of the effectiveness of Internal Audit. There are two aspects to the review: meeting standards and characteristics of effectiveness.
- 1.3 The RFO's assessment of the performance of Mrs Airey against relevant criteria is set out below, where it can be seen that her performance is satisfactory in all respects.
- 1.4 The Council meeting on the 27 March also reviewed the Council's system of internal control for 2022/23, part of which acknowledged that its internal audit arrangements were effective.
- 1.5 This more detailed review confirms that opinion and provides the evidence and justification for the re-appointment of the current Internal Auditor. The Committee is recommended to appoint Mrs Airey as its Internal Auditor for 2023/24.

2. Options Analysis including Risk Assessment

2.1 Risk

Lack of a robust audit regime resulting in irregularities not being detected.

2.2 Consequence

Loss or waste of resources, criticism from external audit and reputational damage.

2.3 Controls Required

Appointment of an independent and competent internal auditor, working to an appropriate internal audit plan.

3. Financial Implications

There are no direct financial implications arising from this report.

4. Equalities Implications

None identified.

5. Climate Change and Environmental Implications

None identified.

6. Legal Implications

An effective internal audit function meets the requirements of the relevant legislation.

Appendices

- Appendix A – Review of Effectiveness of Internal Audit 2022-23.

Background Papers

- Account and Audit Regulations 2015.
- JPAG Guide to Governance & Accountability 2022 & 2023 Editions.

Area 1: Meeting Standards**Appendix A**

Standard	Evidence of achievement
1. Scope of internal audit	<p>The appointment of Mrs Jean Airey as Internal Auditor for the financial year 2022-23 was confirmed by Council in May 2022.</p> <p>The terms of her engagement are formally agreed and documented.</p> <p>The Internal Auditor follows proper practice and meets national auditing standards.</p> <p>Internal audit work considers both the council's risk assessment and wider internal control arrangements.</p> <p>Internal audit work considers the Council's anti-fraud and corruption arrangements.</p> <p>The Internal Auditor has unfettered access to all areas of the Council's activities.</p>
2. Independence	<p>The Internal Auditor is independent from the Council and is not involved in its financial controls, procedures or decision making.</p> <p>Internal audit has direct access to those charged with governance and can seek information or explanations from any officer or Member of the Council.</p> <p>Reports are made in the Auditor's own name to management.</p>
3. Competence	<p>Mrs Airey has substantial experience in auditing and knowledge of auditing standards, having been an internal auditor to local councils in Cumbria for many years. She was Town Clerk to Keswick Town Council for 25 years and has delivered training on behalf of CALC.</p> <p>There is no evidence of a failure to carry out internal audit work ethically, with integrity and objectivity.</p>
4. Relationships	<p>The Clerk and RFO are consulted on the internal audit plan and coverage.</p> <p>Respective responsibilities for officers and internal audit are defined in relation to internal control, risk management and fraud and corruption matters.</p> <p>The responsibilities of Council members are understood, in particular the Finance Committee; training of Members is available as required.</p>
5. Audit Planning and Reporting	<p>The annual internal audit plan properly takes account of all the risks facing the Council.</p> <p>Mrs Airey provided her interim report promptly after completion of her fieldwork and plans to submit her final report and opinion promptly.</p>

Area 2: Characteristics of Effectiveness

Characteristic	Evidence of achievement
1. Internal audit work is planned	Planned internal audit work is based on the assessment of risk and is designed to meet the Council's needs and national auditing standards. Mrs Airey amends her audit plan as required to take account of new requirements and changes to the JPAG guidance.
2. Understanding the whole organisation, its needs and objectives	The annual audit demonstrates how audit work provides assurance for the council's Annual Governance Statement.
3. Be seen as a catalyst for change	Internal audit supports the Council's work in delivering improved services to the community.
4. Add value and assist the organisation in achieving its objectives	The Council makes positive responses to internal audit's recommendations and follows up with action where this is called for.
5. Be forward looking	In formulating the annual audit coverage, national agenda changes are considered. Internal audit maintains awareness of new developments in the services, risk management and corporate governance.
6. Be challenging	Internal audit focuses on the risks facing the Council. Internal Audit encourages managers/Members to develop their own responses to risk, rather than relying solely on audit recommendations.
7. Ensure the right resources are available	Adequate resource is made available for internal audit to complete its work; the auditor has the freedom to request additional fee work if she considers it necessary. Internal Audit understands the Council and the legal and corporate framework in which it operates. Mrs Airey has undertaken this role (and similar roles) for several years; this continuity results in a good understanding of the Council, its internal control environment and the issues facing it.

Section 1 – Annual Governance Statement 2022/23

We acknowledge as the members of:

PENRITH 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 2023, 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
			✓

***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:

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

and recorded as minute reference:

Chairman

Clerk

<https://www.penrithtowncouncil.gov.uk/>

REPORT TO FULL COUNCIL

Date: 15 May 2023

Public Report

Items no: 17 f ii and iii

Matter: Accounting Statements 2022-23 (AGAR Section 2) iii. Notice of public rights and publication of unaudited Annual Governance & Accountability Return

Author: Responsible Finance Officer

Purpose of Report:

Approve the Accounting Statements 2022-23 (Section 2 of the AGAR)

Note the period for the exercise of public rights.

Recommendation

- i. Approve the Accounting Statements 2022-23 (Section 2 of the AGAR)
- ii. Agree that the Chair be authorised to sign the AGAR on behalf of the Council prior to the submission of the AGAR by the RFO to the External Auditor.
- iii. Agree that the period for the exercise of public rights be from Sunday 4 June 2023 to Friday 14 July 2023.

Law and legal implications

The Town Council resolved from 20 May 2019, until the next relevant Annual Meeting of the Council, which having met the conditions of eligibility as defined in the Localism Act 2011 and SI 965 The Parish Councils (General Power of Competence) (Prescribed Conditions) Order 2012, to adopt the General Power of Competence.

The Council is required by law to follow the governance and accounting regime set out in the Accounts and Audit Regulations 2015. Statutory proper practice issued under these Regulations has been published in the JPAG publication 'Governance and Accountability for Smaller Authorities in England'. This document is the mandatory guide to completion of the statutory Annual Governance and Accountability Return (AGAR) and it describes how accounting transactions are to be treated and reported.

Contribution to Council Business Plan

The Council is required to have sound financial administration and report its accounts in accordance with proper practice.

Report

1.1 The Accounting Statements

The Accounting Statements prepared in accordance with the Practitioners Guide represent a highly summarised version of the Council's transactions for the year. They are also, in a sense, incomplete, as they do not record the Council's full balance sheet, only the cash and reserves figure at year end.

The Practitioners Guide recommends that Members have access to a reconciliation between the financial ledger (cash book) and the Accounting Statements. Appendix A provides that reconciliation, showing not only how Sage ledger balances are analysed in AGAR format but also how those balances correspond to the formal outturn statement. The Guide does not require Councils to account separately for fixed assets but to keep a memorandum summary in their asset register. The asset value shown in the Accounting Statement is therefore derived directly from the Council's register, as reported elsewhere on this agenda.

Section 2 of the AGAR (Appendix B) has been signed by the RFO as required by the guidance. Members are requested to review the AGAR and the supporting reconciliation and recommend that the Chair of the Council meeting signs the Statements on its behalf.

1.2 Exercise of Public Rights and Audit of the AGAR

The process for the approval and audit of the AGAR is as follows:

- Approval of the Accounting Statements must take place after approval of the Annual Governance Statement (AGS).
- Legislation provides for the accounting records of the Council to be open for inspection for a fixed period prior to review by the External Auditor. This is known as the exercise of public rights and must be a period of 30 working days which includes the first 10 working days of July. To comply with this requirement, the RFO plans to specify the period from 12 June to 21 July 2023; during this time, members of the public can examine the accounts and supporting documentation. To meet this timescale, the unaudited Accounts and AGS must be published on the Council's website by Sunday 4 June 2023 to Friday 14 July 2023.
- The AGAR comprises the AGS, the Accounting Statements and the Internal Auditor's report. The full AGAR must be submitted, with supporting information, to the External Auditors, Moore UK, by Friday 30 June 2023.
- After their sign-off, the full audited Return must be published on the Council's website by 30 September 2023.

2. Options Analysis including Risk Assessment

2.1 Risk

Transactions are recorded incorrectly or inconsistently in statutory returns.

2.2 Consequence

Criticism from Auditors.

Reputational damage.

2.3 Controls Required

Adherence to the correct principles for the recording and reporting of the Council's transactions.

3. Financial Implications

This report is concerned solely with financial transparency and accountability.

4. Equalities Implications

None identified.

5. Climate Change and Environmental Implications

None identified.

6. Legal Implications

The Council must comply with statutory guidance, which is quite prescriptive in its requirements.

Appendices

- Appendix A - Reconciliation between Sage financial ledger and AGAR Section 2
- Appendix B - AGAR Section 2

Background Papers

- Transaction and trial balance reports from the Sage accountancy system
- 2022-23 outturn working papers.
- JPAG Practitioners' Guide 2023 Edition

AGAR Reconciliation to Accounting System 2022/23				Sage Nominal Code	Sage Trial Balance 31 March 23	Line 1	Line 2	Line 3	Line 4	Line 6	Line 7	Line 8	Balance Sheet Items not returned on AGAR	
N/C	Summary Heading	Total	Detailed Account			Balances b/fwd	Annual Precept	Other Income	Staff Costs excls mileage	Other Expenditure	Balances c/fwd	Cash & Short term Balances		
		£			£	£	£	£	£	£	£	£	£	
1100	Debtors	2,169.14	Debtors Control Account	1100	0.00								0.00	
1101			Sundry Debtors	1101	0.00							0.00		
1105			Other Debtors	1102	2,169.14							2,169.14		
1110			Deposits Paid	1110	0.00							0.00		
1115	Prepayments	3,795.50	Prepayments	1115	3,795.50								3,795.50	
1200	Cash at Bank	80,597.74	Unity Trust	1200	0.00							0.00		
1205			HSBC	1205	80,597.74							80,597.74		
1216	Investments	530,000.00	Cumberland Building Society	1216	0.00							0.00		
1217			CCLA Public Sector Deposit Fund	1217	530,000.00							530,000.00		
1218			Penrith Building Society	1218	86,625.63							86,625.63		
2100	Creditors	(5,000.00)	Creditors Control Account	2100	0.00								0.00	
2101			Sundry Creditors	2105	(5,000.00)								(5,000.00)	
2110	Accruals	(11,718.88)	Accruals	2110	(11,718.88)								(11,718.88)	
2115	Receipts in Advance	(2,129.25)	Receipts in Advance	2115	(2,129.25)								(2,129.25)	
2200	Debtor - VAT	1,339.51	V.A.T. Sales Control Account	2200	0.00								0.00	
2201			V.A.T. Purchase Control Account	2201	0.00								0.00	
2202			VAT Liability	2202	1,339.51								1,339.51	
2210	Creditor - Payroll Control	0.00	Payroll Control	2210	0.00								0.00	
3000	Reserves	(428,090.15)	General Reserve	3000	(428,090.15)	(428,090.15)					(428,090.15)			
3010		(156,793.69)	Devolution Reserve	3010	(156,793.69)	(156,793.69)					(156,793.69)			
3015		0.00	Acquisitions Reserve	3015	0.00	0.00					0.00			
3020		(30,000.00)	Election Reserve	3020	(30,000.00)	(30,000.00)					(30,000.00)			
3200		0.00	Profit and Loss Account	3200	0.00	0.00					(57,734.50)			
4000	Precept	(455,209.00)	Precept	4000	(455,209.00)		(455,209.00)			0.00				
4010	CTRS Grant	(7,388.00)	CTRS Grant	4010	(7,388.00)			(7,388.00)		0.00				
4100	Investment Income	(13,577.20)	Investment Income	4100	(13,577.20)			(13,577.20)		0.00				
4200	Miscellaneous Income	0.00	Miscellaneous Income	4200	0.00			0.00		0.00				
5000	Officer Support - Planning	1,269.98	Officer Support	5000	1,269.98				1,269.98	0.00				
5100	Planning Consultancy	848.33	Planning Consultancy	5100	848.33			0.00		848.33				
5200	Consultation Events	0.00	Consultation	5200	0.00					0.00				
5300	Block Allocation	0.00	Block Allocation	5300	0.00					0.00				
6500	Climate Change - Website &	0.00	Climate Change - Website & Initial Costs	6500	0.00					0.00				
5500	Community Consultation	0.00	Community Consultation	5500	0.00					0.00				
5505	Internal Business Plan	0.00	Internal Business Plan	5505	0.00					0.00				
5510	Carbon Footprinting: High le	0.00	Carbon Footprinting: High level baseline	5510	0.00					0.00				
5515	Carbon Footprinting: Calcula	0.00	Carbon Footprinting: Calculator licence	5515	0.00					0.00				
5520	BIG STEP	0.00	BIG STEP	5520	0.00					0.00				
5525	Staff Development/Exceptio	0.00	Staff Development/Exceptional Expenses	5525	0.00					0.00				
5530	Carbon Literacy Training	2,910.00	Carbon Literacy Training	5530	2,910.00					2,910.00				
6000	Town Projects	4,688.70	Town Projects	6000	3,336.70			0.00	5.69	3,331.01				
6001	Arts and Entertainment	21,473.96	Covid-19 Response	6001	0.00					0.00				
6002			Marketing Penrith	6002	1,352.00					1,352.00				
6100			Officer Support	6100	3,147.09				2,646.89	500.20				
6101			Arts & Cultural Strategy	6101	0.00					0.00				
6105			Arts & Culture Development	6105	18,326.87				227.69	18,099.18				
6110	Environment	0.00	Events Grants	6110	0.00					0.00				
6200			Greening	6200	0.00					0.00				
6400			Local Govt Act 1972 Section 137 Grants	6400	0.00					0.00				
6401			Local Govt Act 1972 Section 144 Grants	6401	0.00					0.00				
6402			Local Govt Act 1972 Section 145 Grants	6402	0.00					0.00				
6403			Transport Act 1985 Section 106A Grants	6403	0.00					0.00				
6404			Open Spaces Act 1906 Grants	6404	0.00					0.00				
6405			Local Govt & Rating Act 1997, Section 26-29	6405	0.00					0.00				
6406			Public Health Act 1936 Section 234	6406	0.00					0.00				
6407			Local Govt (Misc Provisions) Act 1976 Section 19	6407	0.00					0.00				
6600	Grants	20,283.00	Small Grants	6600	1,780.00					1,780.00				
6610			Grow Nature Grants	6610	1,460.00					1,460.00				
6620			Large Grants	6620	17,043.00					17,043.00				
7520	Corporate Communications	4,839.00	Community Engagement	7520	3,319.00					3,319.00				
7530	Staffing	260,793.14	Press Support	7530	1,520.00					1,520.00				
7000			Salaries	7000	194,746.71				194,746.71	0.00				
7010			National Insurance	7010	19,268.22				19,268.22	0.00				
7020			Superannuation	7020	42,229.79				42,229.79	0.00				
7025			Recruitment Expenses	7025	3,028.60					3,028.60				
7030			Staff Training	7030	1,281.59					1,281.59				
7040			Conferences	7040	0.00					0.00				
7050			Staff Expenses	7050	238.23					238.23				
7100			Rent	7100	7,500.00					7,500.00				
7110			Heat, Light & Water	7110	3,103.52					3,103.52				
7120			Service Charges	7120	2,330.88					2,330.88				
7130			Room Hire	7130	1,782.18					1,782.18				
7140			Insurances	7140	390.00					390.00				
7190			Letting Income	7190	0.00					0.00				
7200	Civic Functions	1,177.97	Civic Functions	7200	76.00					76.00				
7210			Mayoral Expenses	7210	700.00					700.00				
7211			Deputy Mayor's Expenses	7211	300.00					300.00				
7220			Civic Regalia	7220	101.97					101.97				
7300	Cost of Democracy	385.00	Annual Meeting	7300	225.00					225.00				
7340			Members' Training	7340	160.00					160.00				
7320			Members' Expenses	7320	0.00					0.00				
7330			Notice/Honours Board	7330	0.00					0.00				
7400	IT	26,799.94	IT	7400	26,799.94					26,799.94				
7510	Website	339.75	Website	7510	339.75					339.75				
7600	Devolved services	46,344.00	Bring Site	7600	0.00					0.00				
7605			Allotments	7605	(450.00)			(450.00)		0.00				
7610			War Memorial	7610	0.00					0.00				
7615			Benches	7615	0.00					0.00				
7620			Bus Shelters	7620	3,330.02					3,330.02				
7625			Bandstand	7625	1,021.22			(750.00)		1,771.22				
7630			Musgrave Monument	7630	652.66					652.66				
7635			Fairhill Park	7635	7,426.29					7,426.29				
7645			Play Areas	7645	0.00					0.00				
7660			Fairhill United Utilities Planting Maintenance	7660	0.00					0.00				
7661			Fairhill Site Improvements (UU)	7661	0.00					0.00				
7540			Signage, Etc	7540	27.00					27.00				
7665			Thacka Beck	7665	19,406.58					19,406.58				
7680			Community Caretaker	7680	7,991.28					7,991.28				
7685	Council Projects	0.00	Local Government Re-organisation:Action Plan	7685	0.00					0.00				
7690			Contribution To Devolution Reserve	7690	6,938.95	6,938.95					6,938.95			
7750			Officer Support	7750	0.00					0.00				
7755	Other Overheads	16,428.84	Project Budget	7755	0.00					0.00				
7800			Printing, Postage & Stationery	7800	3,615.17					3,615.17				
7820			Audit Fees	7820	1,166.20					1,166.20				
7830			Insurance	7830	3,240.97					3,240.97				
7840			Bank Charges & Interest	7840	123.00					123.00				
7850			Accountancy Fees	7850	2,205.00					2,205.00				
7855			Legal Fees	7855	1,897.50					1,897.50				
7860			Licences	7860	826.78					826.78				
7870	Repairs and Renewals	1,690.46	Subscriptions	7870	3,354.22					3,354.22				
7900			Repairs & Renewals	7900	1,690.46					1,690.46				
8000	Contribution to/from General Reserves		Contribution from General Reserve	8000	0.00					0.00				

Section 2 – Accounting Statements 2022/23 for

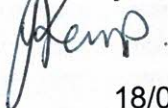
PENRITH TOWN COUNCIL

	Year ending		Notes and guidance
	31 March 2022 £	31 March 2023 £	
1. Balances brought forward	526,380	627,945	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	450,069	455,209	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	29,407	22,165	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	234,712	260,395	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	0	0	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	143,199	159,245	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	627,945	685,679	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	626,526	697,223	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	156,299	181,919	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	0	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

For Local Councils Only	Yes	No	N/A	
11a. Disclosure note re Trust funds (including charitable)		✓		The Council, as a body corporate, acts as sole trustee and is responsible for managing Trust funds or assets.
11b. Disclosure note re Trust funds (including charitable)			✓	The figures in the accounting statements above do not include any Trust transactions.

I certify that for the year ended 31 March 2023 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

18/04/2023

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

as recorded in minute reference:

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