7th June 2019

Worminghall Parish Council

C/O David Williamson

Dear Councillors,

Parish Council Accounts for Year Ending 31st March 2018

As requested, I have once again reviewed the cashbook, supporting documents, bank statements, and the financial schedules which were provided by David to enable me to undertake the internal audit for the Worminghall Parish Council for the year ended on 31st March 2019.

You will see from the attached Statement of Accounts, the cash balance at 31st March 2019 was £7580 which compares very favourably with the closing bank balance of £4566 at the last year end. The improvement in reserves was however broadly in line with the budgeted position for the end of March 2019

Total income in the year at £l0127 was marginally ahead of expectations, benefiting from a VAT refund of £814 which was not confirmed at the time the budget was agreed.

Total expenditure in the year was £7112 which was very close to budget with no material variances against planned levels. However, compared with 2017/18 levels (excluding Neighbourhood Plans costs) expenditure was substantially lower ie £5512 v £11521 in 2017/18. Clearly last year was inflated by a number of exceptional projects such as setting up the website, the upgrade of some street lighting, a higher level of donations plus higher expenditure in a number of other areas. By comparison there was an absence of any similar initiatives in 2018/19 hence the much lower expenditure levels.

The Neighbourhood Plan was approved by a referendum in 2018/19 and the final expenditure of £1600 was fully covered by grants received therefore having no impact on the financial outcome for the year.

In terms of the adequacy of reserves, the closing bank balance at 31st March 2019 of £7580 equates to 13 months of the annual precept for 2018/19. This is marginally in excess of the 3 to 12 month levels recommended for councils. However, I note that the precept for 2019/20 at £13950 has been set at a substantially higher level to finance an almost 112% increase in planned expenditure across a number of headings including a traffic survey (£2500), upgrade in street lighting (£500) and S137 payments £l000)

Against a background of this much higher planned expenditure, I would take this opportunity to remind councillors of the importance of continuing to closely monitor through the quarterly review, the ongoing expenditure levels against budget during the new financial year.

In conclusion, I am pleased to confirm there were no issues arising from the audit which I need to bring to the attention of the councillors and I have passed to David the Annual Internal Audit Report section of the AGAR for 2018/9 which I have signed as the auditor.

Unfortunately, because of holiday commitments, I will be unable to attend the Parish Council meeting on Thursday 27th June when I believe the accounts will be reviewed and approved. However, if any of the councillors have any specific questions regarding the financial schedules or the audit process please contact me by email prior to the meeting.

Yours faithfully

D S Potter FCMA,CGMA