

CROWBOROUGH TOWN COUNCIL

To all Members of the **FINANCE and GENERAL PURPOSES** Committee (with copies to all other Members for information).

You are summoned to attend a meeting of the **FINANCE and GENERAL PURPOSES** Committee to be held at the Council Offices, Pine Grove, Crowborough on **Tuesday 18th June 2024** at 7.30 pm when it is proposed to transact the following business:



Caroline Miles, Town Clerk
12th June 2024

MEETINGS OF THE COUNCIL ARE OPEN TO THE PUBLIC.

QUESTIONS FROM MEMBERS OF THE PUBLIC (15 minutes maximum)

Members of the public are welcome to address the committee on items listed in this agenda. Please note that those addressing the committee shall not speak for more than 3 minutes. Once public question time has concluded members of the public will not be allowed to interrupt the meeting. Council meetings are meetings held in public but are not public meetings.

1. APOLOGIES

2. DECLARATIONS OF INTEREST

3. MINUTES

3.1. To **adopt** the minutes of 30th April & 14th May 2024 as a true record of the meeting

4. FINANCE

4.1 To **note** the Finance Report and supporting appendices and **agree** any action

5. POLICIES

5.1 To **review** the following policy and **agree** further action

Freedom of Information and Publication Scheme

Recording of Public Meetings

CiL spending Policy

Fixed Asset Policy

6. EXEMPT BUSINESS

6.1 To **note** the confidential aged debt report

7. URGENT MATTERS AT THE DISCRETION OF THE CHAIRMAN FOR NOTING AND/OR INCLUSION ON A FUTURE AGENDA



TITLE: Finance Report
AGENDA ITEM NUMBER: 4
MEETING DATE: 18th June 2024
COUNCIL/COMMITTEE: F&GP Committee
PURPOSE OF REPORT:
4.1 To **note** F&GP's current income and expenditure against budget and Earmarked Reserves (EMR)
4.2 To **review** the internal auditors report
4.3 To **approve** the recommendation of the Annual Governance and Accountability Return for 2023/24 to Full Council
4.4 To **note** the latest information on Insurance Claims
4.5 To **note** the confidential debtors report

SUPPORTING DOCUMENTS: Appendix A – Income & Expenditure Report
Appendix B - Earmarked Reserves
Appendix C – Internal Auditors Report
Appendix D - AGAR for 2023/24 with trust movements
Appendix E - Confidential Aged Debtor Report

CONTACT OFFICER: RFO

OFFICER RECOMMENDATIONS:

	The Committee is RECOMMENDED to: (1) Note the Committee's current income and expenditure position. Appendix A (2) Note this Committee's Earmarked Reserves and agree any actions. Appendix B (3) Note the Internal Auditors Report and agree any action. Appendix C (4) Approve the recommendation of the Annual Governance and Accountability Return for 2023/24 to Full Council. Appendix D (5) Note the latest insurance claim information. (6) Note the Confidential Aged Debt Report. Appendix E
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4.1 Income and Expenditure

4.1.1 Attached as Appendix A is the Income & Expenditure report for this Committee for the financial year 2024/2025. **Any recent significant variances are shown in bold**

There are no significant variances to report at this time

Corporate Management (101)

Democratic Representation (102)

Central Admin & Support costs (105)

Other Operating Income & Expenditure (109)

Pine Grove – Revenue Costs (113)

4.1.2 Earmarked Reserves

This Committees EMR's are attached as Appendix B.

Committee is asked to consider if Earmarked Reserves are still required and if not, the amount will be transferred back to the General Reserve.

4.2 Internal Auditors Report

Appendix C shows the signed internal auditors report and comments which forms part of the AGAR – Appendix D.

The Internal Auditor was very pleased with the way the finances are run at the Council and only had the following observation.

A) *General Reserves at year end were £1.02m. This represents 65% of precept, and is a little higher than I would anticipate at a Council the size of CTC. I discussed this matter with the RFO, and some of the property maintenance reserves seem low, given the value and importance of the assets.*

It is recommended that a request is made to Full Council for £150,000 to be transferred from General Reserves to the Earmarked Reserves for Pine Grove – code 9071/901 323.

4.3 AGAR Statement

Please refer to Appendix D for the full AGAR report for the financial year 2023/24.

This is the AGAR report which will be presented to Full Council on the 25th June to be approved and signed.

The figures reported in this return include all transactions involving the Trusts as per the recommendation from the Internal Auditor. You will note that the figure in Box 9 for year ended 31.03.23 has been restated to reflect the identified additions and disposals (reported at last F&GP meeting)

Full Council have acknowledged and agreed to the Statements in Section 1 with resolution number 10521.

4.4 Insurance Claim Information

As per financial regulation 15.4, details of any loss or claim should be taken to Committee:

I am pleased to report that there have been no insurance claims submitted so far this financial year.

4.5 Confidential Aged Debtors Report

Appendix E shows the Aged Debt Report.

RFO

Detailed Income & Expenditure by Budget Heading 06/06/2024

Month No: 3

Committee Report

	Actual Last Year	Actual Year To Date	Current Annual	Variance Annual	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
<u>Finance and General Purposes</u>								
<u>101 Corporate Management</u>								
1051 Income-Miscellaneous	40	0	0	0			0.0%	
1120 Income- Rechargeable	1,976	(1,100)	0	1,100			0.0%	
Corporate Management :- Income	2,016	(1,100)	0	1,100				0
4055 Stripe Charges	23	0	175	175		175	0.0%	
4056 Bank Charges	906	275	1,200	925		925	22.9%	
4057 Audit Fees	2,945	(1,950)	3,100	5,050		5,050	(62.9%)	
4058 Legal & Professional Fees	6,308	1,570	12,000	10,430	180	10,250	14.6%	
4060 Accounting Support	2,488	2,088	2,625	538		538	79.5%	
4065 Bad Debt Write Off	2,715	0	0	0		0	0.0%	
Corporate Management :- Indirect Expenditure	15,385	1,983	19,100	17,117	180	16,937	11.3%	0
Net Income over Expenditure	(13,369)	(3,083)	(19,100)	(16,017)				
<u>102 Democratic Representation</u>								
4119 Members Allowances	19,239	0	25,777	25,777		25,777	0.0%	
4120 Members Expenses	144	0	200	200		200	0.0%	
4121 Members Courses	1,134	0	1,000	1,000		1,000	0.0%	
4122 Civic Expenses	935	0	1,000	1,000		1,000	0.0%	
Democratic Representation :- Indirect Expenditure	21,451	0	27,977	27,977	0	27,977	0.0%	0
Net Expenditure	(21,451)	0	(27,977)	(27,977)				
<u>105 Central Support-Admin Costs</u>								
1050 Income-Pension Forms	270	0	0	0			0.0%	
1051 Income-Miscellaneous	6	0	0	0			0.0%	
Central Support-Admin Costs :- Income	276	0	0	0				0
4015 IT Support	7,118	4,328	7,250	2,922		2,922	59.7%	
4020 Telephone & Postage	6,262	1,237	6,600	5,363	80	5,283	20.0%	
4021 Stationery and Printing	3,609	271	4,305	4,034		4,034	6.3%	
4022 Insurance	22,446	0	20,700	20,700		20,700	0.0%	
4023 Subscriptions	4,396	5,561	5,569	8	100	(92)	101.7%	
4024 Equipment rental/Lease	2,312	364	2,000	1,636		1,636	18.2%	
4110 New IT Equipment	2,137	4,776	17,000	12,224	12,081	143	99.2%	
4255 Equipment	938	0	1,200	1,200		1,200	0.0%	
Central Support-Admin Costs :- Indirect Expenditure	49,217	16,537	64,624	48,087	12,261	35,826	44.6%	0
Net Income over Expenditure	(48,942)	(16,537)	(64,624)	(48,087)				

Detailed Income & Expenditure by Budget Heading 06/06/2024

Month No: 3

Committee Report

	Actual Last Year	Actual Year To Date	Current Annual	Variance Annual	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
109 Other Operating Income & Exp.								
1176 Precept Received	1,595,929	839,021	0	(839,021)			0.0%	
1190 Income-Interest Received	65,794	8,268	15,000	6,732			55.1%	
1196 Income-CIL receipts	693,299	146,254	0	(146,254)			0.0%	146,254
Other Operating Income & Exp. :- Income	2,355,022	993,542	15,000	(978,542)			6623.6%	146,254
4175 PWLB - CCA Hall	99,371	0	99,370	99,370		99,370	0.0%	
4950 PWLB -G/MOD/GS/S/OA	46,238	0	46,240	46,240		46,240	0.0%	
4951 PWLB - Pine Grove	169,734	84,867	169,735	84,868		84,868	50.0%	
Other Operating Income & Exp. :- Indirect Expenditure	315,343	84,867	315,345	230,478	0	230,478	26.9%	0
Net Income over Expenditure	2,039,679	908,675	(300,345)	(1,209,020)				
6002 less Transfer to EMR	693,299	146,254						
Movement to/(from) Gen Reserve	1,346,380	762,421						
113 Pine Grove-Revenue Costs								
1051 Income-Miscellaneous	2,715	0	0	0			0.0%	
1103 Income-insurance	7,390	0	0	0			0.0%	
1114 Income - Ashdown Radio	802	0	0	0			0.0%	
1115 Income-Library Rechargeable	24,454	0	19,500	19,500			0.0%	
1116 Income-Basepoint Rechargeable	53,469	9,178	60,000	50,822			15.3%	
1117 Income-Basepoint Rent	60,000	16,714	70,000	53,286			23.9%	
1118 Income-Basepoint Profit share	105,897	17,037	25,000	7,963			68.1%	
Pine Grove-Revenue Costs :- Income	254,728	42,929	174,500	131,571			24.6%	0
4012 Rates	14,876	3,582	15,498	11,916		11,916	23.1%	
4017 Health & Safety	963	0	1,000	1,000		1,000	0.0%	
4041 Grounds Maintenance	1,500	200	1,500	1,300		1,300	13.3%	
4250 Buildings Maintenance	21,243	1,563	50,000	48,437	2,423	46,014	8.0%	
4335 Security, Fire & Alarms	10,406	481	15,000	14,519	2,064	12,456	17.0%	
4800 Caretaking/ Cleaning	16,753	2,779	21,000	18,221	19	18,202	13.3%	
4801 Refuse & Hygiene	2,692	1,567	3,000	1,433		1,433	52.2%	
4805 Electricity	37,091	6,365	40,000	33,635		33,635	15.9%	
4806 Gas	16,345	3,583	30,000	26,417		26,417	11.9%	
4807 Water and Sewage	3,436	695	3,750	3,055		3,055	18.5%	
Pine Grove-Revenue Costs :- Indirect Expenditure	125,307	20,816	180,748	159,932	4,505	155,426	14.0%	0
Net Income over Expenditure	129,421	22,113	(6,248)	(28,361)				

Detailed Income & Expenditure by Budget Heading 06/06/2024

Month No: 3

Committee Report

	Actual Last Year	Actual Year To Date	Current Annual	Variance Annual	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
<u>115 Other Services to the Public</u>								
4112 Service Level Agreements	45,150	50,000	50,000	0		0	100.0%	
4150 Grants	16,000	17,000	17,000	0		0	100.0%	
Other Services to the Public :- Indirect Expenditure	61,150	67,000	67,000	0	0	0	100.0%	0
Net Expenditure	(61,150)	(67,000)	(67,000)	0				
<u>309 Civic & Community Centres</u>								
1010 Income-Toilet Scheme	617	167	617	450			27.0%	
Civic & Community Centres :- Income	617	167	617	450			27.0%	0
Net Income	617	167	617	450				
<u>901 Earmarked F & GP</u>								
9009 Election Reserve	8,348	0	0	0		0	0.0%	
9010 Pine Grove - Water	19,926	975	0	(975)	523	(1,498)	0.0%	975
9011 Legal & Professional Fees	1,744	0	0	0		0	0.0%	
9012 Grants	5,125	3,425	0	(3,425)		(3,425)	0.0%	3,425
9071 Pine Grove Buildings Maintenance	58,649	0	0	0	25,229	(25,229)	0.0%	
Earmarked F & GP :- Indirect Expenditure	93,791	4,400	0	(4,400)	25,751	(30,151)		4,400
Net Expenditure	(93,791)	(4,400)	0	4,400				
6001 plus Transfer from EMR	86,151	4,400						
Movement to/(from) Gen Reserve	(7,640)	0						
Finance and General Purposes :- Income	2,612,658	1,035,538	190,117	(845,421)			544.7%	
Expenditure	681,645	195,603	674,794	479,191	42,698	436,493	35.3%	
Net Income over Expenditure	1,931,013	839,935	(484,677)	(1,324,612)				
plus Transfer from EMR	86,151	4,400						
less Transfer to EMR	693,299	146,254						
Movement to/(from) Gen Reserve	1,323,865	698,081						
Grand Totals:- Income	2,612,658	1,035,538	190,117	(845,421)			544.7%	
Expenditure	681,645	195,603	674,794	479,191	42,698	436,493	35.3%	
Net Income over Expenditure	1,931,013	839,935	(484,677)	(1,324,612)				
plus Transfer from EMR	86,151	4,400						
less Transfer to EMR	693,299	146,254						
Movement to/(from) Gen Reserve	1,323,865	698,081						

<u>Nominal Code</u>	<u>Cost Centre</u>	<u>Earmarked Reserves</u>	<u>Opening Balance</u>	<u>In</u>	<u>Out</u>	<u>Balance as at</u>	<u>Committed</u>	<u>Projected</u>
			<u>01/04/2024</u>			<u>06/06/2024</u>		
314		<u>Finance & General Purposes</u>						
9009	901	Election Reserve	25,161			25,161		25,161
9010	901	PineGrove	7,422			7,422		7,422
9011	901	Legal & Professional Fees	9,665			9,665		9,665
9012	901	Grants	3,425		3,425	0		0
9022	901	Training	1,545			1,545		1,545
314		F & GP Total	47,218	0	3,425	43,793	0	43,793

Karen Whiley
RFO
Crowborough Town Council

17 May 2024

Dear Karen

Crowborough Town Council - Internal Audit 2023-24

Final Audit Report

The internal audit for the 23-24 financial year is now complete. I am pleased to be able to report that I have signed off the internal audit section of the Annual Governance and Accountability Return (AGAR) for with no comments.

As stated in the engagement letter, the scope of our work is limited to completing the audit testing and enquiries we deem necessary to complete Section 4 of the Annual Report for Local Councils in England. We do not provide assurance over or accept responsibility for areas of work not included in this scope, unless specifically agreed with the Council during the financial year.

In providing internal audit services we are not conducting a financial statement audit in accordance with standards and guidelines issued by the Audit Practices Board and our procedures are not designed to provide assurance over the reliability and quality of your financial statements and management information – that is the job of external audit.

We are required by the Annual Internal Audit Report included in the Annual Governance and Accountability Return (AGAR) to review controls in place at the Council against predefined control assertions. These control assertions are set out below, together with the results of my internal audit work for 23-24. Recommendations are set out at Appendix A.

The audit was carried out in two stages. The interim audit was carried out on 2 November, this concentrated on in year financial transactions and governance controls. The final audit was carried out on 15 May and concentrated on the statement of accounts and balance sheet.

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A. Books of Account **Interim Audit**

The Council uses the RBS Omega accounting application. The following linked modules are also operated:

- Allotments
- Cemeteries.
- Purchase Ledger
- Sales Ledger
- Bookings

Fixed asset records are in the process of being transferred on to the RBS Fixed asset module. The purchase order module has been installed since my last audit, meaning commitments accounting is now recorded in the accounting system. The RFO is a qualified accountant and has been with the Council 3 years, and is supported by a Finance Assistant. Both officers are familiar with the operation of the accounting system.

The Omega system is used to report and record the financial transactions of the Council and a review of the cashbook shows that all data fields are being entered and that records are up to date. My audit testing showed that supporting documentation could be readily located from records recorded on RBS, and all key reconciliations were in place.

I tested opening balances on the RBS system at 1.4.23. The balance sheet value of £2,164,120 agreed to box 7 of the audited accounting statements for 22-23.

I confirmed that the Council's VAT returns are up to date, with VAT claimed to the end of September 2023. I checked that figures in the VAT return have been derived directly from the RBS system and confirmed that the quarter 2 VAT claim was submitted to HMRC on 5 October 2023. The credit has been received from HMRC.

The Council reviewed my previous internal audit report at the June 2023 meeting of the Finance and General Purposes Committee. I follow up recommendations raised in Appendix A below.

Final Audit

The accounting statements have been agreed back to year end reports produced from the accounting system. All comparatives reported in the financial statements have been agreed back to the audited 22-23 accounts, as published on the Council website. The Council has restated Box 9 for 22-23 to reflect amendments to the asset register, resulting from a verification exercise completed in 23-24. I review this in more detail in Section F below.

I confirmed that the VAT return for period January to March 24 has been completed and submitted to HMRC. VAT of £23,650 was reclaimed. VAT reclaimed has been agreed to a schedule of transactions on the RBS VAT report for quarter 4 23-24. The refund has been checked into bank, it was received on 9 April.

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My interim report was considered at the January Council meeting (minute 10385) after consideration at the finance Committee meeting

B. Financial Regulations & Payments

Interim Audit

The Council has a suite of policies and procedures. These are listed on a policy review schedule, with a cycle of renewal dates and committees responsible for reviewing each policy. The Council reviewed the Financial Regulations at the Full Council meeting in Committee in March 2023 (minute 10072). Standing Orders were reviewed at the Annual Council Meeting in May 2023(minute 10099). Both documents are based on NALC templates, with local amendments, and are available for review on the Council website. NALC is currently undertaking a fundamental review of the standard Financial Regulations. These will need to be considered by the Council at the 2024 review of policies.

The Council has a robust process for authorisation of payments to suppliers. The Council approves expenditure via the annual budget process. Purchase orders are raised in advance of expenditure being incurred, these are authorised by the service manager for expenditure up to £750, the Clerk or Deputy Clerk for amounts higher than this. Invoices are sent to the Finance Department, and confirmation is sought from service managers that goods or services have been received. At this point, invoices are logged on to the purchase ledger system by the Finance Assistant and are checked by the RFO.

Payments are made via a weekly payment run. The Finance Assistant sends details of payments due to be made to 2 councillors, who review payments, invoices and purchase orders before approving payment by email. The Finance Assistant then sets the payments up on the bank account, these are authorised by an bank signatory, usually the RFO. Payments are then noted retrospectively at a meeting of Full Council

I tested a sample of 10 transactions, selected from the cashbook for the first 6 months of the financial year. For all transactions sampled, I was able to check:

- PO in place with appropriate authorisation
- Invoice agreed to ledger
- Expenditure appropriate for the council
- Evidence that the service or goods had been received (eg confirmation from service manager)
- 2 councillors approved by email that the payment could be made (approval of batch by email held on file)
- Agreed payment per cashbook to bank account.

I checked 1 direct debit payment to the schedule of direct debits and standing orders approved at Full Council in January 2023. (minute 9991)

I confirmed that the Council advertised contract opportunities for 2 major projects on the Contract Finder website, as required by Financial Regulations:

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- Pine Grove atrium glassworks
- Tractor Shed refurbishment

I am satisfied that the Council has complied with the requirements of this control objective for the first six months of the financial year.

Final Audit

Non pay expenditure per box 6 to the accounts amounted to £ 1,272,807 up from £1,092,147 in 22-23 .

I tested 7 further payments from the final four months of the financial year. For all payments tested I was able to confirm that financial regulations had been followed.

- Invoice agreed to ledger
- Expenditure appropriate for the council
- 2 councillors approved by email that the payment could be made (approval of batch by email held on file)

My testing confirmed that the Council is making payments in line with the terms of Financial Regulations.

I note that NALC has recently issued a new template set of Financial Regulations. The RFO will review these and update CTC's regulations over the course of the summer.

C. Risk Management & Insurance

Interim and Final Audit

The Council undertakes a full risk assessment annually. I have confirmed that the risk assessment was reviewed at the Full Council meeting in May 2023 (minute 10111) I have reviewed the risk assessment, which is published on the Council website. and it covers risks I would expect to see for a Council of this size. The Council has met its obligations in this area for 23-24.

I have confirmed that the Council has a valid insurance certificate, with an expiry date of 5 December 2023, insurance is held with Zurich Municipal. Fidelity cover is currently set at £5 million, this is sufficient, given cash and investment balances at the Council . Asset Cover appears broadly consistent with the Council's asset register. 13 buildings are insured, with the main buildings covered are :

Asset	Sum Insured
Wolfe Pavilion	£448K
Wolfe Cottage	£393K
Goldsmiths Pavilion	£400K
Pine Grove	£7 million

Other assets insured include grounds maintenance equipment (sun insured £207K and Play Equipment, £650K).

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The RFO confirmed that buildings were revalued in 2021, this is within timescales set out in the Council's insurance policy.

The Council's cyber liability cover is limited to coverage in respect of data protection. It is recommended that the Council assesses cyber risks as part of the risk assessment process in the next 6 months, with the assistance of the ICT provider, and considers whether additional insurance should be purchased.

Back up of Council data is managed by the Council's IT contractor, Weald IT. The RFO has obtained confirmation from the IT contractor that data back-ups have been tested and are working well – last back up test completed on 23 October 2023.

D. Budget, Precept & Reserves

Interim Audit

I confirmed that the 2023-24 budget and precept setting process was well underway at the time of the interim audit. Draft committee budgets are currently being discussed at the November meeting cycle. The Council budget will then be reviewed at the December meeting of the F&GP Committee, with a final decision on budget and precept due at Full Council on 11 Jan, before precepting authority deadlines. I will review the 24-25 budget at my next audit.

Budget monitoring reports are issued to each committee meeting, setting out the budget position for cost centres managed by that committee. This has been confirmed to minutes. A corporate budget v actual report is sent to Councillors each month. I reviewed the September report, no material overspends were identified. This document will be formally reported to Council at the November Full Council meeting.

Final Audit

Reserves at 31 March 2024 were £2,624,922 (22-23 £2,164,120).

The budget and precept for 24-25 were approved at the Full Council meeting on 9 January 2024 – extract from minutes below. All precepting authority deadlines were met.

10382 RESOLVED to set the precept to 5% for the year 2024/25 confirming a required precept of £1,678,041 and an increase of £8.96 on a band D property.

10383 RESOLVED to approve the budgets for the year 2024/25.

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April Skies

Accounting

The Council recorded the following earmarked reserve balances on the accounting system at 31.3.24

314	EMR F&GP	47,218
315	EMR S & R	85,983
316	EMR Environment	92,051
317	EMR Communication & Events	25,696
318	EMR A & C	194,653
319	EMR Restricted s106	0
321	EMR Personnel	18,527
323	EMR Pine Grove	45,010
390	CiL Money 2023/2024	693,299
391	CiL Money 2019/2020	31,435
392	CiL Money 2020/2021	72,041
393	CiL Money 2021/2022	14,167
394	CiL Money 2022/2023	283,232

These are monitored via a spreadsheet by the RFO, which provides detail on each of the earmarked reserves and is available for reporting to members.

General Reserves at year end were £1.02m. This represents 65% of precept, and is a little higher than I would anticipate at a Council the size of CTC. I discussed this matter with the RFO, and some of the property maintenance reserves seem low, given the value and importance of the assets. It is recommended that the general reserve balance is reviewed in 24-25, and where asset reserves seem insufficient to cover potential areas of expenditure, then additional monies should be transferred to appropriate earmarked reserves.

E. Income

Interim Audit

Crowborough receives income from a number of sources

- Library – share of cleaning and utility costs
- Basepoint - rent, contribution to service charges plus profit share
- Cemeteries
- Allotments
- Sports pitches
- Community halls
- Kiosks

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I selected a sample of 10 income transactions from the cashbook for the first 6 months of the financial year. For all transactions tested I was able to agree income back to invoice, and from there I checked the invoice had been correctly raised by reviewing the following:

- Cemetery invoices agreed to published schedule of cemetery fees
- Basepoint cost share calculation maintained by RFO
- Basepoint owner report, for profit share.
- Notification from insurer – insurance credit.
- Grant notification – 2 grants

For all transactions tested I was able to agree items sampled to relevant supporting documentation.

The Council's sales ledger showed an outstanding balance of £70,148 at 25 October 2023. Of this £5k is more than 3 months old. The Council's debtors ledger is well managed, but the 3 older debts (with basepoint and 2 sports clubs) should be pursued and collected before year end.

Final Audit

Precept per box 2 to the accounts was £1,595,929 (22-23 £1,522,738). This has been agreed to third party documentation provided by external audit.

Income per box 3 to the accounts was £1,165,458 (22-23 £627,373). I reviewed an additional sample of income credits from the final four months of the financial year. For transactions selected I was able to agree income back to invoice, and to credit at bank. I checked correct income booked to the cashbook by checking to supporting documentation such as:

- Bank statement (bank interest)
- Lease (camping field income)
- Approved fees and charges (allotments)
- Invoice and calculation sheet (Basepoint)

F. Petty cash

Balance at year end is £350, run via an imprest system. This was counted on 29 March, signed by RFO and Finance Officer.

G. Payroll

Interim and Final Audits

Staff costs per box 4 to the accounts were £712,435 (22-23 £563,680).

Payroll is processed by an external agency Advo . All monthly payroll information is collated by the RFO. The Operations Manager approves overtime by grounds staff, and all other overtime is approved by the Clerk - details are sent to the RFO. The RFO prepares a payroll schedule and sends this information to Advo.

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Payroll is processed, and the outputs are sent to the RFO for checking prior to payment. Payroll is signed off by the Chair of the Personnel Committee. The Bacs file is then sent by Advo to bank for payment.

I carried out testing of payments made to staff in August 2023. I agreed ledger payments back to payroll information produced by the payroll agency for 4 staff members. I tested that:

- Net pay per cashbook agreed back to payslips
- Basic pay per payroll could be reconciled back to approved rates of pay. I confirmed this to spinal points recorded on contracts of employment, minutes confirming pay rises, and minuted lock up shift allowances.
- I checked that overtime paid could be agreed back to an appropriately authorised timesheet

At the final audit I confirmed that only payments relating to the employment of staff have been coded to box 4 – this is in line with regulations.

H. Assets and investments

Final Audit

Fixed assets per box 9 to the accounts were £ 7,713,987 (22-23 £7,701,485 restated).

The RFO has continued validation work on the asset register in 23-24, following the transfer of the asset register to the RBS asset module. I have been able to agree the accounts balance in box 9 to the year end asset register printout from the RBS system.

The Council has restated the 22-23 fixed asset balance. This is because the RFO identified a number of assets that had not been added to the asset register in previous accounting periods. The impact of this is an increase in the asset value of £20K. There is a schedule of assets to support this entry.

Additions in 23-24 were £260K. The main item added to the asset register is the new contemplation building, added to the asset register at cost of £198K.

Disposals of 247K have been posted to the asset register in 23-24. The majority of these disposals relate to the removal of infrastructure items previously recorded on the asset register. This is items such as fencing, pathways and car parks. It is my opinion that the decision to remove these items from the asset register represents a change in accounting policy, and these items should also be removed from the 22-23 figures in the accounts via the restated asset balance.

I. Bank reconciliations

Interim Audit

The Council has 3 accounts with NatWest and 2 with Lloyds Bank.

Bank reconciliations are completed monthly. A review of the file confirmed that this control is occurring on a timely basis and review is evidenced by the Chairman of the F&GP committee.

I re-performed the September 2023 bank reconciliation, and checked balances to RBS reports and bank statements. I found no error in the reconciliation and confirmed that the reconciliation had been reviewed by Councillor Waller, evidenced by signature on the reconciliation. I confirmed the reviewing councillor had been sent copies of all bank statements and was therefore able to agree the reconciliation to bank before sign off.

The Council has an investment strategy in place, this was last reviewed in January 23 – minute 9992 I note that the Council resolved at the October meeting of Finance and General Purpose Committee to move £500K into a CCLA savings account, to improve rates of return on the Council's cash holdings.

Final Audit

Borrowings per box 10 to the accounts were £2,871,566 (22-23 £3,096,950) . This has been agreed to year end statements published on the Debt Management Office website.

Cash per box 8 to the accounts was £2,593,338(22-23 £2,125, 417)

I re-performed the year end bank reconciliation. I agreed all balances in the bank reconciliation back to the accounting system reports and to bank statements. The year end bank reconciliation was found to be accurate and evidence of review on both the reconciliation and the bank statements was provided by Councillor Waller before my audit.

There is an anomaly in the year end bank reconciliation, as a result of an accounting error by CCLA. The Council placed a £750,000 deposit with CCLA. This was not finalised until 26 April 2024, I have confirmed this to the Council's bank statements. However, the CCLA year end statement shows that the Council had made this investment by 31.3.24. This is clearly an error, the year end CCLA balance is overstated on the year end statement. The RFO will need to prepare a working paper for external audit, this may cause complications with the year end audit.

However, I am satisfied that the year-end bank reconciliation on the accounting system is correct.

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J. Year-end accounts

CTC has produced accounts on the accruals basis, this is required as income / expenditure is above £200k. A reconciliation between Box 7-8 of the accounts has been prepared, for external audit review, and creditor and debtor listings support this reconciliation.

An explanation of year-on-year variances has also been prepared and provides detailed explanations for review by external audit.

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

Final Audit

Yes, the Council meets the requirement of the Code by publishing information on the Council website, on the Transparency Page. Information published is comprehensive, and the Council clearly sets out how it publishes data to meet Code requirements. . I checked that the following information was up to date at the time of the final audit:

- Payments data – published to end of March 2024
- Community Infrastructure Levy report – 22-23 report published.
- Contracts and Tender Register – up to date to end 23-24

I am satisfied the Council is meeting the requirements of the Transparency Code

M: Arrangements for Inspection of Accounts

Interim Audit

Inspection periods for 2022-23 were set as follows

Inspection - Key date	22-23 Actual
Accounts approved at Full Council	27 June Full Council
Date of Announcement	28 June
Inspection period begins	29 June
Inspection period ends	9 August
Correct length	Yes

I can confirm that regulations were followed in this respect and that the Council can therefore sign off that it has met control objective 4 on the annual governance statement.

N: Publication requirements 2022-23 AGAR

I confirmed that the Council has correctly loaded the audited accounts, annual governance statement and audit certificate for 22-23 on to the Council website. The conclusion of audit certificate has been correctly published, with a date of 28 September, in advance of the 30 September deadline. The Council received a clear audit certificate from the external auditors dated 23 September 2023, so there are no matters to be taken into consideration in 23-24. An archive of AGAR documentation going back to 2017-18 is published on the website, as required by regulations

The audit certificate was reported to Finance and General Purposes at the October meeting.

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O. Trusteeship Final Audit

The Council is sole trustee of the following charities:

Alderbrook Recreation Ground - Charity Number: 305197

Silver Jubilee Pleasure Ground - Charity Number: 305198

War Memorial- Charity Number: 255587 -

Wolfe Recreation Ground- Charity Number: 305199

Annual Returns for 22-23 have been submitted to the Charity Commission and reporting is up to date. The Council has submitted nil value returns. This follows guidance received in 2001, when the Charity Commission stated the following, in a request from CTC to permit the Council to run the Charities' finances through the Council's accounts:

Having studied the respective Conveyances and Indentures for the above charities, it would indeed appear to be in order for Crowborough Town Council to directly manage the above charities. Goldsmiths Recreation Ground, Silver Jubilee Pleasure Ground and Wolfe Recreation Ground are all held by the Town Council (cited as the Parish Council within the relevant documents) as trustee on a freehold basis. The Town Council is also noted as the managing trustee for these three charities, and in turn has the responsibility for their administration.

I note that the external auditors raised the following management letter point in their 22-23 audit certificate:

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

The smaller authority has confirmed that the figures in Section 2 include transactions in respect of the trust fund that it acts as sole managing trustee of. The smaller authority has confirmed that it has approval from the Charity Commission to run the trust accounts through the smaller authority's accounts but we have not been provided with the evidence in respect of this.

The RFO raised this matter with external audit , the most recent communication on 15th May 24 stated:

Thank you for your email. I can confirm that the Practitioners' Guide for 2023/24 has not been changed in respect of the treatment of trust funds. We are of the view that where there is not a separate trust fund bank account and transactions have passed through the council's bank account, so long as the council have disclosed this fact via the responses to Section 1, Assertion 9 and Section 2, Boxes 11 (a) and (b) we would not need to raise an 'except for' matter in our report. This would be treated as an 'other' matter to draw attention to the disclosures made by the council. It would be useful to include a copy of this email with your submission this year.

We have raised our concerns regarding the guidance currently provided in the Practitioners' Guide in respect of trust funds and we will continue to monitor the situation.

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April Skies

Accounting

In the absence of a clear decision from external audit, it is my recommendation that the Council should continue to include the Charity Accounts in the main CTC accounts. Box 11a on the accounting statements should be marked as "NO".

However, in my opinion, the Council should work to separate charity accounting from the main council accounts in the longer term. Charity Commission guidance received in 2001 on this matter is not clear on this matter. This must be finalised before the Council incurs expenditure on Wolfe Recreation Ground, as there will be VAT implications.

I attach my invoice for your consideration together with the internal audit report from the AGAR. I would like to take this opportunity to thank you for your help with the audit. I look forward to working with you again next year, in the meantime please do not hesitate to contact me if I can be of any assistance.

Yours sincerely



Mike Platten CPFA

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APPENDIX A

Points Forward – Action Plan - 23-24 Interim Audit

Matter Arising	Recommendation	Council Response
The Council's cyber liability cover is limited to coverage in respect of data protection.	It is recommended that the Council assesses cyber risks as part of the risk assessment process in the next 6 months, with the assistance of the ICT provider, and considers whether additional insurance should be purchased	Noted for 24-25 risk assessment
I recommend that the RFO should consider separating the charity income and expenditure from the Council's books to enable the Council to demonstrate compliance with this control objective in 23-24.	This is complicated by the planned expenditure on the Wolfe Recreation Ground Pavilion. The Council should consult with East Sussex Association of Local Councils legal support to ensure proper accounting and minuting of decisions around this project are in put in place.	Email confirmation obtained from external audit – no resolution on this issue provided as yet

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Points Forward – Action Plan - 23-24 Final Audit

Matter Arising	Recommendation	Council Response
<p>General Reserves at year end were £1.02m. This represents 65% of precept, and is a little higher than I would anticipate at a Council the size of CTC. I discussed this matter with the RFO, and some of the property maintenance reserves seem low, given the value and importance of the assets.</p>	<p>It is recommended that the general reserve balance is reviewed in 24-25, and where asset reserves seem insufficient to cover potential areas of expenditure, then additional monies should be transferred to appropriate earmarked reserves.</p>	
<p>Disposals of 247K have been posted to the asset register in 23-24. The majority of these disposals relate to the removal of infrastructure items previously recorded on the asset register. This is items such as fencing, pathways and car parks</p>	<p>It is my opinion that the decision to remove these items from the asset register represents a change in accounting policy, and these items should also be removed from the 22-23 figures in the accounts via the restated asset balance.</p>	
<p>In the absence of a clear decision from external audit, it is my recommendation that the Council should continue to include the Charity Accounts in the main CTC accounts. Box 11a on the accounting statements should be marked as “NO”.</p>	<p>However, in my opinion, the Council should work to separate charity accounting from the main council accounts in the longer term. Charity Commission guidance received in 2001 on this matter is not clear on this matter. This must be finalised before the Council incurs expenditure on Wolfe Recreation Ground, as there will be VAT implications.</p>	

Annual Governance and Accountability Return 2023/24 Form 3

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

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

Guidance notes on completing Form 3 of the Annual Governance and Accountability Return 2023/24

1. Every smaller authority in England that either received gross income or incurred gross expenditure exceeding £25,000 **must** complete Form 3 of the Annual Governance and Accountability Return at the end of each financial year in accordance with *Proper Practices*.
2. **The Annual Governance and Accountability Return is made up of three parts, pages 3 to 6:**
 - The **Annual Internal Audit Report** **must** be completed by the authority's internal auditor.
 - **Sections 1 and 2** **must** be completed and approved by the authority.
 - **Section 3** is completed by the external auditor and will be returned to the authority.
3. The authority **must** approve Section 1, Annual Governance Statement, before approving Section 2, Accounting Statements, and both **must** be approved and published on the authority website/webpage **before 1 July 2024**.
4. An authority with either gross income or gross expenditure exceeding £25,000 or an authority with neither income nor expenditure exceeding £25,000, but which is unable to certify itself as exempt, or is requesting a limited assurance review, **must** return to the external auditor by email or post (not both) **no later than 30 June 2024**. Reminder letters will incur a charge of £40 +VAT:
 - the Annual Governance and Accountability Return Sections 1 and 2, together with
 - a bank reconciliation as at 31 March 2024
 - an explanation of any significant year on year variances in the accounting statements
 - notification of the commencement date of the period for the exercise of public rights
 - Annual Internal Audit Report 2023/24

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

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

Publication Requirements

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

Before 1 July 2024 authorities **must** publish:

- Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited;
- **Section 1 - Annual Governance Statement 2023/24**, approved and signed, page 4
- **Section 2 - Accounting Statements 2023/24**, approved and signed, page 5

Not later than 30 September 2024 authorities **must** publish:

- Notice of conclusion of audit
- **Section 3 - External Auditor Report and Certificate**
- **Sections 1 and 2 of AGAR** including any amendments as a result of the limited assurance review. It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report, page 3.

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

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

Guidance notes on completing Form 3 of the Annual Governance and Accountability Return (AGAR) 2023/24

- The authority **must** comply with *Proper Practices* in completing Sections 1 and 2 of this AGAR. *Proper Practices* are found in the *Practitioners' Guide** which is updated from time to time and contains everything needed to prepare successfully for the financial year-end and the subsequent work by the external auditor.
- Make sure that the AGAR is complete (no highlighted boxes left empty) and is properly signed and dated. Any amendments must be approved by the authority and properly initialled.
- The authority **should** receive and note the Annual Internal Audit Report before approving the Annual Governance Statement and the accounts.
- Use the checklist provided below to review the AGAR for completeness before returning it to the external auditor by email or post (not both) no later than 30 June 2024.
- The Annual Governance Statement (Section 1) must be approved on the same day or before the Accounting Statements (Section 2) and evidenced by the agenda or minute references.
- The Responsible Financial Officer (RFO) must certify the accounts (Section 2) before they are presented to the authority for approval. The authority must in this order; consider, approve and sign the accounts.
- The RFO is required to commence the public rights period as soon as practical after the date of the AGAR approval.
- You must inform your external auditor about any change of Clerk, Responsible Financial Officer or Chair, and provide relevant authority owned generic email addresses and telephone numbers.**
- Make sure that the copy of the bank reconciliation to be sent to your external auditor with the AGAR covers all the bank accounts. If the authority holds any short-term investments, note their value on the bank reconciliation. The external auditor must be able to agree the bank reconciliation to Box 8 on the accounting statements (**Section 2, page 5**). An explanation **must** be provided of any difference between Box 7 and Box 8. More help on bank reconciliation is available in the *Practitioners' Guide**.
- Explain fully significant variances in the accounting statements on **page 5**. Do not just send a copy of the detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include complete numerical and narrative analysis to support the full variance.
- If the bank reconciliation is incomplete or variances not **fully** explained then additional costs may be incurred.
- Make sure that the accounting statements add up and that the balance carried forward from the previous year (Box 7 of 2023) equals the balance brought forward in the current year (Box 1 of 2024).
- The Responsible Financial Officer (RFO), on behalf of the authority, **must** set the commencement date for the exercise of public rights of 30 consecutive working days which **must** include the first ten working days of July.
- The authority **must** publish on the authority website/webpage the information required by Regulation 15 (2), Accounts and Audit Regulations 2015, including the period for the exercise of public rights and the name and address of the external auditor **before 1 July 2024**.

Completion checklist – 'No' answers mean you may not have met requirements		Yes	No
All sections	Have all highlighted boxes have been completed?	✓	
	Has all additional information requested, including the dates set for the period for the exercise of public rights , been provided for the external auditor?	✓	
Internal Audit Report	Have all highlighted boxes been completed by the internal auditor and explanations provided?	✓	
Section 1	For any statement to which the response is 'no', has an explanation been published?	✓	
Section 2	Has the Responsible Financial Officer signed the accounting statements before presentation to the authority for approval?	✓	
	Has the authority's approval of the accounting statements been confirmed by the signature of the Chair of the approval meeting?	✓	
	Has an explanation of significant variations been published where required?	✓	
	Has the bank reconciliation as at 31 March 2024 been reconciled to Box 8?	✓	
	Has an explanation of any difference between Box 7 and Box 8 been provided?	✓	
Sections 1 and 2	Trust funds – have all disclosures been made if the authority as a body corporate is a sole managing trustee? NB: do not send trust accounting statements unless requested.	✓	

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

Annual Internal Audit Report 2023/24

CROWBOROUGH TOWN COUNCIL

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

During the financial year ended 31 March 2024, 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 2023/24 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 2022/23, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2022/23 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 2023-24 AGAR period, were public rights in relation to the 2022-23 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 2022/23 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

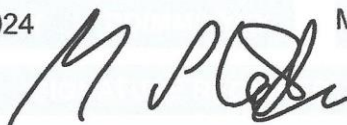
02/11/2023

15/05/2024

Name of person who carried out the internal audit

M PLATTEN CPFA

Signature of person who carried out the internal audit



Date

17/05/2024

***If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).**

****Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).**

Section 1 – Annual Governance Statement 2023/24

We acknowledge as the members of:

CROWBOROUGH 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 2024, that:

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

***Please provide explanations to the external auditor on a separate sheet for each 'No' response 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:

and recorded as minute reference:

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

Chair

Clerk

Section 2 – Accounting Statements 2023/24 for

CROWBOROUGH TOWN COUNCIL

	Year ending		Notes and guidance
	31 March 2023 £	31 March 2024 £	
			<i>Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to underlying financial records.</i>
1. Balances brought forward	1,985,179	2,164,120	<i>Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.</i>
2. (+) Precept or Rates and Levies	1,522,738	1,595,929	<i>Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.</i>
3. (+) Total other receipts	627,373	1,165,458	<i>Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.</i>
4. (-) Staff costs	563,680	712,435	<i>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.</i>
5. (-) Loan interest/capital repayments	315,343	315,343	<i>Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).</i>
6. (-) All other payments	1,092,147	1,272,807	<i>Total expenditure or payments as recorded in the cash-book less staff costs (line 4) and loan interest/capital repayments (line 5).</i>
7. (=) Balances carried forward	2,164,120	2,624,922	<i>Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).</i>
8. Total value of cash and short term investments	2,125,417	2,593,338	<i>The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.</i>
9. Total fixed assets plus long term investments and assets	RESTATE 7,493,572	7,713,987	<i>The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.</i>
10. Total borrowings	3,096,950	2,871,566	<i>The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).</i>

For Local Councils Only	Yes	No	N/A	
11a. Disclosure note re Trust funds (including charitable)	✓			<i>The Council, as a body corporate, acts as sole trustee and is responsible for managing Trust funds or assets.</i>
11b. Disclosure note re Trust funds (including charitable)		✓		<i>The figures in the accounting statements above exclude any Trust transactions.</i>

I certify that for the year ended 31 March 2024 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

06/06/2024

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

14/05/2024

as recorded in minute reference:

10521

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

Section 3 – External Auditor’s Report and Certificate 2023/24

In respect of

CROWBOROUGH TOWN COUNCIL

1 Respective responsibilities of the auditor and the authority

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

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

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

- summarises the accounting records for the year ended 31 March 2024; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

2 External auditor’s limited assurance opinion 2023/24

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

(continue on a separate sheet if required)

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

(continue on a separate sheet if required)

3 External auditor certificate 2023/24

We certify/do not certify* that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2024.

*We do not certify completion because:

External Auditor Name

External Auditor Signature

Date



Freedom of Information

Responsibility: F & GP committee

Review Cycle: Annually, or earlier in the event of legislative changes

<u>Date of Adoption / Renewal</u>	<u>Resolution Number</u>
3 July 2018	8463
27 October 2020	9152
7 September 2021	9498
30 th August 2022	9854
20 th June 2023	10158

FREEDOM OF INFORMATION

1. Introduction

The Freedom of Information Act 2000

The Freedom of Information Act 2000 provides public access to information held by public authorities. It does this in two ways:

- 1.1 Public authorities are obliged to publish certain information about their activities
- 1.2 Members of the public are entitled to request information from public authorities

The Act covers any recorded information that is held by the Council. Recorded information includes printed documents, computer files, letters, emails, photographs, and sound or video recordings.

The Act does not give people access to their own personal data (information about themselves). Individuals wishing to see information about themselves need to make a Subject Access Request under the Data Protection Act.

2. What can be requested?

- 2.1 The right to ask for information only relates to information held by the Council at the time the request is made.
- 2.2 A request under the Freedom of Information Act gives a right to 'information' rather than specific records or documents.
- 2.3 The Council publishes a wide range of information on its website and as per the Council's Publication Scheme. Before submitting a request for information, the Council would urge individuals to visit the Council's website or check the Council's Publication Scheme (available on the website) as the information required may already be published.

3. How to make a request

- 3.1 A request must be made in writing. As much information as possible must be given to enable the Council to identify and locate the information being requested.
- 3.2 Requests may be made to the Town Clerk, Crowborough Town Council, Council Offices, Pine Grove, Crowborough, East Sussex, TN6 1DH or by email to Information.Request@crowboroughtowncouncil.gov.uk
- 3.3 Where an individual is not able to make a request in writing, perhaps as a result of illiteracy, disability or illness, they may ask another person or agency (such as the Citizen's Advice Bureau) to help them or make the request of their behalf.

4. Response

- 4.1 The request will be dealt with by the Town Clerk or in their absence, the Assistant Town Clerk. The Town Clerk will do so in accordance with this policy and the guidance set by the Information Commissioners Office for dealing with requests.
- 4.2 Response to requests for information will be made promptly and within 20 working days after the day of receipt. Subject Access Requests will be responded to within one calendar month. Where we are unable to adhere to these timelines, we will inform requesters of the reasons and will keep them updated.
- 4.3 The requester is entitled to say how they wish the information to be communicated to them. This may be by letter, email, in the form of a summary of the information or by inspection at the Council's

offices. Where an inspection of documents is required, this will be arranged with the Town Clerk for a mutually convenient date and time.

5. Charges

5.1 In certain circumstances the Council may charge a fee for any retrieval and provision of information. Full details of any charges will be notified to the requester by the Town Clerk before the request is processed.

5.2 The Council's Publication Scheme has full details of charges for the provision of hard copies of documents which is available on the Town Council's website.

6. Refusal of a Request

6.2 In certain circumstances the Council may refuse a request for information.

6.3 Vexatious and repeated requests and/or applications made with the aim of frustrating the operations of the Council may be refused.

6.4 The Council may also refuse to accede to a request for information where the information is considered to be exempted under the Freedom of Information Act. Information on exemptions can be found on the ICO website. <https://ico.org.uk>

Some parts of a request response may be redacted where the release would breach the Data Protection Act.

6.5 All requests will be considered on their merits and with the aim that information should be made available unless it is clearly not in public interest to do so.

6.6 A written explanation for any refusal of a request for information will always be given.

7. Recording requests

7.1 All requests under the Freedom of Information Act will be recorded on a central log.

Appeals

If you are not happy with the way your request has been handled or your review response you may appeal to:

The Information Commissioner
Wycliffe House
Water Lane
Wilmslow
Cheshire
SK9 5AF
Tel: 01625 545745
Fax: 01625 524510
website: <https://ico.org.uk>

Further information about your rights under the Freedom of Information Act is available from our website of the **Information Commissioner's Office**.

RECORDING OF PUBLIC MEETINGS POLICY

1. Introduction

- 1.1 The right to record meetings of the council, its committees, sub-committees or joint committees, is permitted under the Openness of Local Government Bodies Regulations 2014. For the purposes of this policy, the term 'recording' refers to any form of audio, visual or electronic recording.
- 1.2 Personnel Committee meetings remain confidential and may not be recorded or reported on outside the meeting.
- 1.3 Where the press and public are excluded from a meeting or part of a meeting owing to the confidential nature of the business to be transacted, recording of that meeting or that part of the meeting will not be permitted.

2. Recordings by members of the public

- 2.1 The recording and reporting on meetings of the Town Council, is subject to the law and it is the responsibility of those doing the recording and reporting to ensure compliance. This will include the Human Rights Act, the Data Protection Act 2018 (GDPR) and the laws of libel and defamation.
- 2.2 The council expects that the recording will not be edited in a way that could lead to misinterpretation or misrepresentation of the proceedings or infringement of the Town Council's values or in a way that ridicules or shows a lack of respect for those in the recording.
- 2.3 Recordings must not be made public.
- 2.4 The Town Council will have no liability for material published by any other person unless it is itself undertaking the publication through its offices.
- 2.5 Any person wishing to record a meeting is asked to contact the Clerk prior to the meeting. Discussing requirements with the clerk beforehand will help to ensure that the council provides reasonable facilities to meet the needs of the person that is recording.
- 2.6 All recording will be undertaken from a static point.
- 2.7 All recording shall be overt, i.e. clearly visible to anyone at the meeting.
- 2.8 Any equipment required for recording purposes must be set up before the meeting starts to avoid disturbance.
- 2.9 Filming elsewhere in the building outside of the meeting room is not permitted without permission.
- 2.10 A person or persons recording the meeting are reminded that the "Public Participation" period is not be part of the formal meeting and that they should take legal advice for themselves as to their rights to make any recording during that period.
- 2.11 The specific filming of children or young people under the age of 13 who are present cannot take place unless their parents/guardians have given their written consent. This provision also applies to vulnerable adults whereby the consent of a responsible adult is required.
- 2.12 People seated in the public seating area must not be photographed, filmed or recorded

without the consent of the individuals concerned.

- 2.13 The Town Council is not liable for the actions of any person making a recording at a council meeting which identifies a member of the public or for any publication of that recording.
- 2.14 The Chair of the meeting has absolute discretion to stop or suspend recording if, in his/her reasonable opinion, continuing to do so would prejudice proceedings at the meeting or if the person recording is in breach of these rules or is disrupting the meeting in any way

3. Recordings by the council

- 3.1 The Chair of the meeting will make an announcement at the beginning of the meeting to make sure everyone understands that the meeting will be recorded.
- 3.2 The Chair of the meeting has the discretion to request the termination or suspension of the recording if continuing to record would prejudice the proceedings of the meeting.

This would include:

- i. Public disturbance, disruption or suspension of the meeting.
 - ii. The meeting agreeing to formally exclude the press and public from the meeting due to the exempt/confidential nature of the business being discussed, in accordance with statutory procedures.
 - iii. Where it is considered that continued recording/photography/filming/ webcasting might infringe the rights or privacy of any individual (including staff members) or intimidate them.
 - iv. For any other reason which the Chair considers reasonable in the circumstances.
- 3.3. Councillors must not record, photograph or film other councillors, staff or members of the public during a meeting.
 - 3.4 The minutes of a council meeting remain the statutory and legally binding formal record of council decisions.

Information available from CROWBOROUGH TOWN COUNCIL under the model publication scheme

Information to be published	How the information can be obtained	Cost
Class 1 – Who we are and what we do (Organisational information, structures, locations and contacts)		
Who's who on the council and its committees	Hard copy	10p per sheet
	Website	Free
Contact details for the Town Clerk and council members	Hard copy	10p per sheet
	Website	Free
Location of main council office and accessibility details	Hard copy	10p per sheet
	Website	Free
Staffing structure	Hard copy	10p per sheet
	Website	Free
Class 2 – What we spend and how we spend it (Financial information relating to projected and actual income and expenditure, procurement, contracts and financial audit)		
Full accounts and audit report	Hard copy	10p per sheet
	Website	Free
Finalised budget	Hard copy	10p per sheet
	Website	Free
Precept	Hard copy	10p per sheet
	Website	Free
Borrowing Approval letter	Hard copy	10p per sheet
	Website	Free
Financial Standing Orders and Regulations	Hard copy	10p per sheet
	Website	Free
Grants given and received	Hard copy	10p per sheet
	Website	Free
List of current contracts awarded and value of contract	Hard copy	10p per sheet
	Website	Free
Members' allowances and expenses	Hard copy	10p per sheet
	Website	Free
Class 3 – What our priorities are and how we are doing (Strategies and plans, performance indicators, audits, inspections)		

Business Plan / Vision Document	Hard copy Website	10p per sheet Free
Annual report to Town Conference	Hard copy Website	Free Free
Class 4 – How we make decisions (Decision making processes and records of decisions)		
Timetable of meetings (Council, any committee/sub-committee meetings and parish meetings)	Hard copy Web site	10p per sheet Free
Agendas of meetings (as above)	Hard copy Web site	10p per sheet Free
Minutes of meetings (as above) – <i>n.b. this will exclude information that is properly regarded as private to the meeting</i>	Hard copy Web site	10p per sheet Free
Reports presented to council meetings – <i>n.b. this will exclude information that is properly regarded as private to the meeting</i>	Hard copy Web site	10p per sheet Free
Responses to consultation papers	Hard copy	10p per sheet
Responses to planning applications	Hard copy Web site	10p per sheet Free
Bye-laws	Hard copy	10p per sheet
Class 5 – Our policies and procedures (Current written protocols, policies and procedures for delivering our services and responsibilities)		
<u>Policies and procedures for the conduct of council business:</u> Procedural standing orders Committee and sub-committee terms of reference Delegated authority in respect of officers Code of Conduct Policy statements	Hard copy Web site	10p per sheet Free
<u>Policies and procedures about the employment of staff:</u> Equal Opportunities Statement Health and Safety Policy Recruitment policies (including current vacancies) Policies and procedures for handling requests for information Complaints procedures (including those covering requests for information and operating the publication scheme)	Hard copy Web site	10p per sheet Free
Record management policies (records retention, destruction and archive)	Hard copy website	10p per sheet Free
Schedule of charges (for the publication of information)	Hard copy website	10p per sheet Free

All other policies	Hard copy website	10p per sheet Free
Class 6 – Lists and Registers (Currently maintained lists and registers)		
Any publicly available register or list (if any are held this should be publicised; in most circumstances existing access provisions will suffice)	Hard copy – some information may be available for inspection only	10p per sheet
Assets Register	Hard copy Web site	10p per sheet Free
Register of members' interests	Hard copy Web site	10p per sheet Free
Register of gifts and hospitality	Hard copy Web site	10p per sheet Free
Disclosure log (indicating the information that has been provided in response to requests; recommended as good practice, but may not be held by parish councils)	Hard copy	10p per sheet
Class 7 – The services we offer (information about the services we offer, including leaflets, guidance and newsletters produced for the public and businesses)		
Allotments	Hard copy booking form/maps etc Web site	Free of charge Free
Burial grounds i.e maps and closed churchyards	Available for inspection	Free of charge
Community centres and village halls	Hard copy booking form	Free of charge
Parks, playing fields and recreational facilities	Hard copy booking form	Free of charge
Seating, litter bins, clocks, memorials and lighting	Available for inspection Hard copy	Free of charge 10p per sheet
Poster boards	Hard copy booking form	Free of charge
Bus shelters	Available for inspection	Free of charge

	Hard copy	10p per sheet
Newsletters	Delivered to all properties in the parish	Free of charge
Foreign Pension Signing		£10.00 per appointment and sign off.
A summary of services for which the council is entitled to recover a fee, together with those fees (e.g. burial fees)	Hard copy	10p per sheet
	Web site	Free

Postage costs incurred. Actual cost of Royal Mail 2nd class.

COMMUNITY INFRASTRUCTURE LEVY (CIL) SPENDING POLICY

1. Introduction

1.1 The Community Infrastructure Levy (CIL) is a charge which can be levied by local authorities on new development in their area. It allows local authorities to collect money from developments to assist with the delivery of infrastructure that is required to support development in and around the district.

Developers pay this levy to the Charging Authority (Wealden District Council) who pass 15% of CIL receipts to the Town Council. This needs to be spent on locally determined infrastructure in areas where development takes place and is known as the 'meaningful proportion'. This amount rises to 25% should the Council have an adopted Neighbourhood Plan in place.

2 Spending of CIL funds (The Meaningful Proportion)

2.1 The Town Council must use CIL money to support the development of the local council's area, by funding the provision, improvement, replacement, operation or maintenance of infrastructure or anything else that is concerned with addressing the demands that development places on an area.

2.2 Any spend of CIL funding must fit within the usual powers of the Town/Parish Council and their powers of competence.

2.3 Where the infrastructure to be supported is not permissible due to the responsibilities of the Town/Parish Council then this may still happen by agreeing for the money to remain/be passed back to the District Council for them to have spent in accordance with the wishes of the local community.

2.4 Decisions on the expenditure of the 'meaningful proportion' funds are at the Town/Parish Council's discretion, provided that it is in accordance with the CIL regulations. All requests for use of CIL funds from committees are subject to confirmation by Full Council.

2.5 The Town Council must spend CIL funds transferred to them within a period of 5 years from the date of initial receipt.

3. Reporting

3.1 The Town Council must submit a report to Wealden District Council setting out the following no later than the 31st December each year following the reported year:

3.1.1 Total CIL receipts for the reported year

3.1.2 Total expenditure for the reported year

3.1.3 A summary of what the CIL was spent on

3.1.4 The total amount of CIL receipts retained at the end of the reported year from that year and previous years.

3.2 The Town Council must publish on the Council website the following no later than the 31st December each year following the reported year:

3.1.5 Total CIL receipts for the reported year

3.1.6 Total expenditure for the reported year

- 3.1.7 A summary of what the CIL was spent on
- 3.1.8 Details of any notices received from Wealden District Council in relation to unspent CIL or CIL spent outside the scope of the regulations
- 3.1.9 The total amount of CIL receipts retained at the end of the reported year from that year and previous years



Fixed Asset Policy

Responsibility: F & GP Committee

Review Cycle: At least every three years, or earlier in the event of legislative changes

<u>Date of Adoption / Renewal</u>	<u>Resolution Number</u>
3 July 2018	8463
29 June 2021	9449

FIXED ASSET POLICY

1. Introduction

- 1.1 Local Councils must maintain an asset register to ensure fixed assets are appropriately safeguarded. This includes items of a capital nature where values tend to be high and which have a useful life of more than one year.

2. Scope of the asset register

- 2.1 In order to ensure transparency and reasonableness, 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
 - Assets considered to be portable, attractive or of community significance
- 2.2 The values indicated in the asset register will inform the 'Total Fixed Asset' section of the Annual Return.
- 2.3 The following items fall outside the definition for inclusion and are therefore excluded from the Council's asset register:
- Assets rented or loaned to the Council
 - Assets owned by charitable trusts where the Council is the trustee
 - Items held for resale, i.e. stock
 - Consumable items or items with a useful life of less than a year
 - Cash and short term investments
 - Intangible assets
- 2.4 In accordance with good practice, the Council has set a *de minimus* level of £1,000 below which expenditure will not generally be capitalised. All expenditure above the *de minimus* level will be deemed capital expenditure and added to the fixed asset register.
- 2.5 An annual inspection of the fixed asset register will occur to ensure that all items can be physically verified. Discrepancies between the physical verification process and the register will be investigated promptly by the RFO. Any assets which cannot be located after investigation will be removed from the asset register and recorded in the schedule of disposals. Any new assets identified will be added to the register.
- 2.6 The asset register and schedule of disposals will be reviewed annually by the F & GP Committee and then approved by Full Council.

3. Valuation of assets and the fixed asset register

- 3.1 Once recorded on the fixed asset register, the value of assets must not change from year to year until disposal. Concepts of depreciation and impairment adjustment are not appropriate for Local Councils (Governance and Accountability for Local councils: A Practitioner's Guide (England) 2017).
- 3.2 Assets must be valued by one of the following means based on available information:
- Actual purchase price (where known)
 - Proxy (estimated purchase price) value, where actual purchase price is not known
 - Nominal value of £1. This should be used for assets gifted or transferred to the Council

4. Valuation of assets for insurance purchases

- 4.1 The fixed asset register will be used to inform the insurers of Council assets.
- 4.2 For the purposes of insurance, the value to be used is the replacement value of the item, not the purchase price or market value.
- 4.3 The Council should ensure ~~assets~~ land and buildings are valued accurately for insurance purposes to avoid under (or over) insuring. Assets should therefore be valued every five years to ensure the appropriate level of insurance is held.