

Section 1 – Annual Governance Statement 2022/23

We acknowledge as the members of:

LAVENHAM PARISH 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
			has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.

*Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.

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

01/06/2023

and recorded as minute reference:

06/23/43

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

Chairman

[Signature]

Clerk

[Signature]

lavenham.one.suffolk.net

Section 2 – Accounting Statements 2022/23 for

LAVENHAM PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2022 £	31 March 2023 £	
1. Balances brought forward	RESTATED 30,760	RESTATED 104,780	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	78,967	87,433	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	RESTATED 578,743	155,324	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	11,150	21,323	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	7,519	7,520	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	565,021	133,873	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	RESTATED 104,780	184,821	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	228,142	327,965	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	RESTATED 577,933	649,932	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	84,936	78,743	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

Adsmil/
01/04/2023

Date

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

01/04/2023

as recorded in minute reference:

06 1 23 43

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

[Signature]

Annual Internal Audit Report 2022/23

LAVENHAM PARISH COUNCIL

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. (If the authority had a limited assurance review of its 2021/22 AGAR tick "not covered")			✓
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 (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).	✓		
N. The authority has complied with the publication requirements for 2021/22 AGAR (see AGAR Page 1 Guidance Notes).		✓	
O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes	No	Not applicable
			✓

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

05/05/2023

Name of person who carried out the internal audit

DAVE CLIMMINS (ON BEHALF OF HELEN LLOYD)

Signature of person who carried out the internal audit

D. Climmins

Date

05/05/2023

***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).**



LAVENHAM PARISH COUNCIL

The Parish Office
Church Street
Lavenham
Sudbury
Suffolk
CO10 9QT

Andrew Smith
Clerk to the Council

Telephone: 01787 247041
Email: lavenhampc@yahoo.co.uk

1 June 2023

PKF Littlejohn LLP (Ref: SBA Team)
15 Westferry Circus
Canary Wharf
London
E14 4HD

Dear Sirs,

- 1) Risk Management. The authority did not review its Risk Assessment in the year ended 31 March 2023. A thorough review of the Risks faced by the Council and the required mitigations was carried out in June 2020 but this was not refreshed until April 2023. At the Council meeting on April 27 2023 the updated Risk Register was presented to Council and approved. The Risk Register will, in future, be reviewed each year.
- 2) Publication of the 2021/22 AGAR. The 2022 Annual Return Section 3 (External Auditors Report) was not published as required. It was however tabled at the April 6th 2023 meeting of the Council with assurances given to Council that the error will not be repeated.
- 3) As the External Auditor is aware an Internal Auditor was not appointed with respect to 2021/22. This was discussed at the April 6th 2023 meeting of the Council with assurances given to Council that the error will not be repeated. Internal Auditors were appointed for 2022/23, they have been reported and their report was tabled to Council at its June 1 2023 meeting.
- 4) The 2022/23 Section 2 of the AGAR has been prepared, as required, on an Income and Expenditure basis with the 2021/22 numbers, as required restated. A reconciliation of all restatements is attached as Appendix A.

Andrew Smith
Clerk to Lavenham Parish Council

Appendix A:

Restatement Notes:

General: We have moved to an Income and Expenditure basis in 22/23

A) Restatement is inclusion of Debtors at 31 March 2021 of £27,668 and Creditors of £138,072.

B) Adjustment is £12,958 being decrease in Debtors in 21/22.

C) Sum of A and B

D) Omission of assets purchased in late 21/22 from Asset Register at 31 Mar 22.

	2022 Filed	2022 Restated	Restatement	Note	2023
1 Balances bf	141,164	30,760	110,404	A	104,780
2 Precept	78,967	78,967	0		87,433
3 Cash Receipts excl precept	591,701	578,743	12,958	B	155,324
4 Staff Costs	11,150	11,150	0		21,323
5 Loan Repayments	7,519	7,519	0		7,520
6 Other Payments	565,021	565,021	0		133,873
7 Balances cf	228,142	104,780	123,362	C	184,821
8 Total Cash	228,143	228,143	0		327,965
9 Total Fixed Assets	293,575	577,933	-284,358	D	649,932
10 Borrowings	84,938	84,938	0		78,745

Bank reconciliation – pro forma

This reconciliation should include all bank and building society accounts, including short term investment accounts. It **must** agree to Box 1 “Year ending 31 March 20xx” in Section 2 of the AGAR – and will also agree to Box 7 where the accounts are prepared on a receipts and payments basis. You must complete the highlighted boxes, remembering that un-presented cheques should be entered as negative figures.

Name of smaller authority: Lavenham Parish Council

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

Financial year ending 31 March 2023

Prepared by (Name and Role): Andrew Smith Clerk/RFO

Date: 04/04/2023

	£	£
Balance per bank statements as at 31/3/23		
Community	1,971.91	
Business Premium	325,883.44	
account 3		
account 4		
[add more accounts if necessary] account 5		
account 6		
account 7		
account 8		
		327,855.35
Petty cash float (if applicable)		110.00
Less: any un-presented cheques as at 31/3/23 (enter these as negative numbers)		
item 1		
item 2		
item 3		
item 4		
[add more lines if necessary] item 5		
item 6		
item 7		
item 8		
		0.00
Add: any un-banked cash as at 31/3/23		
		0.00
Net balances as at 31/3/23 (Box 8)		327,965.35



Transactions

COMMUNITY

20-83-50 00567094

Available balance	£1,813.31
Last night's balance	£1,971.91
Overdraft limit	£0.00

Showing 28 transactions between 13/03/2023 and 03/04/2023 from 13/03/2023 to 01/04/2023

Date	Description	Money in	Money out	Balance
03/04/2023	Bill Payment RICHARD DUCHESNE SI1421 BBP		-£264.00	£1,814.31
03/04/2023	Counter Credit CHARITIES TRUST CP14679 BGC	£106.40		£2,078.31
30/03/2023	Cash Withdrawal POST OFFICE 40650 30MAR 13.45 ATM	£120.00 ✓		£1,971.91
30/03/2023	Debit AO RETAIL LIMITED ON 29 MAR BDC		-£176.10 ✓	£1,851.91
30/03/2023	Direct Debit GOCARDLESS CORNERSTONEM-HNTFP DD R		-£43.08 ✓	£2,028.01
29/03/2023	Bill Payment KARL HOBBS 5327 BBP		-£1,150.00 ✓	£2,071.09
29/03/2023	Bill Payment LAVENHAM COMMUNITY JUBILEE-BBP <i>Coronation</i>		-£1,500.00 ✓	£3,221.09
29/03/2023	Bill Payment SUFFOLK COUNTY COU 9529186 BBP		-£4,928.28 ✓	£4,721.09
28/03/2023	Debit VIKING OFFICE UK L ON 27 MAR BDC		-£363.62 ✓	£9,649.37
	Cheque			

Transactions

Business Premium ME 20-83-50 20567116

Available balance	£325,883.44
Last night's balance	£325,883.44
Overdraft limit	n/a

Showing 6 transactions between **03/03/2023** and **27/03/2023** from 02/03/2023 to 01/04/2023

Date	Description	Money in	Money out	Balance
27/03/2023	Funds Transfer 208350 00567094 INVOICES FT		-£2,000.00	£325,883.44
27/03/2023	Funds Transfer 208350 00567094 FT 208350 00567094 FT		-£5,000.00	£327,883.44
20/03/2023	Counter Credit BABERGH GEN PAYMTS BABERGH DC BGC	£2,593.50		£332,883.44
17/03/2023	Counter Credit HMRC VTR XSV126000100262 BGC	£1,338.31		£330,289.94
06/03/2023	Credit Payment INTEREST PAID GROSS FOR PERIOD 5DEC/ 5MAR	£421.31		£328,951.63
03/03/2023	Funds Transfer 208350 00567094 INVOICES FT		-£7,000.00	£328,530.32

Handwritten initials: JL, RM

Need to view older transactions?

If you have registered for online statements, then follow the link to view them
 If you don't have online statements, then statements may still be visible in Barclays Cloud It
 If you can't find the relevant statement/transactions online, you can order a copy statement

Barclays Bank UK PLC. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Financial Services Register number: 759676). Barclays Bank UK PLC adheres to The Standards of Lending Practice which is monitored and enforced by The Lending Standards Board. Further details can be found at www.lendingstandardsboard.org.uk.

Barclays Insurance Services Company Limited is authorised and regulated by the Financial Conduct Authority (Financial Services Register number: 312078).

Barclays Smart Investor is a trading name of Barclays Investment Solutions Limited. Barclays Investment Solutions Limited is authorised and regulated by the Financial Conduct Authority. (Financial Services Register number: 155595). Barclays Investment Solutions Limited is a member of the London Stock Exchange & NEX.

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

Name of smaller authority: **Lavenham Parish Council**

County Area (local councils and parish meetings only): **Suffolk**

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 5 June 2023

and ending on 14 July 2023

(Please enter the dates set by the smaller authority as appropriate which must be 30 working days (i.e. Monday – Friday only, and not Bank Holidays) inclusive and must include the first 10 working days of July 2023 (i.e. Monday 3 July – Friday 14 July).

We have suggested the following dates: Monday 5 June – Friday 14 July 2023. The latest possible dates that comply with the statutory requirements are Monday 3 July – Friday 11 August 2023.)

Signed: _____

AGSmil

Role: _____

CLERK EFO

This form is only for use by smaller authorities subject to a review:

Please submit this form to PKF Littlejohn LLP with the AGAR Form 3 and other requested documentation – this form is not for publication on your website.

Explanation of variances – pro forma

Name of smaller authority:

County area (local councils and parish meetings only)

Insert figures from Section 2 of the AGAR in all Blue highlighted boxes

Next, please provide full explanations, including numerical values, for the following that will be flagged in the green boxes where relevant:

- variances of more than 15% between totals for individual boxes (except variances of less than £200);
- New from 2020/21 onwards: variances of £100,000 or more require explanation regardless of the % variation year on year;
- a breakdown of approved reserves on the next tab if the total reserves (Box 7) figure is more than twice the annual precept/rates & levies value (Box 2).

	2021/22 £	2022/23 £	Variance £	Variance %	Explanation Required?	Automatic responses trigger below based on figures input. DO NOT OVERWRITE THESE BOXES	Explanation from smaller authority (must include narrative and supporting figures)
1 Balances Brought Forward	30,780	104,780					
2 Precept or Rates and Levies	78,987	87,483	8,466	10.72%	NO		
3 Total Other Receipts	578,743	155,324	-423,419	73.16%	YES		CIL (incl Neighbourhood CIL) £420k in 21/22 vs £105k in 22/23. VAT Refunds £103k in 21/22 vs £28k in 22/23. Neighbourhood Plan Grant Income £19k in 21/22, nil in 22/23.
4 Staff Costs	11,150	21,323	10,173	91.24%	YES		Review of NJC Clerk spinal point including arrears of pay and annual pay rise 22/23.
5 Loan Interest/Capital Repayment	7,819	7,820	1	0.01%	NO		
6 All Other Payments	565,021	135,873	-431,148	76.31%	YES		£415k + VAT spent on Projects (Water St Car Park and Gas Holder, Prentice St Toilets and Church St Toilets) vs £45k + VAT in 22/23.
7 Balances Carried Forward	104,780	184,821				VARIANCE EXPLANATION NOT REQUIRED EXPLANATION REQUIRED ON RESERVES TAB AS TO WHY CARRY FORWARD RESERVES ARE GREATER THAN TWICE INCOME FROM LOCAL TAXATION/LEVIES	
8 Total Cash and Short Term Investments	228,143	327,965			YES		£47k of the Balances of are Neighbourhood CIL monies which cannot be applied to General Expenditure. In addition Maintenance Funds of £27k established.
9 Total Fixed Assets plus Other Long Term Investments and	577,933	649,932	71,999	12.46%	NO		
10 Total Borrowings	84,938	78,745	-6,193	7.29%	NO		

Rounding errors of up to £2 are tolerable

Variances of £200 or less are tolerable

Explanation for 'high' reserves

(Please complete the highlighted boxes.)

Box 7 is more than twice Box 2 because the authority held the following breakdown of reserves at the year end:

	£	£	£
Earmarked reserves:			
Ballot Fund	4,800		
Public Realm	5,000		
Number 2 Lady St	3,000		
NCIL	47,387		
Maintenance Fund	27,082		
Neighbour Hood Plan	4,174		
Various Minor Funds	6,265		
		97,708	
General reserve	87,114		
		87,114	
Total reserves (must agree to Box 7)			<u>184,821</u>

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

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

Please complete the highlighted boxes.

Name of smaller authority:

Lavenham Parish Council

County area (local councils and parish meetings only):

Suffolk

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		184,821.47
Deduct: Debtors (enter these as negative numbers)		
Accrued Income	(404.27)	
VAT Refunds	(1,585.76)	
3	<u>(1,990.03)</u>	
Deduct: Payments made in advance (prepayments) (enter these as negative numbers)		
1		
2		
Total deductions	-	<u>(1,990.03)</u>
Add:		
Creditors (must not include community infrastructure levy (CIL) receipts)		
Accruals	9,726.01	
Trade Creditors	<u>135,407.90</u>	
	145,133.91	
Add:		
Receipts in advance (must not include deferred grants/loans received)		
1		
2		
Total additions	-	<u>145,133.91</u>
Box 8: Total cash and short term investments		<u><u>327,965.35</u></u>