

Public Document Pack

MOUNT EDGCUMBE JOINT COMMITTEE



Joint Clerks

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16 June 2011

MOUNT EDGCUMBE JOINT COMMITTEE

DATE: FRIDAY 24 JUNE 2011
TIME: 10.45 AM
**PLACE: BELVEDERE ROOM, BARROW PARK COMPLEX,
MOUNT EDGCUMBE, CREMYLL**

Committee Members-

Plymouth City Councillors-

Councillors Mrs Beer (Co-Chair), Mrs Bragg, Browne, Mrs Foster, Penberthy, Peter Smith and Vincent.

Cornwall County Councillors-

County Councillors Austin, Flashman, German, Holley, Pearn MBE, Preston and Trubody (Co-Chair).

Co-opted Members-

Sir Richard Carew Pole Bt, Commander G Crocker, Mr D L Richards, Mr T Savery and Mrs B Spring.

Members of the Joint Committee are invited to attend the above meeting to consider the items of business overleaf.

Please note that, unless the Co-Chairs agree, mobile phones should be switched off and speech, video and photographic equipment should not be used during meetings.

Barry Keel
Kevin Lavery
Joint Clerks

MOUNT EDGCUMBE JOINT COMMITTEE

AGENDA

PART I – PUBLIC MEETING

1. APPOINTMENT OF THE JOINT CHAIRS

The Joint Committee will confirm the appointment of the Joint Chairs.

2. APOLOGIES

To receive apologies for non-attendance submitted by Joint Committee Members.

3. DECLARATIONS OF INTEREST

Members will be asked to make any declarations of interest in respect of items on this agenda.

4. MINUTES

(Pages 1 - 4)

To confirm the minutes of the meeting held on 18 February 2011 as a correct record.

5. CHAIR'S URGENT BUSINESS

To receive reports on business, which in the opinion of the Chair, should be brought forward for urgent consideration.

6. REVENUE OUTTURN 2010/11 INCORPORATING STATEMENT OF ACCOUNTS 2010/11

(Pages 5 - 30)

The Joint Committee will receive a report on the revenue and capital outturn 2010/11 incorporating the statement of accounts 2010/11.

7. FORMAL OPENING OF THE NEW RELIC GARDEN

The Co-Chairs with the Chair of the Friends of Mount Edgcumbe Country Park will formally open the new Relic Garden.

8. EXEMPT BUSINESS

To consider passing a resolution under Section 100A(4) of the Local Government Act 1972 to exclude the press and public from the meeting for the following item(s) of business on the grounds that it (they) involve(s) the likely disclosure of exempt information as defined in paragraph(s) of Part 1 of Schedule 12A of the Act, as amended by the Freedom of Information Act 2000.

PART II (PRIVATE COMMITTEE)

PART II (PRIVATE MEETING)

AGENDA

MEMBERS OF THE PUBLIC TO NOTE

that under the law, the Panel is entitled to consider certain items in private. Members of the public will be asked to leave the meeting when such items are discussed.

Nil.

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Mount Edgumbe Joint Committee

Friday 18 February 2011

PRESENT:

Councillor Trubody, Co Chair in the Chair.
Councillors Austin, Delbridge, McDonald, Pearn MBE and Riches (substitute for Councillor Preston).

Co-opted Representatives: Sir Richard Carew Pole Bt, Cdr Crocker and Mrs Spring.

Apologies for absence: Councillors Flashman, German, Martin Leaves, Holley, Preston, Reynolds (Co Chair), Smith and Vincent and Co-opted Representative Mr T Savery.

Also in attendance: Nick Butcher (Head Gardener/Ranger), James Coulton (Assistant Director for Culture, Sport and Leisure PCC), Charlie David (Operations Manager East CC), Wendy Eldridge (Senior Accountant PCC), Louise Goad (Group Accountant PCC), David Jenkin (Accountant CC), David Marshall (Business Development Mount Edgumbe House and Country Park, Plymouth City Museum and Art Gallery) and David Owens (Assistant Head of Service Waste and Environment).

The meeting started at 10.45am and finished at 12.30pm.

Note: At a future meeting, the committee will consider the accuracy of these draft minutes, so they may be subject to change. Please check the minutes of that meeting to confirm whether these minutes have been amended.

32. DECLARATIONS OF INTEREST

In accordance with the code of conduct, Sir Richard Carew Pole Bt, declared a personal and prejudicial interest as he owned chalets along the coast.

33. MINUTES

Agreed that the minutes of the meeting held on 10 December 2011 are signed as a correct record.

34. CHAIR'S URGENT BUSINESS

There were no items of Chair's urgent business.

35. 2010/11 MONITORING UPDATE

The Director for Community Services, Director for Corporate Support and the Head of Environment and Heritage Services submitted a joint update report on 2010/11 monitoring.

The Joint Committee was advised that –

- (a) the overall net year end forecast overspend had increased from £262k to £307k;
- (b) the forecast had changed since last reported to the Joint Committee in September 2010, due to a final catering stock take at the end of trading, which had identified a worsening commercial trading position; the adverse variations were as follows –
 - Stables £11k
 - Orangery £21k
 - plant sales £8k
 - Cremyll shop £5k
- (c) although the trading position of the Cremyll shop had worsened, staff employed within the shop provided a presence within the park which negated the need to employ additional staff out of hours;
- (d) the breakdown of the net year end overspend of £307k was as follows –
 - £172k existing house and park operations;
 - £103k commercial trading activities including catering;
 - £22k special events;
 - £11k plant sales.

In response to a question raised, the Joint Committee was advised that the adverse weather conditions during the summer period had not helped the park's trading position; having identified the issues, the costs should have been reduced more quickly and the business adapted accordingly.

Agreed that the Joint Committee notes the estimated year end overspend of £307k.

36. **EXEMPT BUSINESS**

Agreed that under Section 100(A)(4) of the Local Government Act, 1972, the press and public are excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of confidential/exempt information as defined in paragraph 3 of Part 1 Schedule 12A of the (Local Government Access to Information) Act 1985, as amended by the Freedom of Information Act 2000.

37. **UPDATE ON BUSINESS PLAN (E3)**

James Coulton (Assistant Director for Culture, Sport and Leisure) and David Marshall (Business Development Mount Edgcumbe House and Country Park and Plymouth City Museum and Art Gallery) provided a presentation which updated the Joint Committee on its business plan.

Agreed that an update on the business plan is provided to the next Joint Committee meeting.

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**CITY OF PLYMOUTH
MOUNT EDGCUMBE JOINT COMMITTEE**

Joint Chairs: Councillor T Beer, Plymouth City Council/
Councillor G Trubody, Cornwall Council

SMT Members: Director of Community Services
Director of Corporate Support

**Cornwall
Council Officer:** Head of Environment and Heritage Service, Cornwall
Council

Subject: Revenue Outturn 2010/11 incorporating Statement of
Accounts 2010/11

Committee: Mount Edgcumbe Joint Committee

Date: 24 June 2011

Author: Ian Berry – Park Manager

Contact: Tel: (01752) 832226
e-mail: ian.berry@plymouth.gov.uk

Ref: ME

Part: I

Executive Summary:

The Mount Edgcumbe Joint Committee revenue accounts for 2010/11 have now been finalised subject to final audit. This report presents the outturn for this Joint Committee and compares this with the latest forecast.

**Corporate Plan 2011-2014:
Plymouth City Council:**

This monitoring report links to delivering the priorities within the Council's corporate plan.

Cornwall Council:

Business Plan Immediate Priorities: Use of resources and performance management
Environment, Planning and Economy Directorate Plan priorities:
Creating a Green Cornwall
Creating Better Places to Live
Delivering Excellent Services

**Implications for Medium Term Financial Plan and Resource Implications:
Including finance, human, IT and land**

The net 2010/11 revenue actual at year end is £0.303m, a small reduction from the forecast deficit of £0.308m reported in February. A Joint Committee report presented on 10 December 2010 recommended a number of options to address an ongoing operating deficit in 2011/12. Together with Constituent Authority approval to increase financial support to £0.474m from £0.384m in 2011/12 will produce a balanced budget. The challenge in 2011/12 will be to ensure operations are contained to approved level of constituent authority support, and proposals through the business plan and work by

Mount Edgumbe Officers Working Group to align operations to future Constituent Authority support levels no greater than £0.384m and to increase the Joint Committee's level of reserves.

Other Implications: e.g. Section 17 Community Safety, Health and Safety, Risk Management, etc.

- Increased risk management will need to take place to manage the impact of the challenging financial position.

Recommendations & Reasons for Recommended action:

It is recommended that the Joint Committee:

- a) notes the report.
- b) notes that constituent authority accounts have reflected the additional financial support required for 2010/11 to address the revenue shortfall.
- c) the statement of accounts be recommended for approval.
- d) annual governance statement be recommended for approval.

Background Papers: Mount Edgumbe 2010/11 Business Plan, 2010/11 Monitoring

Sign Off

Fin	SA CoSF LA1112 001	Leg	LT8773	HR	N/A	AM	N/A	IT	N/A
Originating SMT Member				James Coulton					

MOUNT EDGCUMBE JOINT COMMITTEE

Mount Edgumbe Joint Committee – 24th June 2011

REVENUE BUDGET OUTTURN 2010/11**1. INTRODUCTION**

- 1.1. The Mount Edgumbe revenue accounts for 2010/11 have been finalised, subject to final audit and this report compares the outturn position with the Joint Committees final estimate as noted in February.
- 1.2. Variations are reported in Appendix A broken down by park operation.

2. 2010/11 REVENUE PROVISIONAL OUTTURN – JOINT COMMITTEE

- 2.1. The Joint Committee's revenue provisional outturn position for 2010/11 as presented in Appendix A and can be summarised as follows:-

	£'000
Total operating expenditure	1,355
Less: General receipts	658
Contribution from constituent authorities	<u>394</u>
Deficit 2010/11 (shared equally by constituent Authorities)	<u>303</u>

3. 2010/11 REVENUE OUTTURN VARIATIONS

- 3.1. As reported to previous Joint Committees the forecast budget for 2010/11 anticipated a budget shortfall of £308k, with provisional outturn reflecting a favourable variance of £5k, an explanation of the various budget movements is detailed below.
- 3.2. Final costs for core house and park operations reflect an improvement of (£16k). There were adverse variations against core staffing £2k and grant monies from grant monies for the Sudden Oak Death scheme £10k, offset by utility/cleaning underspend (£6k), curtailing spend for equipment/grounds maintenance (£6k), transport (£2k); advertising (£4k) and increased income through use of facilities, land rents, car parking and donations (£10k).
- 3.3. The operating deficit for the Stables increased by £6k at year end to £23k, and reflected additional spend from February not incorporated in the previous forecast part of which related to events held in March. As catering was concentrated to the Stables complex this removed trading risks from the Orangery which had a minor variation at year end.
- 3.4. Retail activities at Barrow Shop had an increased deficit of £6k at year end identified through year end stock take, this is an area of trading risk that will continue to be reviewed and reported through monitoring.

4. **ANNUAL RETURN FOR THE YEAR ENDED 31 MARCH 2011**

- 4.1. Approval is required to the above statement which is attached in appendix B for submission to external audit by auditors appointed by the Audit Commission. There has been a significant change with the value of fixed assets through the reclassification of assets and revaluations of the outbuilding complex.
- 4.2. Members' approval is required to Section 2 Annual Governance Statement and a 'YES' response to the eight statements made. The Internal Audit has identified sound operational review of risks takes place which has been documented within progress reports regularly reported to the Joint Committee.
- 4.3. The Internal Audit report gives the Audit Opinion that the overall financial arrangements are of a good standard. Points have been raised regarding the need for appropriate action to increase Joint committee's level of reserves and review risks.

5. **RECOMMENDATIONS**

- 5.1. It is recommended that -
 - a) notes the report.
 - b) notes that constituent authority accounts have reflected the additional financial support required for 2010/11 to address the revenue shortfall.
 - c) the statement of accounts be recommended for approval;
 - d) annual governance statement be recommended for approval.

MOUNT EDGCUMBE Provisional Outturn 2010/11**Summary**

Existing House & Park operations	Latest Budget CC0131	Provisional Outturn 2010/11	Previous Forecast 2010/11	Variance to Previous Forecast
	£	£	£	£
	43,605	155,757	172,176	(16,419)
DEFICIT/(SURPLUS)				
Stables	Latest Budget CC0132	Provisional Outturn 2010/11	Previous Forecast 2010/11	Variance to Latest Budget
	£	£	£	£
	(2,800)	22,809	17,065	5,744
DEFICIT/(SURPLUS)				
Orangery	Latest Budget CC0149	Provisional Outturn 2010/11	Previous Forecast 2010/11	Variance to Latest Budget
	£	£	£	£
	(54,338)	81,844	82,049	(205)
DEFICIT/(SURPLUS)				
Plant Sales	Latest Budget CC0134	Provisional Outturn 2010/11	Previous Forecast 2010/11	Variance to Latest Budget
	£	£	£	£
	(4,219)	12,339	11,153	1,186
DEFICIT/(SURPLUS)				
Barrow Shop	Latest Budget CC0133	Provisional Outturn 2010/11	Previous Forecast 2010/11	Variance to Latest Budget
	£	£	£	£
	(4,848)	9,466	3,150	6,316
DEFICIT/(SURPLUS)				
Cremyll Shop	Latest Budget CC0135	Provisional Outturn 2010/11	Previous Forecast 2010/11	Variance to Latest Budget
	£	£	£	£
	(12,100)	861	596	265
DEFICIT/(SURPLUS)				
Special Events	Latest Budget CC4799	Provisional Outturn 2010/11	Previous Forecast 2010/11	Variance to Latest Budget
	£	£	£	£
	19,700	19,879	21,545	(1,666)
DEFICIT/(SURPLUS)				
(SURPLUS) TO RESERVES				
	(15,000)	302,955	307,734	(4,779)

Favourable variations are shown in (brackets)

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MOUNT EDGCUMBE Provisional Outturn 2010/11
Existing House & Park operations

APPENDIX A

Existing House & Park operations	Latest Budget CC0131 CC0139	Provisional Outturn 2010/11	Previous Forecast 18/02/11	Forecast variance
	£	£	£	£
<u>Employees</u>				
Staffing ~ Core House	488,236	523,090	521,091	1,999
Staffing ~ Agency	17,550	37,698	37,271	427
Staffing Reductions	0	0	0	0
Other Employee Costs	5,000	4,871	5,165	(294)
Sub Total	510,786	565,659	563,527	2,132
<u>Premises & Park</u>				
General Maintenance	48,835	51,612	49,108	2,504
Energy Costs	21,200	30,016	31,098	(1,082)
NNDR, Water, Env chgs	28,810	35,087	39,214	(4,127)
Cleaning	7,630	5,255	6,056	(801)
Insurances	9,379	9,526	9,526	0
Sub Total	115,854	131,496	135,002	(3,506)
<u>Gardens</u>				
Grounds Maintenance Ad Hoc	15,500	13,636	18,630	(4,994)
<u>Transport</u>				
Vehicle costs	23,998	25,092	26,817	(1,725)
<u>Supplies and services</u>				
Equipment/general operating costs	66,244	57,656	58,650	(994)
Grant funded projects ~ Relic Garden	0	14,801	18,915	(4,114)
Collection Management	1,000	3,467	2,450	1,017
Loan repayment	29,150	29,301	29,301	0
External Audit Fees	0	5,000	5,000	0
Commercial Manager	3,000	1,942	1,942	0
Consultants ~ Business Plan	0	10,000	10,000	0
Contribution Transport initiative	6,300	4,200	4,725	(525)
Exhibitions	1,000	769	1,000	(231)
Insurances	3,428	6,099	6,099	0
Advertising and Interpretation	27,000	23,468	27,000	(3,532)
Gross Expenditure	803,260	892,586	909,058	(16,472)
<u>INCOME</u>				
Grants and contributions	(77,500)	(67,322)	(77,500)	10,178
Admission, use of facilities & adhoc hires	(49,000)	(80,705)	(78,283)	(2,422)
Wedding & function Income	(65,700)	(26,933)	(26,954)	21
Rent of Land	(31,400)	(35,897)	(32,683)	(3,214)
Trenninow Chalets	(55,680)	(55,506)	(55,680)	174
Car Parking	(73,000)	(44,096)	(42,648)	(1,448)
Income From Donations	(23,375)	(32,370)	(29,119)	(3,251)
Agreed contribution from Constituent Authorities	(384,000)	(384,000)	(384,015)	15
Additional Contribution for Business Plan Consultancy	0	(10,000)	(10,000)	0
Income from Commercial trading	0	0	0	0
Total Income	(759,655)	(736,829)	(736,882)	53
DEFICIT/(SURPLUS)	43,605	155,757	172,176	(16,419)

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MOUNT EDGCUMBE Provisional Outturn 2010/11
Stables

Stables	Latest Budget CC0132 £	Provisional Outturn 2010/11 £	Previous Forecast 18/02/11 £	% of income	Forecast variance £	RAG Rating	Explanation of Variances
Employees							
Staffing ~ Agency	57,358	47,117	45,925	53%	1,192	G	Additional staffing required for March 2011 event
Other Employee Costs	250					G	
Sub Total	57,608	47,117	45,925		1,192		
Supplies and services							
Cost of Sales	64,333	62,592	57,253	71%	5,339	A	Delay with catering invoices on general ledger and additional spend for March 2011 event.
Equipment and cleaning		1,704	1,497		207	G	
Advertising and Interpretation	4,750					G	
Gross Expenditure	126,691	111,413	104,675	124%	6,738		
INCOME							
Catering Income	(133,000)	(87,986)	(86,992)		(994)	A	Income now reflects winter reduced trading w.e.f 4th October 2010
Wedding & function Income	(20,000)	(618)	(618)			A	
Total Income	(153,000)	(88,604)	(87,610)		(994)		
DEFICIT/(SURPLUS)	(26,309)	22,809	17,065		5,744		

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MOUNT EDGCUMBE Provisional Outturn 2010/11

Orangery

Orangery	Latest Budget CC0149 £	Provisional Outturn 2010/11 £	Previous Forecast 18/02/11 £	% of income	Forecast variance £	RAG Rating	Explanation of Variances
Employees							
Staffing ~ Core	23,509	34,305	34,108		197	G	
Staffing ~ Agency	63,912	98,359	97,949	103%	410	G	
Sub Total	87,421	132,664	132,057		607		
Supplies and services							
Catering Equipment/ reinvestment	10,000	10,274	10,274			A	
Other Operating Costs	64,000	10,661	10,863	16%	(202)	A	
Cost of Sales		55,414	55,157	43%	257	G	
Cleaning		220	250		(30)	G	
Advertising and Interpretation	4,750	836				G	
Gross Expenditure	166,171	210,069	208,601	163%	632		
INCOME							
Catering Income	(144,000)	(94,324)	(93,393)		(931)	A	
Wedding & function Income	(53,000)	(33,901)	(33,159)		(742)	A	
Total Income	(197,000)	(128,225)	(126,552)		(1,673)		Income now reflects winter reduced trading w.e.f 4th October 2010 Deposit for future year functions have been accrued at year end.
DEFICIT/(SURPLUS)	(30,829)	81,844	82,049		(1,041)		

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MOUNT EDGCUMBE Provisional Outturn 2010/11
Plant Sales

Plant Sales	Latest Budget CC0134 £	Provisional Outturn 2010/11 £	Previous Forecast 18/02/11 £	% of income	Forecast variance £	RAG Rating	Explanation of Variances
Employees							
Staffing ~ Core (additional 2010)	0	0			0	G	
Staffing ~ Agency	18,364	13,634	13,634	91%	0	G	
Sub Total	18,364	13,634	13,634		0		
Supplies and services							
Cost of Sales	13,667	13,612	15,357	91%	(1,745)	G	
Advertising and Interpretation	4,750	0	0		0	G	
Gross Expenditure	36,781	27,246	28,991	183%	(1,745)		
INCOME							
Plant Sales	(41,000)	(14,907)	(17,838)		2,931		
Total Income	(41,000)	(14,907)	(17,838)		2,931	G	
DEFICIT/(SURPLUS)	(4,219)	12,339	11,153		1,186		

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MOUNT EDGCUMBE Provisional Outturn 2010/11
Barrow Shop

Barrow Shop	Latest Budget CC0133 £	Provisional Outturn 2010/11 £	Previous Forecast 18/02/11 £	% of income	Forecast variance £	RAG Rating	Explanation of Variances
<u>Employees</u>							
Staffing ~ Core	11,316	6,464	6,464	29%	0	G	
Staffing ~ Agency	19,069	7,894	7,846	35%	48	G	
Other Employee Costs	250	0	0		0	G	
Sub Total	30,635	14,358	14,310		48		
<u>Supplies and services</u>							
Cost of Sales	17,667	17,529	11,858	78%	5,671	A	Additional stock charged to accounts in March 2011.
Advertising and Interpretation	4,750	0	0		0		
Gross Expenditure	53,052	31,887	26,168	142%	5,719		
<u>INCOME</u>							
Retail sales	(57,900)	(22,421)	(23,018)		597		
Total Income	(57,900)	(22,421)	(23,018)		597	A	
DEFICIT/(SURPLUS)	(4,848)	9,466	3,150		6,316		

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MOUNT EDGCUMBE Provisional Outturn 2010/11
Cremyll Shop

Cremyll Shop	Latest Budget CC1035 £	Provisional Outturn 2010/11 £	Previous Forecast 18/02/11 £	% of income	Forecast variance £	RAG Rating	Explanation of Variances
Employees							
Staffing ~ Agency	14,000	23,572	22,707	50%	865	G	
Sub Total	14,000	23,572	22,707		865		
Supplies and services							
Other Operating Costs	0	673	675	1%	(2)		
Cost of Sales	13,000	23,572	19,563	50%	4,009	G	Additional stock charged to accounts in March 2011.
Gross Expenditure	27,000	47,817	42,945	102%	4,872		
INCOME							
Retail sales	(39,100)	(46,956)	(42,349)		(4,607)		
Total Income	(39,100)	(46,956)	(42,349)		(4,607)	G	
DEFICIT/(SURPLUS)	(12,100)	861	596		265		

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MOUNT EDGCUMBE Provisional Outturn 2010/11
Special Events

Special Events	Latest Budget CC4799 £	Provisional Outturn 2010/11 £	Previous Forecast 18/02/11 £	Forecast variance £	RAG Rating	Explanation of Variances
<u>Special Events</u>						
Event Expenditure	39,000	34,456	34,846	(390)	G	
Sub Total	39,000	34,456	34,846	(390)		
<u>INCOME</u>						
Event Income	(19,300)	(14,577)	(13,301)	(1,276)	A	
Total Income	(19,300)	(14,577)	(13,301)	(1,276)		
DEFICIT/(SURPLUS)	19,700	19,879	21,545	(1,666)		

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Small Bodies in England

Annual return for the year ended 31 March 2011

Small relevant bodies in England with an annual turnover of £1 million or less must complete an annual return summarising their annual activities at the end of each financial year.

The annual return on the following pages is made up of four sections:

- **Sections 1 and 2** are to be completed by the person nominated by the body.
- **Section 3** will be completed by the external auditor.
- **Section 4** is to be completed by the body's internal audit provider.

Each body must ensure this annual return is approved no later than 30 June 2011.

Completing your annual return

Guidance notes, including a completion checklist, are provided on page 6 and at relevant points in the annual return.

Please complete all sections highlighted in red. Do **not** leave any red box blank. Incomplete or incorrect returns may require additional external audit work and incur additional costs.

Please send the annual return, together with your bank reconciliation as at 31 March 2011, an explanation of any significant year on year variances in the accounting statements and any additional information requested, to your appointed external auditor by the due date.

If required, your auditor will identify and ask for any documents needed for audit. Unless requested, please do **not** send any original financial records to the external auditor.

Audited and certified annual returns will be returned to the body for publication or public display of sections 1, 2 and 3.

It should not be necessary for you to contact the external auditor or the Audit Commission directly for guidance.

More guidance on completing this annual return is available in the Practitioners' Guides for either local councils or internal drainage boards. These publications may be downloaded from the National Association of Local Councils (NALC) or Society of Local Council Clerks (SLCC) websites (www.nalc.gov.uk or www.slcc.co.uk) or from the members area of the Association of Drainage Authorities website (www.ada.org.uk).

Section 1 – Accounting statements for: Page 26

MOUNT EDGECUMBE JOINT COMMITTEE

	Year ending		Notes and guidance
	31 March 2010 £	31 March 2011 £	
1 Balances brought forward	125,026	0	Total balances and reserves at the beginning of the year as recorded in the body's financial records. Value must agree to Box 7 of previous year.
2 (+) Income from local taxation and/or levy	852,114	696,944	Total amount of local tax and/or levy received or receivable in the year including funding from a sponsoring body.
3 (+) Total other receipts	393,240	658,533	Total income or receipts as recorded in the cashbook less income from taxation and/or levy (line 2). Include any grants received here.
4 (-) Staff costs	737,302	797,001	Total expenditure or payments made to and on behalf of all body employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and employment expenses.
5 (-) Loan interest/capital repayments	7,506	29,301	Total expenditure or payments of capital and interest made during the year on the body's borrowings (if any).
6 (-) All other payments	625,572	529,175	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).
7 (=) Balances carried forward	0	0	Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6)
8 Total cash and short term investments	(119,138)	(95,062)	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 and long term assets	2,579,914	17,963,180	The recorded book value at 31 March of all fixed assets owned by the body and any other long term assets e.g. loans to third parties and any long-term investments.
10 Total borrowings	217,976	194,439	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

I certify that for the year ended 31 March 2011 the accounting statements in this annual return present fairly the financial position of the body and its income and expenditure, or properly present receipts and payments, as the case may be.

Signed by Responsible Financial Officer:

SIGNATURE REQUIRED

Date 24/06/2011

I confirm that these accounting statements were approved by the body on:

DD/MM/YYYY

and recorded as minute reference:

MINUTE REFERENCE

Signed by Chair of meeting approving these accounting statements:

SIGNATURE REQUIRED

Date 24/06/2011

Section 2 – Annual governance statement

We acknowledge as the members of **MOUNT EDGCUMBE JOINT COMMITTEE** our responsibility for ensuring that there is a sound system of internal control, including 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 2011, that:

		Agreed – 'Yes' Yes or No* means that the body:
1	We have approved the accounting statements prepared in accordance with the requirements of the Accounts and Audit Regulations and proper practices.	prepared its accounting statements in the way prescribed by law.
2	We have maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.
3	We have taken all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and codes of practice that could have a significant financial effect on the ability of the body to conduct its business or on its finances.	has only done things that it has the legal power to do and has conformed to codes of practice and standards in the way it has done so.
4	We have provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	during the year has given all persons interested the opportunity to inspect and ask questions about the body's accounts.
5	We have carried out an assessment of the risks facing the body and taken appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	considered the financial and other risks it faces and has dealt with them properly.
6	We have maintained throughout the year an adequate and effective system of internal audit of the body's accounting records and control systems.	arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of the body.
7	We have taken appropriate action on all matters raised in reports from internal and external audit.	responded to matters brought to its attention by internal and external audit.
8	We have considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on the body and where appropriate have included them in the accounting statements.	disclosed everything it should have about its business activity during the year including events taking place after the year-end if relevant.

This annual governance statement is approved by the body and recorded as minute reference

MINUTE REFERENCE

dated **DD/MM/YYYY**

Signed by:

Chair **SIGNATURE REQUIRED**

dated **DD/MM/YYYY**

Signed by:

Clerk **SIGNATURE REQUIRED**

dated **DD/MM/YYYY**

***Note:** Please provide explanations to the external auditor on a **separate sheet** for each 'No' response that has been given; and describe what action is being taken to address the weaknesses identified.

Section 3 – External auditor’s certificate and opinion

Certificate

We certify that we have completed the audit of the annual return for the year ended 31 March 2011 of

ENTER NAME OF REPORTING BODY HERE

Respective responsibilities of the body and the auditor

The body is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The body prepares an annual return in accordance with proper practices which:

- summarises the accounting records for the year ended 31 March 2011; and
- confirms and provides assurance on those matters that are important to our audit responsibilities.

Our responsibility is to conduct an audit in accordance with guidance issued by the Audit Commission and, on the basis of our review of the annual return and supporting information, to report whether any matters that come to our attention give cause for concern that relevant legislation and regulatory requirements have not been met.

External auditor’s report

(Except for the matters reported below)* on the basis of our review, in our opinion the information in the annual return is in accordance with proper practices and no 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 body:

(continue on a separate sheet if required)

External auditor’s signature

External auditor’s name Date

Note: The auditor signing this page has been appointed by the Audit Commission and is reporting to you that they have carried out and completed all the work that is required of them by law. For further information please refer to the Audit Commission’s publication entitled *Statement of Responsibilities of Auditors and of Audited Small Bodies*.

Section 4 – Annual internal audit report to

MOUNT EDGCUMBE JOINT COMMITTEE

The body's internal audit, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ended 31 March 2011.

Internal audit has been carried out in accordance with the body'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 the body.

Internal control objective	Agreed? Please choose from one of the following Yes/No*/Not covered**
A Appropriate accounting records have been kept properly throughout the year.	Yes
B The body's financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for.	Yes
C The body assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	Yes
D The annual taxation or levy or funding requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	Yes
E Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	Yes
F Petty cash payments were properly supported by receipts, expenditure was approved and VAT appropriately accounted for.	Not covered
G Salaries to employees and allowances to members were paid in accordance with body approvals, and PAYE and NI requirements were properly applied.	Yes
H Asset and investments registers were complete and accurate and properly maintained.	Yes
I Periodic and year-end bank account reconciliations were properly carried out.	Not covered
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, were supported by an adequate audit trail from underlying records, and, where appropriate, debtors and creditors were properly recorded.	Yes

For any other risk areas identified by the body (list any other risk areas below or on separate sheets if needed) adequate controls existed:

Name of person who carried out the internal audit: SUE WATTS

Signature of person who carried out the internal audit: Sue Watts Date: 15/6/11

***Note:** 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, internal audit must explain why not (add separate sheets if needed).

Guidance notes on completing the 2011 annual return

- 1 Proper practices for preparing this annual return are found in the *Practitioners' Guides**. These publications are regularly updated and contain everything you should need to prepare successfully for your financial year-end and the subsequent audit. Both NALC and SLCC have helplines should you wish to talk through any problem you may encounter.
- 2 Please make sure that your annual return is complete (i.e. no empty red boxes), and is properly signed and dated. Avoid making any amendments to the completed return. But, if this is unavoidable, make sure the amendments are approved by the body, properly initialled and an explanation for them is provided to the auditor. Annual returns containing unapproved or unexplained amendments will be returned unaudited and may incur additional costs.
- 3 Use the checklist provided below. Use a second pair of eyes, perhaps a member or the Chair, to review your annual return for completeness before sending it off to the auditor.
- 4 Please do not send the auditor any information not specifically asked for. Doing so is not helpful. However, you must advise the auditor of any change in Clerk, Responsible Financial Officer or Chair.
- 5 Make sure that the copy of the bank reconciliation which you send to your auditor with the annual return covers **all** your bank accounts. If your body holds any short-term investments, please note their value on the bank reconciliation. The auditor should be able to agree your bank reconciliation to Box 8 on the Statement of Accounts. **You must provide an explanation for any difference between Box 7 and Box 8.** More help on bank reconciliation is available in the *Practitioners' Guides**.
- 6 Please **explain fully** significant variances in the accounting statements. Do not just send in a copy of your detailed accounting records instead of this explanation. The auditor wants to know that **you** understand the reasons for all variances. Please include a complete analysis to support your explanation. There are a number of examples provided in the *Practitioners' Guides** to assist you.
- 7 If the auditor has to review unsolicited information, or receives an incomplete bank reconciliation, or you do not fully explain variances, this may incur additional costs for which the auditor will make a charge.
- 8 Please make sure that your accounting statements add up! Also please ensure that the balance carried forward from the previous year (Box 7 of 2010) equals the balance brought forward in the current year (Box 1 of 2011).
- 9 **Do not complete section 3.** The external auditor will complete it at the conclusion of their audit.

Completion checklist – 'No' answers mean you may not have met requirements		Done?
All sections	All red boxes have been completed?	
	All information requested by the external auditor has been sent with this annual return? Please refer to your notice of audit.	
Section 1	Approval by the body confirmed by signature of Chair of meeting approving the accounting statements?	
	An explanation of significant variations from last year to this year is provided?	
	Bank reconciliation as at 31 March 2011 agreed to Box 8?	
	An explanation of any difference between Box 7 and Box 8 is provided?	
Section 2	For any statement to which the response is 'no', an explanation is provided?	
Section 4	All red boxes completed by internal audit and explanations provided?	

***Note:** *Governance and Accountability for Local Councils in England – A Practitioners' Guides*, is available from NALC and SLCC representatives or *Governance and Accountability for Internal Drainage Boards in England – A Practitioners' Guides*, is available from the ADA at The Association of Drainage Authorities, 12 Cranes Drive, Surbiton, Surrey, KT5 8AL or from the NALC, SLCC or ADA websites - see page 1 for addresses.