

LISS PARISH COUNCIL

VILLAGE HALL - CHARITY REGISTRATION NUMBER 301872

TRUSTEES REPORT FOR 2020/21

The accounts for the 2020/21 financial year were audited by Lightatouch, the appointed auditors, on 31/1/22 and approved at the Liss Parish Council meeting on 21<sup>st</sup> March 2022.

The total income figure was significantly elevated in 2020/21 by the receipt of Covid grant of £19,907.43.

Of the normal running costs the staff costs were reduced from previous year due to Covid pandemic and Village Hall having to close for use, thereby less cleaning was required to maintain through the year. Waste disposal was also minimised on cost due to Covid.

The budget amount for maintenance was not used in year as Covid did not allow for work to be done. This will be carried over into the next financial year.

The Charity will continue its aims of providing a community facility for hire by all members of the community and to maintain the facility to a high standard.

Approved at Liss Parish Council on 21<sup>st</sup> March 2022

Signed: .....

Name: K Budden

Position: Chair of Liss Parish Council

**LISS PARISH COUNCIL  
CHARITIES ACCOUNTS FOR THE TWELVE MONTHS TO 31st MARCH 2021**

Year to 3/31/2020		Whole Year Budget	12 Months to 3/31/2021	Amount under/ -over Budget	
£	Income	£	£		%
48970.84	Village Hall	29352.00	46487.45	17135.45	58.38
49043.96	Liss Recreation Ground (Rec & Pavilion)	34597.00	52800.53	18203.53	52.62
6446.11	Allotments	7125.00	7590.63	465.63	6.54
<u>###</u>		<u>71074.00</u>	<u>106878.61</u>	<u>35804.61</u>	50.38
	<u>Expenditure</u>				
45787.99	Village Hall	29066.00	15532.87	13533.13	46.56
26605.33	Liss Recreation Ground (Rec & Pavilion)	33799.00	8913.84	24885.16	73.63
6424.54	Allotments	6855.00	1459.09	5395.91	78.71
<u>78817.86</u>		<u>69720.00</u>	<u>25905.80</u>	<u>43814.20</u>	62.84
<u>25643.05</u>	<b>Excess/(deficit) of income over expendi</b>	<u>1354.00</u>	<u>80972.81</u>	<u>79618.81</u>	5880.27

**Village Hall Account - Charity reg. No. 301872**

<u>Income</u>					
10349.09	Rentals	6000.00	3226.83	2773.17	46.22
0.00	Covid support grants	0.00	19907.43	-19907.43	
21000.00	LPC Grant	23352.00	23352.00	0.00	0.00
0.00	District & County Councillor grants	0.00	0.00	0.00	
17620.30	Ins claim	0.00	0.00	0.00	
1.45	Account interest	0.00	1.19	-1.19	
<u>48970.84</u>		<u>29352.00</u>	<u>46487.45</u>	<u>-17135.45</u>	-58.38
<u>Expenditure</u>					
2010.90	Gas	1800.00	1407.66	392.34	21.80
1832.46	Electricity	1800.00	1093.42	706.58	39.25
405.20	Water supply and sewage	750.00	134.93	615.07	82.01
1328.67	solid waste	1500.00	159.15	1340.85	89.39
237.50	Council Tax & Performing Rights_	335.00		335.00	100.00
152.50	Fire fight equip servicing/replacement	350.00	427.00	-77.00	-22.00
301.66	Other servicing	225.00		225.00	100.00
609.12	Cleaning materials & window cleaning	600.00	163.10	436.90	72.82
448.31	Maintenance	4000.00	1659.00	2341.00	58.53
21017.52	Maintenance - capital works	0.00		0.00	#DIV/0!
2528.00	Insurance	2528.00	2528.00	0.00	0.00
1277.00	Other - phone/copier/post/misc/stationary	1277.00	313.48	963.52	75.45
13439.15	Staff (Admin & Caretaker)	13701.00	7447.13	6253.87	45.65
0.00	Expenses ie. banking/mileage/other	0.00		0.00	0.00
200.00	Audit	200.00	200.00	0.00	0.00
<u>45787.99</u>		<u>29066.00</u>	<u>15532.87</u>	<u>13533.13</u>	46.56
<u>3182.85</u>	<b>Total Village Hall Account</b>	<u>286.00</u>	<u>30954.58</u>	<u>-30668.58</u>	

2 Months to 3/31/2020		Whole Year Budget	12 Months to 3/31/2020	Amount under/ -over Budget	
£		£	£	£	%
<b><u>Liss Recreation Ground Account - Charity reg. No.301871</u></b>					
<u>Income</u>					
405.75	Rentals (Rec)	450.00	110.00	340.00	75.56
11000.00	LPC Grant (Rec)	12147.00	12147.00	0.00	0.00
25.00	Wayleaves	0.00	25.00	-25.00	
1000.00	HPFA Grant	0.00	0.00	0.00	-
12111.77	Rentals (Pavilion)	8000.00	6609.91	1390.09	17.38
0.00	Covid support grants	0.00	19907.43	-19907.43	
24500.00	LPC Grant (Pavilion)	14000.00	14000.00	0.00	0.00
1.44	Interest	0.00	1.19	-1.19	-
12430.75	Total Income Rec	12597.00	12282.00	315.00	2.50
36613.21	Total Income Pavilion	22000.00	40518.53	-18518.53	-84.18
<u>49043.96</u>		<u>34597.00</u>	<u>52800.53</u>	-18203.53	-52.62
<u>Expenditure</u>					
<u>Rec West Liss</u>					
250.06	Services and repairs (hut maintenance) & e/	0.00		0.00	-
120.00	Hedges	120.00		120.00	100.00
750.00	Sundries (Field maintenance)	750.00		750.00	100.00
760.00	Contribution towards tractor/repairs/ins.etc	760.00		760.00	100.00
250.00	Tree surgery	250.00		250.00	100.00
363.00	Groundsman's allocation of time for year	363.00		363.00	100.00
2280.00	contract grass cutting	3700.00	1800.00	1900.00	51.35
6156.65	Rec ground staff costs	6731.00		6731.00	100.00
<u>Pavilion</u>					
3457.25	Pavilion Staff costs 13107.00	6404.00	1298.71	5105.29	79.72
1277.00	Other - photocopy/post/misc 1277.00	1066.00	72.83	993.17	93.17
777.50	Insurance 700.00	850.00		850.00	100.00
453.65	phone and internet	575.00	421.58	153.42	26.68
250.00	audit	250.00		250.00	100.00
179.47	Water supply and wastewater	1000.00	260.74	739.26	73.93
80.56	Performing Rights	200.00		200.00	100.00
57.50	Fire fight equip servicing/replacement	200.00	59.50	140.50	70.25
298.33	Gas boiler & CCTV servicing	500.00		500.00	100.00
687.25	Cleaning materials & window cleaning		386.74	-386.74	#DIV/0!
3669.50	Contract cleaning & Consumables	4500.00		4500.00	100.00
0.00	Maintenance - routine	500.00	1526.18	-1026.18	-205.24
0.00	Maintenance - capital works 1000			0.00	#DIV/0!
0.00	Council tax	80.00	651.03	-571.03	-713.79
1105.45	Electricity	2000.00	1336.49	663.51	33.18
1811.10	Gas	1500.00	940.89	559.11	37.27
1571.06	Solid waste	1500.00	159.15	1340.85	89.39
10929.71	<u>Rec Total</u>	12674.00	1800.00	10874.00	85.80
15675.62	<u>Pavilion Total</u>	21125.00	7113.84	14011.16	66.33
<u>26605.33</u>	<u>Charity Total</u>	<u>33799.00</u>	<u>8913.84</u>	<u>24885.16</u>	73.63
<u>22438.63</u>	<b><u>Total Liss Recreation Ground Account</u></b>	<u>798.00</u>	<u>43886.69</u>	<u>-43088.69</u>	-5399.59

**Allotments Account - Charity reg. No.237190**

<u>Income</u>					
2444.67	Rentals	2625.00	3089.45	-464.45	-17.69
4000.00	LPC Grant	4500.00	4500.00	0.00	0.00
1.44	Interest	0.00	1.18	-1.18	
<u>6446.11</u>		<u>7125.00</u>	<u>7590.63</u>	<u>-465.63</u>	-6.54
<u>Expenditure</u>					
1548.69	Incidental expenses & water charges	1750.00	747.47	1002.53	57.29
3892.85	Staff (Admin)	4005.00		4005.00	100.00
363.00	Groundsman's allocation of time	480.00		480.00	-
250.00	Tree surgery	250.00		250.00	
370.00	Other - phone/photocopy/post/misc	370.00	711.62	-341.62	-92.33
<u>6424.54</u>		<u>6855.00</u>	<u>1459.09</u>	<u>5395.91</u>	78.71

<u>21.57</u>	<b><u>Total Allotments Account</u></b>	<u>270.00</u>	<u>6131.54</u>	<u>-5861.54</u>	-2170.94
£			£		
11056.87	Balance at 1/04/20		7,749.91		
25643.05	Income for the year		<u>80,972.81</u>		
<u>36699.92</u>	Balance at 31/03/21		<u>88,722.72</u>		
	Represented by:				
7749.91	Cash & Bank (Charity accounts)		28,576.39		
5589.94	Debtors - VAT		5,589.94		
2454.61	- Main account		20,000.00		
29707.32	- Pavilion Account		29,707.32		
182.00	unbanked		182.00		
<u>45683.78</u>			<u>84,055.65</u>		
-1505.00	Less: Creditors - (1100)& Scout (405) deposits		- 1,505.00		
-6633.68	- Main acc.		- 6,633.68		
-577.25	- refunds made		- 577.25		
-8715.93			<u>- 8,715.93</u>		
<u>36967.85</u>			<u>75,339.72</u>	-13383.00	

Earmarked Reserves:

**Allotments Account - Charity reg. No.237190**

Year to <u>3/31/2020</u>	Whole Year. <u>Budget</u> £	2 Months to <u>3/31/2021</u> £	Amount under/ <u>-over Budget</u> £
<u>Income</u>			
2444.67 Rentals	2625.00	3089.45	-464.45
4000.00 LPC Grant	4500.00	4500.00	0.00
1.44 Interest	0.00	1.18	-1.18
<u>6446.11</u>	<u>7125.00</u>	<u>7590.63</u>	<u>-465.63</u>
<u>Expenditure</u>			
1548.69 Incidental expenses & water charges	1750.00	747.47	1002.53
3892.85 Staff (Admin)	4005.00		4005.00
363.00 Groundsman's allocation of time	480.00		480.00
250.00 Tree surgery	250.00		250.00
370.00 Other - phone/photocopy/post/misc	370.00	711.62	-341.62
<u>6424.54</u>	<u>6855.00</u>	<u>1459.09</u>	<u>5395.91</u>
<u>21.57</u> <b>Total Allotments Account</b>	<u>270.00</u>	<u>6131.54</u>	<u>-5861.54</u>

**Liss Recreation Ground Account - Charity reg. No.301871**

Year to 3/31/2020	Whole Year. Budget	2 Months to 3/31/2021	Amount under/ -over Budget
£	£	£	
<u>Income</u>			
405.75 Rentals (Rec)	450.00	110.00	340.00
11000.00 LPC Grant (Rec)	12147.00	12147.00	0.00
25.00 Wayleaves	0.00	25.00	-25.00
1000.00 HPFA Grant	0.00	0.00	0.00
12111.77 Rentals (Pavilion)	8000.00	6609.91	1390.09
0.00 Covid support grants	0.00	19907.43	-19907.43
24500.00 LPC Grant (Pavilion)	14000.00	14000.00	0.00
1.44 Interest	0.00	1.19	-1.19
12430.75 Total Income Rec	12597.00	12282.00	315.00
36613.21 Total Income Pavilion	22000.00	40518.53	-18518.53
<u>49043.96</u>	<u>34597.00</u>	<u>52800.53</u>	<u>-18203.53</u>
<u>Expenditure</u>			
<u>Rec West Liss</u>			
250.06 Services and repairs (r	0.00		0.00
120.00 Hedges	120.00		120.00
750.00 Sundries (Field mainte	750.00		750.00
760.00 Contribution towards t	760.00		760.00
250.00 Tree surgery	250.00		250.00
363.00 Groundsman's allocati	363.00		363.00
2280.00 contract grass cutting	3700.00	1800.00	1900.00
6156.65 Rec ground staff costs	6731.00		6731.00
<u>Pavilion</u>			
3457.25 Pavilion Staff costs 13	6404.00	1298.71	5105.29
1277.00 Other - photocopy/pos	1066.00	72.83	993.17
777.50 Insurance 700.00	850.00		850.00
453.65 phone and internet	575.00	421.58	153.42
250.00 audit	250.00		250.00
179.47 Water supply and was	1000.00	260.74	739.26
80.56 Performing Rights	200.00		200.00
57.50 Fire fight equip servic	200.00	59.50	140.50
298.33 Gas boiler & CCTV ser	500.00		500.00
687.25 Cleaning materials & window clea		386.74	-386.74
3669.50 Contract cleaning & C	4500.00		4500.00
0.00 Maintenance - routine	500.00	1526.18	-1026.18
0.00 Maintenance - capital works 1000			0.00
0.00 Council tax	80.00	651.03	-571.03
1105.45 Electricity	2000.00	1336.49	663.51
1811.10 Gas	1500.00	940.89	559.11
1571.06 Solid waste	1500.00	159.15	1340.85
10929.71 <u>Rec Total</u>	12674.00	1800.00	10874.00

15675.62 <u>Pavilion Total</u>	21125.00	7113.84	14011.16
<u>26605.33</u> <u>Charity Total</u>	<u>33799.00</u>	<u>8913.84</u>	<u>24885.16</u>
<u>22438.63</u> <b>d Account</b>	<u>798.00</u>	<u>43886.69</u>	<u>-43088.69</u>



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Tel: 07762 780605 Email: Tim.Light1@hotmail.co.uk

**02 February  
2022**

**The Parish Clerk**

**Liss Parish Council**

**The Council Room**

**Liss Village Hall**

**Hill Brow Road**

**Liss**

**GU33 7LA**

Dear Sarah

**First Interim Internal Audit Report**

**Liss Parish Council - April 2021 - December 2021**

The Accounts and Audit (England) Regulations 2015 (as amended) require all Town and Parish Councils to undertake an effective internal audit to evaluate the effectiveness of their risk management, control and governance processes, taking into account public sector internal auditing standards or guidance. We confirm that we are independent of the Council.

The internal audit work to be carried out has been planned to enable us to give our opinion on the control objectives set out in the Annual Internal Auditor's Report on the 2021-22 Annual Governance and Accountability Annual Return (AGAR).

We have complied with the legal requirements and proper practices set out in:

- 'Governance and Accountability for Local Councils - A Practitioners' Guide (England)' 2021
- The Accounts and Audit (England) Regulations 2015 (as amended).

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## **Background**

Liss Parish Council had income and expenditure in 2020/2021 of between £200,000 and £300,000 and is subject to review by the External Auditor, PKF Littlejohn. The conclusion of audit notice from the External Auditor for 2020/2021 showed two "other matters" which states:

**Information received from the smaller authority confirms that the approval date entered in Section 2 of the AGAR is incorrect. This should read 05/05/21.**

**The smaller authority is advised to take care when completing the AGAR in the future to ensure that it is filled out correctly. Information received from the authority indicates that they have received insurance claims/refunds against expenditure during the year and have accounted for it as a receipt in Section 2, Box 3 rather than netting it against the relevant expense. The authority was unable to provide specific evidence when further details were requested. Whilst the Practitioners' Guide is silent on the matter, it is our view that the true cost to the authority should be shown on a net basis. Accounting on a gross basis inflates the gross income and gross expenditure of the authority and can push the authority into a higher fee band than it would otherwise be in.**

***Audit Note: The Joint Practitioners Audit Group and the External Auditor are continuing to discuss this issue to agree a definitive proper practice which will be included in the updated version of the Practitioners Guide 2022.***

The Council is a sole managing trustee.

It is good practice for the Council to comply with the Local Government Transparency Code 2015.

The Council's accounting records are maintained on RBS Omega Software.  
***(Audit Note: The Council have purchased RBS Omega Software has been introduced for recording financial transactions for the 2021/2022 financial year for both the Parish and Charities Accounts.***

Further confirmation has been obtained of good practice and compliance with the Transparency Code Regulation 2015 from the Council's website.

The Council has appointed a new Responsible Finance Officer (RFO) who was appointed on 1 June 2021. She has made a good start to understand the requirements of the RBS Omega software and the processes required to ensure that sound financial control is maintained at the Parish Council.

The RFO has supplied back up information for the period April 2021 to December 2021 to support the current governance and financial management position of the Council.

The first interim internal audit visit was agreed with the Parish Clerk and RFO to be carried out on Thursday 20 January 2021 but due to IT issues on the day the

April 4, 2022

Page 3

Internal Auditor was not able to fulfil the commitment but agreed to return on Monday 31 January 2022 to complete the review. On the return visit the Parish Clerk was unable to be on site due to Covid 19 family issues but joined in on a meeting remotely with the Internal Auditor, the Assistant Clerk and RFO.

It was agreed that due to the RFO being new to the Council and the outstanding issues that remained incomplete for the Charity Accounts for the 2020/2021 financial year, the focus of the visit would concentrate on checking the status of the Charity Accounts and to provide support to the RFO to clear these so that they can be filed to the Charity Commission.

***(Audit Note: We are pleased to report that on the day of the visit balances were confirmed for the Charity Accounts and we have been able to sign off the account details so that these can be filed with the Charity Commission).***

We have also agreed with the Parish Clerk that a further return visit to check compliance with the governance and accountability for smaller authorities will be carried out on Thursday 10 March 2022.

### **Internal audit checks**

We have also undertaken a series of audit tests on those records available for this review including Council documents, Minutes, policies, procedures, and insurance documentation to ascertain the efficiency and effectiveness of the Parish Council's internal control framework. This internal audit report is based on the audit testing carried out at this review.

During this review we checked a sample of records and tested the following:

- Minutes of Council and Committee Meetings
- Policies and Procedures
- Bank and cash
- Investments
- Budgetary Control
- VAT claims
- Financial Risk Assessment
- Transparency of the Council website

### **Findings**

Details of good practice noted, our recommendations and other matters to be brought to the Council's attention are set out below.

### **Good practice**

- Staff remain aware of the requirements of GDPR
- The Council is registered with the ICO.
- Details of total payments authorised at meetings are recorded in the Minutes.

April 4, 2022

Page 4

- The Council take an active scrutiny role
- The budgeting process is detailed and monitored throughout the year.
- The Council remain compliant with the requirements of the Transparency Code Regulation 2015

### **Recommendations**

- The balances held in the Current Account remain high due to the income received from CIL receipts and should be reviewed. Consideration should be given to reinvest balances with a suitable provider to secure better rates of interest for maximising the balances held by the Parish Council. **(Audit Note: The Parish Clerk and RFO will make further enquires to resolve this issue).**
- A VAT reimbursement claim for the period April 2021- December 2021 should be submitted to HMRC in the near future.
- In accordance with proper practices required by the External Auditor, each Invoice should be initialled and dated by the Clerk and the words “checked and agreed” should be used to confirm that an authenticity check has been carried out to confirm the amount to be paid and that goods and services have been delivered. A stamp should be used to record these details.
- Bank reconciliations should be produced, printed off, signed and dated by the RFO each month. Discrepancies should be followed up and cleared by the RFO to ensure that bank reconciliations are agreed to the details from the bank statements.
- the Chair of Finance Committee should sign and date the bank reconciliations quarterly to confirm that bank reconciliations have been carried out accurately as part of Parish Council scrutiny role.

### **Other matters to be brought to the Council's attention**

- As indicated, it should be noted that the External Auditor has highlighted in 2020/2021 that any authority which receives income in respect of an insurance claim against expenditure during the year should not account for it as a receipt but should be netting it off against the relevant expense. Whilst the Practitioners' Guide is silent on the matter, the External Auditor's view is that the true cost to the authority should be shown on a net basis. Accounting on a gross basis inflates the gross income and gross expenditure of the authority and can push the authority into a higher fee band than it would otherwise be in. The Joint Practitioners Audit Group (JPAG) and the External Auditor are continuing to discuss this issue to agree a definitive proper

- practice which will be included in the updated version of the Practitioners Guide 2022.
- The Council have provided evidence of the posting date for the Exercise of Public Rights in 2021 and will be able to tick “Yes” to Assertion 4 on Section 1 (Governance Statement) of the AGAR 2021/2022 to comply with the requirements of the Accounts and Audit Regulations 2015. We will also be able to tick “Yes” to Control Objective M on the Annual Internal Audit Report 2021/2022.
  - We note that the risk assessment for 2021/2022 will need to be approved by full Council by 31 March 2022. We understand that this will be reviewed and approved at the full Council meeting in March 2022. Once completed we will be satisfied that the Council can tick “Yes” to Assertion 5 on Section 1 (Governance Statement) of the AGAR 2021/2022 to comply with the requirements for the External Auditor. We will then tick “Yes” to Control Objective C on the Annual Internal Audit Report 2021/2022. The 2021/2022 Risk Assessment should then be uploaded on to the Council website for information.
  - We also note that the Asset Register for 2021/2022 will need to be approved by full Council by the 31 March 2022. We understand that this will be reviewed and approved at the full Council meeting in March 2022. Once this is completed the Council can tick “Yes” to Assertion 6 on the Annual Governance Statement on the AGAR 2021/2022. We will be able to tick “Yes” to Control Objective H on the Annual Internal Audit Report 2021/2022.

### **Conclusion**

We have made recommendations in this report to enhance and strengthen the internal controls that exist. We can give limited assurance at this stage that the internal control framework is adequate, but we have agreed with the Parish Clerk and RFO that 2021/2022 is a transition year and that work in progress will be tested at the next visit to give full assurance that it is enough to take forward into 2022/2023. We will continue our testing at the next internal audit visit.

### **Next visit**

*April 4, 2022*

*Page 6*

The next internal audit visit has been arranged for **Thursday 10 March 2022.**

At this visit detailed checks will be carried out on:

- Minutes of Council Meetings
- Bank and cash
- Investments
- Income and expenditure
- VAT claims
- 2022/2023 budget requirements
- Financial Risk Assessment
- Payroll Information
- Asset Register
- Transparency Code Regulation 2015

### **Next Steps**

This report should be noted and circulated to the next meeting of the Parish Council.

They should decide what action will be taken on the recommendations we have made.

Tim Light FMAAT  
Internal auditor