

Town Council – 11th June 2018
Annual Return 2017-18 – Overview and Guidance
Agenda Items 7 and 8

The attachments contain the annual return and supporting documentation for submission to our external auditor.

Contained in the annual return attachment itself (TC7 and TC8 Annual return to be signed) are the following:

- A guide to completion and submission including a checklist which the administrative staff will complete prior to submission.
- The internal auditor's confirmation that internal controls have been checked and the accounts are in order (page 3)
- A confirmation document (page 4) that councillors are satisfied that governance checks and internal controls are in place. This form should be signed by both the Mayor and the Town Clerk at the meeting under agenda item 7.
- A summary of the accounting figures (accounting statement page 5) which should be signed by the Responsible Financial Officer (S151 officer) and the Mayor under agenda item 8.

The additional enclosures in support of the accounting statements (agenda item 8) are as follows:

- All bank statements ending 31st March 2018
- Bank reconciliations confirming that accounts match with bank statements
- Background "proving" information for the accounts as required by the auditors, including explanation of variances between year ended 2017 and 2018 and the notice for residents.

It is worth noting that the overall statement balances of £3,085,000 does not include the CCLA investment of £750,000 or the loan to St Michaels Village Hall of £40,000 which are treated as assets for accounting purposes – our true *net worth* therefore at 31st March 2018 is £3,875,000.



Phil Burgess
Town Clerk

Local Councils, Internal Drainage Boards and other Smaller Authorities in England

Annual Governance and Accountability Return 2017/18 Part 3

To be completed by:

- all smaller authorities* where either the higher of gross income or gross expenditure exceeded £25,000 but did not exceed £6.5 million; and
- any other smaller authorities that either:
 - are unable to certify themselves as exempt; or
 - have requested a limited assurance review.

Guidance notes on completing Part 3 of the Annual Governance and Accountability Return 2017/18

1. Every smaller authority in England that either received gross income or incurred gross expenditure exceeding £25,000 must complete Part 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 is completed by the authority's internal auditor.
 - Sections 1 and 2 are to 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 before 2 July 2018.
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 requesting a limited assurance review, must send to the external auditor:
 - the Annual Governance and Accountability Return Sections 1, 2 and 3, together with
 - a bank reconciliation as at 31 March 2018
 - an explanation of any significant year on year variances in the accounting statements
 - your notification of the commencement date of the period for the exercise of public rights
 - Annual Internal Audit Report 2017/18

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

Once the external auditor has completed and is able to give an opinion on the limited assurance review, the Annual Governance and Accountability Return including Section 3 – External Auditor Report and Certificate will be returned to the authority.

Publication Requirements

Smaller authorities with either income or expenditure exceeding £25,000 must publish on a public website, under the Accounts and Audit Regulations 2015, the Annual Governance and Accountability Return:

- Section 1 – Annual Governance Statement 2017/18, page 4
- Section 2 – Accounting Statements 2017/18, page 5
- Section 3 – The External Auditor Report and Certificate 2017/18, page 6
- Notice of the period for the exercise of public rights and other information required by Regulation 15 (2), Accounts and Audit Regulations 2015.

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 Local Audit and Accountability Act 2014.

Guidance notes on completing Part 3 of the Annual Governance and Accountability Return 2017/18

- The authority must comply with *Proper Practices* in completing Sections 1 and 2 of this Annual Governance and Accountability Return. *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 Annual Governance and Accountability Return is complete (i.e. no empty highlighted boxes), and is properly signed and dated. Avoid making amendments to the completed Annual Governance and Accountability Return. Any amendments must be approved by the authority, properly initialled and accompanied by an explanation. If the Annual Governance and Accountability Return contains unapproved or unexplained amendments, it may be returned and additional costs will be incurred.
- The authority should receive and note the annual internal audit report prior to approving the annual governance statement and before approving the accounts.
- Use the checklist provided below to review the Annual Governance and Accountability Return for completeness before sending it to the external auditor.
- Do not send the external auditor any information not specifically requested. However, you must inform your external auditor about any change of Clerk, Responsible Finance Officer or Chairman, and provide relevant email addresses and telephone numbers.
- Make sure that the copy of the bank reconciliation to be sent to your external auditor with the Annual Governance and Accountability Return 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 explanation.
- If the external auditor has to review unsolicited information, or receives an incomplete bank reconciliation, or variances are not fully explained, additional costs will be incurred.
- Make sure that the accounting statements add up and that the balance carried forward from the previous year (Box 7 of 2017) equals the balance brought forward in the current year (Box 1 of 2018).
- Please enter the authority's name only in Section 3 on Page 6. Do not complete the remainder of that section, which is reserved for the external auditor.
- The Responsible Financial Officer (RFO), on behalf of the authority, must set the commencement date for the exercise of public rights. From the commencement date for a single period of 30 consecutive working days, the accounts and accounting records can be inspected. Whatever period the RFO sets it must include a common inspection period – during which the accounts and accounting records of all smaller authorities must be available for public inspection – of the first ten working days of July.
- The authority must publish 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.

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 have been completed by the internal auditor and explanations provided?		
Section 1	For any statement to which the response is 'no', is an explanation provided?		
Section 2	Has the authority's approval of the accounting statements been confirmed by the signature of the Chairman of the approval meeting?		
	Has an explanation of significant variations from last year to this year been provided?		
	The bank reconciliation as at 31 March 2018 is agreed 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 is a sole managing trustee? NB: do not send trust accounting statements unless requested or instructed.		

*More guidance on completing this annual return is available in *Governance and Accountability for Smaller Authorities in England – a Practitioners' Guide to Proper Practices*, which can be downloaded from www.nalc.gov.uk or from www.slcc.co.uk or from www.ada.org.uk

Annual Internal Audit Report 2017/18

Tenterden Town Council

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

The internal audit for 2017/18 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Agreed? Please choose one of the following		
	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	✓		
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic and year-end bank account reconciliations were properly carried out.	✓		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K. (For local councils only)	Yes	No	Not applicable
Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

Name of person who carried out the internal audit

30/10/17 & 18/05/18

David J. Buckett

Signature of person who carried out the internal audit

D. J. Buckett

Date

18 05 18

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

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

Section 1 – Annual Governance Statement 2017/18

We acknowledge as the members of:

Tenterden 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 2018, that:

	Agreed		Yes	No*	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		<i>has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts.</i>
			✓		

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

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

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

Chairman

Clerk

dated

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

www.tenterdentowncouncil.gov.uk

Section 2 – Accounting Statements 2017/18 for

Tenterden Town Council

	Year ending		Notes and guidance
	31 March 2017 £	31 March 2018 £	
1. Balances brought forward	348626	3124273	Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.
2. (+) Precept or Rates and Levies	368093	335700	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	3669186	173516	Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.
4. (-) Staff costs	175571	220725	Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and employment expenses.
5. (-) Loan interest/capital repayments	0	0	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	1086061	326941	Total expenditure or payments as recorded in the cash-book less staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	3124273	3085823	Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).
8. Total value of cash and short term investments	3119109	3085861	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.
9. Total fixed assets plus long term investments and assets	5160164	5267581	The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.
10. Total borrowings	0	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	The Council acts as sole trustee for and is responsible for managing Trust funds or assets.
		✓	N.B. The figures in the accounting statements above do not include any Trust transactions.

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

Signed by Responsible Financial Officer

Date

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

and recorded as minute reference:

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

Section 3 – External Auditor Report and Certificate 2017/18

In respect of Tenterden Town Council

1 Respective responsibilities of the body and the auditor

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

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

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

2 External auditor report 2017/18

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

(continue on a separate sheet if required)

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

(continue on a separate sheet if required)

3 External auditor certificate 2017/18

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

*We do not certify completion because:

External Auditor Name

External Auditor Signature

Date

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



Current Account

Date	Details	Withdrawn	Paid in	Balance
29 Mar 2018	BROUGHT FORWARD			578,899.38
3 Apr	Automated Credit			
	WHITE STUFF LTD			
	TENTERDEN COUNCIL			
	FP 03/04/18 0454			
	400000000353762488		3,525.00	
	Direct Debit			
	ASHFORD B C			
	7026570	1,089.17		
	Direct Debit			
	ASHFORD B C			
	7164881	93.00		
	Direct Debit			
	ASHFORD B C			
	7240419	288.00		
4 Apr	Cheque			580,954.21
5 Apr	Automated Credit			577,277.80
	TENTERDEN SPEAKERS			
	INV 2393 MOL001			
	FP 05/04/18 1225			
	500000000349776613		30.00	
	Direct Debit			
	GRENKELEASING LIM			
	0700013603	434.63		576,873.17

578
18/5/18

Account Number 59308249
Branch sort code 60-21-20
National Westminster Bank Plc

TENTERDEN TOWN COUNCIL
/ VOUCHERS



Current Account

Branch details
Tenterden Branch
58 High Street
Tenterden
Kent
TN30 6AX

RECEIVED

27 APR 2018

Summary

3 Nov 2017 to 23 Apr 2018
Sheet 126

Previous balance	1,109.52
Withdrawn	0.00
Paid in	0.00
New balance	1,109.52

DTB
18/5/18

Your deposit is eligible for protection under the Financial Services Compensation Scheme (FSCS). An FSCS Information Sheet and list of exclusions will be provided to you on an annual basis. For further information about the compensation provided by the FSCS, refer to the FSCS website at www.FSCS.org.uk

N36700/00281768/M 602120/00417



THE TOWN CLERK
THE MAYORS CHARITY
TOWN HALL
24 HIGH STREET
TENTERDEN, KENT
TN30 6AX

If you have changed your address or telephone number,
please let us know

For Bank use

Account Number 96630485
Branch sort code 60-21-20
National Westminster Bank Plc

THE MAYOR'S CHARITY

BIC NWBKGB2L
IBAN GB48 NWBK 6021 2096 6304 85



TENTERDEN TOWN COUNCIL
TOWN HALL 24 HIGH STREET
TENTERDEN
TN30 6AN

45091 020027 0130 E 38750



367

BUSINESS SAVINGS STATEMENT



For all Business Banking enquiries please
call **0800 731 6666** Monday to Friday, 8am
to 9pm or Saturday, 8am to 2pm

To help us maintain and improve our
customer service we may monitor or record
your calls

For the hard of hearing and/or speech
impaired, Text Relay service available
18001 0800 9 123 123



Online Banking service and information
available at www.santander.co.uk



Santander, Customer Service Centre, Bootle,
Merseyside, L30 4GB

Your account summary for 3rd Mar 2018 to 2nd Apr 2018

Account name **TENTERDEN TOWN COUNCIL**
Account number: 41381306 Sort Code: 09 06 66 Statement number: 04/2018
BIC: ABBYGB2LXXX IBAN: GB05 ABBY 0906 6641 3813 06
Balance brought forward from previous Statement £1,905,503.06
Total money in: £4,050.50
Total money out: £0.00
Your balance at close of business 2nd Apr 2018 **£1,909,553.56**

578 18/5/18

News and information

An update on our ring-fencing plans

Ring-fencing legislation is designed to better
protect personal and small business customers
and the day-to-day banking services they rely on.
We've now launched the legal process to
restructure part of our business to comply with
the ring-fencing legislation. Find out more about
our plans, including the legal process, court dates
and how to make sure your views are considered
by visiting santanderfencing.co.uk or
calling us on **0800 023 2091**

Statements for savings accounts

From July 2018, if you do not already receive a
monthly statement you'll be able to request one
for some of our savings accounts. If you're
currently receiving an annual statement you can
choose to continue to receive an annual
statement as now, with payment information also
available by calling us on the number above. We
also provide information in our secure Online
Bank - sign up on our website. Your Terms and
Conditions will be updated to reflect these
options

Financial Services Compensation Scheme

Please find enclosed the FSCS Information Sheet
and Exclusions List

Interest and refunds paid this period

Date	Why we are paying you	Amount
2nd Apr	Interest on your credit balance	£4,050.50

Your current interest rate is **0.25% annual gross**
(variable) paid monthly.

Rate correct as at 2 April 2018

Balance tiers	Gross rate
£1+	0.25%

The gross rate is the interest rate we pay where no income tax has been deducted

A variable rate can go up or down e.g. in response to industry and market conditions

1090/100

ENTERED - 2 MAY 2018

8

Nationwide Building Society

Private & Confidential
Attn of Philip Burgess
Tenterden Town Council
Town Hall
24 High Street
Tenterden
Kent
United Kingdom
TN30 6AN

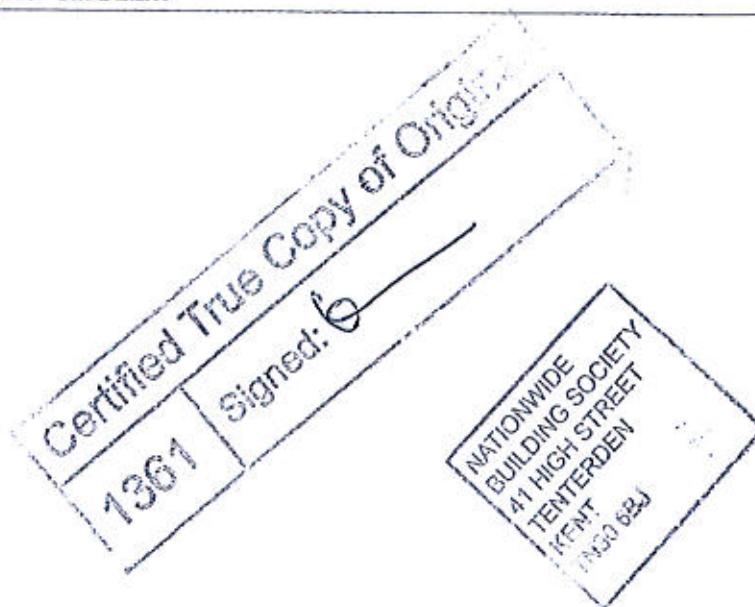
Summary for 30 Nov 2017 - 31 Mar 2018

Start Balance	605,400.00
Total In	0.00
Total Out	0.00
End Balance	605,400.00

Client Name Tenterden Town Council
Account Type Business 1 Year Fixed Rate Saver Issue 10 - Annual

Account Number 90088812
Statement Number 4
Currency Sterling
Interest Rate as at 31 Mar 2018 0.75%

Date	Description	Details	Payments	Receipts	Balance
30 Nov 2017	Start Balance				605,400.00
31 Mar 2018	End Balance				605,400.00



228
18/5/18

The deposits in this account are eligible for protection under the Financial Services Compensation Scheme (FSCS)

Tenterden Town Council

If you have a 95 Day Saver or Instant Saver account, you can pay in as often as you like. Just check your terms and conditions to find out the minimum payment and maximum balance for your account type.

You can find out how to make a payment on the back of this statement.

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

Name of smaller authority: Tenterden Town Council

County Area (local councils and parish meetings only): Kent - Ashford

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

Commencing on 18th June 2018

and ending on 27th July 2018

(Please enter the dates set by the smaller authority as appropriate which must be 30 working days inclusive and must include the first 10 working days of July 2018.

We have suggested the following dates: Monday 4 June – Friday 13 July 2018.

The latest possible dates that comply with the statutory requirements are Monday 2 July – Friday 10 August 2018.)

Signed: 

Role: Responsible Financial Officer

**PLEASE SUBMIT THIS FORM TO PKF LITTLEJOHN LLP WITH
THE AGAR AND OTHER REQUESTED DOCUMENTATION**

Tenterden Town Council

Bank - Cash and Investment Reconciliation as at 31 March 2018

		<u>Account Description</u>	<u>Balance</u>	
<u>Bank Statement Balances</u>				
	1		0.00	
	1	31/03/2018 Current Account - 59308249	578,899.38	
	2		0.00	
	2	31/03/2018 Santander Savings - 41381306	1,905,503.06	
	3	31/03/2018 Mayor's Charity Acc - 96630485	1,109.52	
	4	31/03/2018 Petty Cash	110.00	
	5	31/03/2018 Credit Card	0.00	
	6	31/03/2018 CCLA	0.00	
	7	31/03/2018 Tenterden Town Council	605,400.00	
				3,091,021.96
<u>Unpresented Payments</u>				
	1	21/02/2018 14438	70.00	
	1	27/03/2018 14442	10.00	
	1	27/03/2018 14443	50.00	
	1	27/03/2018 14444	211.15	
	1	27/03/2018 14445	3,676.41	
	1	28/03/2018 14447	21.00	
	1	28/03/2018 14448	900.00	
	1	31/03/2018 14449	222.00	
				5,160.56
				3,085,861.40
<u>Receipts not on Bank Statement</u>				
	0	31/03/2018 All Receipts Cleared	0.00	
				0.00
Closing Balance				3,085,861.40
<u>All Cash & Bank Accounts</u>				
		CCLA	0.00	
		Credit Card	0.00	
		Current Bank Account	573,738.82	
		Mayor's Charity Account	1,109.52	
		Nationwide	605,400.00	
		Petty Cash	110.00	
		Savings Account	1,905,503.06	
		Other Cash & Bank Balances	0.00	
		Total Cash & Bank Balances		3,085,861.40

Explanation of variances – pro forma

Name of smaller authority: Tenterden Town Council

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

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

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

Section 2	2016/17 £	2017/18 £	Variance £	Variance %	Detailed explanation of variance (with amounts £)
Box 2 <i>Precept or Rates and Levies</i>	368093	335700	32393	8.94%	
Box 3 <i>Total other receipts</i>	3669186	173516	3495670	2014%	Net receipt from land sale after VAT £3,564,445 in YE2017 2018 £50,150 new Income from County and Borough for "caretaker scheme" Additional interest income (2017 part-year 2018 full year) £19,070
Box 4 <i>Staff costs</i>	175571	220725	45154	25.71%	Additional 2 maintenance staff cost owing to caretaker scheme £52,454 less replacement admin staff at lower rate £6534.
Box 5 <i>Loan interest/ capital repayments</i>	0	0			
Box 6 <i>All other payments</i>	1086061	326941	759120	69.89%	INYE 2017: Payment of £750,000 to CCLA – long term investment Toilet renovation and vandal-proofing £8602
Box 9 <i>Total fixed assets & long term investments & assets</i>	5160164	5267581	107417	2.08%	
Box 10 <i>Total borrowings</i>	0	0			
Explanation for 'high' reserves	<p>Box 7 is more than twice Box 2 because the authority held the following breakdown of reserves at the year end: £2750123 variance – based on 1 year precept</p> <p>Increase in "reserves" relates to £3.5M from land sale less £750,000 invested in property portfolio. The land sale proceeds can only be used for capital expenditure</p>				

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

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

Name of smaller authority: Tenterden Town Council

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

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

Box 7: Balances carried forward

£

£

3085823

Deduct:

Debtors

• VAT Control Alc 4833.51

•

•

4833.51

Deduct:

Payments made in advance
(prepayments)

•

•

0.00

Total deductions

4833.51

Add:

Creditors (must not include
community infrastructure levy
(CIL) receipts)

• Deposits 1450.00

• Mayor's Charity 3422.34

4872.34

Add:

Receipts in advance (must
not include deferred
grants/loans received)

•

•

0.00

Total additions

4872.34

Box 8: Total cash and short term investments

3085861.83

Tenterden Town Council

Supporting Reserves Reconciliation for ANNUAL RETURN 31 March 2018

Explains the difference between boxes 7 & 8 on the Annual Return

<u>Code</u>	<u>Description</u>	<u>Last Year £</u>	<u>This Year £</u>
	Total Reserves	3,124,273.49	3,085,822.57
100	Debtors	707.68	0.00
105	VAT Control Account	23,012.43	4,833.51
110	Prepayments	630.00	0.00
	Less Total Debtors	24,350.11	4,833.51
510	Accruals	15,756.79	0.00
565	Deposits - Refundable	0.00	1,450.00
580	Mayor's Charity Creditor PS	3,428.34	0.00
585	Mayor's Charity Creditor JN	0.00	3,422.34
	Plus Total Creditors	19,185.13	4,872.34
	Equals Total Cash and Bank Accounts	3,119,108.51	3,085,861.40
200	Current Bank Account	960,327.87	573,738.82
210	Savings Account	1,557,204.70	1,905,503.06
220	Mayor's Charity Account	1,539.85	1,109.52
250	Petty Cash	36.09	110.00
280	Nationwide	600,000.00	605,400.00
	Total Cash and Bank Accounts	3,119,108.51	3,085,861.40

**Bank Reconciliation Statement as at 31/03/2018
for Cashbook 1 - Current Bank Account**

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Current Account - 59308249	31/03/2018	700	578,899.38
			0.00
			<u>578,899.38</u>
<u>Unpresented Cheques (Minus)</u>		<u>Amount</u>	
21/02/2018 14438 Sandwich Mayor's Fund		70.00	
27/03/2018 14445 HMRC		3,676.41	
27/03/2018 14443 R Parham		50.00	
27/03/2018 14442 Sandwich Mayor's Fund		10.00	
27/03/2018 14444 CB Motors		211.15	
28/03/2018 14448 William Judge Trust		900.00	
28/03/2018 14447 Ashford Borough Council		21.00	
31/03/2018 14449 The Arts Society Tenterden		222.00	
			<u>5,160.56</u>
			573,738.82
<u>Receipts not Banked/Cleared (Plus)</u>			
		0.00	
			<u>0.00</u>
			573,738.82
		Balance per Cash Book is :-	573,738.82
		Difference is :-	0.00

**Bank Reconciliation Statement as at 31/03/2018
for Cashbook 2 - Savings Account**

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Santander Savings - 41381306	31/03/2018		1,905,503.06
			0.00
			<u>1,905,503.06</u>
<u>Unpresented Cheques (Minus)</u>		<u>Amount</u>	
		0.00	
			<u>0.00</u>
			1,905,503.06
<u>Receipts not Banked/Cleared (Plus)</u>			
		0.00	
			<u>0.00</u>
			1,905,503.06
		Balance per Cash Book is :-	1,905,503.06
		Difference is :-	0.00

Bank Reconciliation Statement as at 31/03/2018
for Cashbook 3 - Mayor's Charity Account

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Mayor's Charity Acc - 96630485	31/03/2018	125	1,109.52
			<u>1,109.52</u>
<u>Unpresented Cheques (Minus)</u>		<u>Amount</u>	
		0.00	<u>0.00</u>
			1,109.52
<u>Receipts not Banked/Cleared (Plus)</u>			
		0.00	<u>0.00</u>
			1,109.52
		Balance per Cash Book is :-	1,109.52
		Difference is :-	0.00

Bank Reconciliation Statement as at 31/03/2018
for Cashbook 4 - Petty Cash

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Petty Cash	31/03/2018		110.00
			<u>110.00</u>
<u>Unpresented Cheques (Minus)</u>		<u>Amount</u>	
		0.00	
			<u>0.00</u>
			110.00
<u>Receipts not Banked/Cleared (Plus)</u>			
		0.00	
			<u>0.00</u>
			110.00
		Balance per Cash Book is :-	110.00
		Difference is :-	0.00

Bank Reconciliation Statement as at 31/03/2018
for Cashbook 5 - Credit Card

User: JCM

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Credit Card	31/03/2018		0.00
			<u>0.00</u>
<u>Unpresented Cheques (Minus)</u>		<u>Amount</u>	
		0.00	
			<u>0.00</u>
			0.00
<u>Receipts not Banked/Cleared (Plus)</u>			
		0.00	
			<u>0.00</u>
			0.00
		Balance per Cash Book is :-	0.00
		Difference is :-	0.00

Bank Reconciliation Statement as at 31/03/2018
for Cashbook 6 - CCLA

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
CCLA	31/03/2018		0.00
			<u>0.00</u>
<u>Unpresented Cheques (Minus)</u>		<u>Amount</u>	
		0.00	
			<u>0.00</u>
			0.00
<u>Receipts not Banked/Cleared (Plus)</u>			
		0.00	
			<u>0.00</u>
			0.00
		Balance per Cash Book is :-	0.00
		Difference is :-	0.00

**Bank Reconciliation Statement as at 31/03/2018
for Cashbook 7 - Nationwide**

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Tenterden Town Council	31/03/2018	3	605,400.00
			<u>605,400.00</u>
<u>Unpresented Cheques (Minus)</u>		<u>Amount</u>	
		0.00	
			<u>0.00</u>
			605,400.00
<u>Receipts not Banked/Cleared (Plus)</u>			
		0.00	
			<u>0.00</u>
			605,400.00
		Balance per Cash Book is :-	605,400.00
		Difference is :-	0.00