

Rogerstone Community Council

Statement of Accounts
2020/21

Foreword

The following pages include the annual statement of accounts for the Rogerstone Community Council for the financial year ended 31st March 2021. They comprise the Income and Expenditure Account, Balance Sheet and supporting notes which explain some of the larger financial transactions which appear in the accounts for the year.

Basis of Preparation

The accounts have been prepared in accordance with the requirements of the Wales Audit Office for completion of the Annual Return for Local Councils in Wales.

Financial Summary

The Council started the financial year with a General Fund Balance of £22,924. During the year income amounted to £268,995 and expenditure totalled £248,481. The revised Council budget showed a deficit of £4,272 in the year. These accounts show a surplus of £20,514.

Income

The revised budget showed income in the year of £254,530. Actual income was £14,465 more than the revised budget with higher amounts of income from Jubilee Park of £12,309 and allotments, rentals etc of £1,731.

Expenditure

The revised budget included expenditure of £258,802. Actual expenditure was £10,321 lower than budget mainly due to a higher spend on supplies and services offset against a lower salaries, NI and pension costs and premises costs. There was also a higher than budgeted transfer from the Land Sale/S106 Reserve.

Balance Sheet

The Council has continued to monitor its expenditure closely during the year.

The Balance Sheet reflects the true state of the Community Council's balances and the General Fund balance which at the 31st March 2021 stands at £43,438.

.....
Clerk to the Council

.....
Chairman of the Council

Income & Expenditure Account for the year ended 31st March 2021

| 2019/20 | | 2020/21 |
|------------|---|------------|
| £.p | Income | £.p |
| 142,254.00 | Precepts | 149,800.32 |
| 0.00 | Grants & Contributions | 16,438.49 |
| 3,901.47 | Allotments, Pitch & Other Rentals | 5,221.57 |
| 22,424.16 | Hall Lettings | 133.00 |
| 8,198.07 | Utilities payback | 9,134.15 |
| 1,600.00 | Cafe | 1,200.00 |
| 23,287.63 | Other Receipts | 13,018.29 |
| 37,138.23 | Jubilee Park | 72,089.93 |
| 0.00 | Rogerstone & Bassaleg Burial Board | 1,871.78 |
| 958.36 | Interest Received – sale of land | 87.10 |
| 239,761.92 | Total Income | 268,994.63 |
| | | |
| | Expenditure | |
| 129,181.37 | Employees – Salaries & Wages | 143,276.48 |
| 9,549.09 | Employees – National Insurance | 10,913.84 |
| 26,093.80 | Employees – Superannuation | 28,679.47 |
| 13,079.79 | Premises Costs | 11,600.58 |
| 7,087.01 | Transport & Plant | 5,706.33 |
| 30,558.34 | Supplies & Services | 24,140.61 |
| 0.00 | Members Allowances | 0.00 |
| 435.28 | Bank Charges | 314.19 |
| 1,542.99 | Professional Fees | 2,923.25 |
| 992.00 | Precepts | 992.00 |
| 0.00 | Section 137 Payments <i>Note 6</i> | 0.00 |
| 96,501.55 | Special Items | 16,418.52 |
| 0.00 | Elections | 0.00 |
| -73,255.56 | Transfer to/from Land Sale/S106 Reserve | -9,241.42 |
| -15,000.00 | Transfer to/from Repairs and Renewals Reserve | 12,757.00 |
| 226,765.66 | Total Expenditure | 248,480.85 |

Balance Sheet as at 31st March 2021

| 2019/20 | | | | 2020/21 |
|--------------------------|--------------------------------|--------|------------|--------------------------|
| £.p | Current Assets | | | £.p |
| 37,406.87 | Debtors and Prepayments | Note 2 | 33,158.73 | |
| 143,366.64 | Cash at Bank | Note 4 | 169,727.77 | |
| <u>180,773.51</u> | Total Current Assets | | | 202,886.50 |
| <u>180,773.51</u> | TOTAL ASSETS | | | <u>202,886.50</u> |
| | Current Liabilities | | | |
| (4,252.62) | Creditors and Accruals | Note 5 | (2,336.25) | |
| | | | | (2,336.25) |
| <u>176,520.89</u> | NET ASSETS | | | <u>200,550.25</u> |
| | Represented by | | | |
| 30,991.76 | Repairs & Renewals Reserve | | | 43,748.76 |
| 122,604.99 | Land Sale/S106 Reserve | | | 113,363.57 |
| 22,924.14 | Fund Balance | | | 43,437.92 |
| <u>176,520.89</u> | | | | <u>200,550.25</u> |

Notes to the Accounts for the year ended 31st March 2021

Note 1 Assets

For the purposes of these accounts assets have been defined as Land, Buildings, Vehicles, Plant & Equipment with a value in excess of £100.

The investment represents Rogerstone Community Council's ownership of Jubilee Park (Rogerstone) Management Company Limited.

The Wales Audit Office Annual Return for Local Councils in Wales does not require fixed assets to be included in the Balance Sheet of the Council but by way of information a breakdown is given below.

| | Land & Buildings £ | Vehicles, Plant & Equipment £ | Investment £ | Total £ |
|--|-----------------------------------|--|-------------------------|--------------------|
| Balance at 1 st April 2020 | 1,434,133 | 393,051 | 1 | 1,827,185 |
| Acquisitions | 0 | 496 | 0 | 496 |
| Disposals | 0 | 0 | 0 | 0 |
| Balance at 31st March 2021 | 1,434,133 | 393,547 | 1 | 1,827,681 |

These valuations do not necessarily reflect open market value.

Note 2 Debtors and Prepayments

At the year end debtors and prepayments amounted to £33,158.73 (2019/20: £37,406.87) as detailed below:-

| Debtor | 2020/21 £.p | 2019/20 £.p | Description |
|--|------------------------|----------------|-------------------------|
| HM Customs & Excise | 5,736.67 | 22,626.57 | VAT reimbursements |
| Jubilee Park (Rogerstone) Management Company Limited | 26,566.50 | 12,523.03 | |
| Other Income | (1,035.43) | 423.62 | Hall and pitch lettings |
| Prepayments | 1,890.99 | 1,833.65 | Insurance prepaid |
| Total | 33,158.73 | 37,406.87 | |

Note 3 Tenancies

The Council granted no protected tenancies (2019/20: none) during the year.

Note 4 Cash Balances

At the 31st March 2021, the council held cash and bank balances totalling £169,727.77 (2019/20: £143,366.64) as follows:-

| | 2020/21 £.p | 2019/20 £.p |
|----------------------------|------------------------|----------------|
| Nationwide account | 137,415.67 | 137,328.57 |
| TSB | 32,312.10 | 6,038.07 |
| Total Bank Balances | 169,727.77 | 143,366.64 |

Note 5 Creditors and Accruals

The Council owed £2,336.25 at 31st March 2021 (2019/20: £4,252.62). This comprised the following:-

| | 2020/21 £.p | 2019/20 £.p |
|-----------------|------------------------|----------------|
| Burial Board | 0.00 | 992.00 |
| Other suppliers | 315.59 | 541.08 |
| Accruals | 2,020.66 | 2,719.54 |
| Total | 2,336.25 | 4,252.62 |

Note 6 Grants to Voluntary Organisations

In 2020/21 the Council spent £nil (2019/20: £nil) on grants to voluntary organisations and individuals. The payments made are listed in the following table:

| Purpose / Organisation | 2020/21 £.p | 2019/20 £.p |
|---|------------------------|----------------|
| | 0.00 | 0.00 |
| Total Section 137 per income and expenditure account | 0.00 | 0.00 |

Note 7 Advertising & Publicity

Advertising expenditure for the year totalled £nil (2019/20: £195). This related to advertisements in the Rogerstone Directory.

Note 8 Pensions

Employees of Rogerstone Community Council have the option of joining the Local Government Superannuation Scheme. The Greater Gwent (Torfaen) Pension Fund is subject to an actuarial valuation every three years. The last valuation was completed in the year of account and certified by the actuary as at 31st March 2019.

This valuation confirmed a required employer contribution rate for Rogerstone from 2020/21 of 20.9%, plus an additional £2,000 to repair the current deficit.

Community and Town Councils in Wales Annual Return for the Year Ended 31 March 2021

LANGUAGE PREFERENCE

Please indicate how you would like us to communicate with you during the audit. Note that audit notices will be issued bilingually.

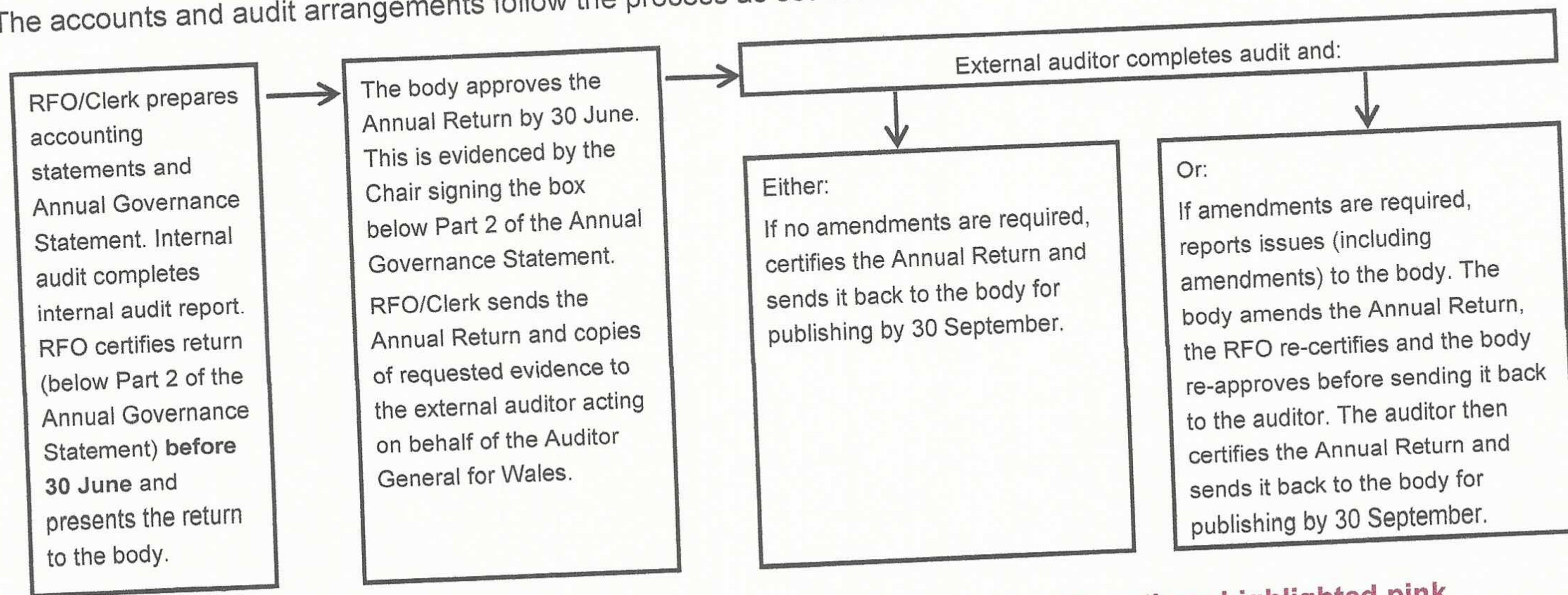
| | | | | | | | | |
|---------|-----|----|-------|-----|----|-------------|-----|----|
| | Yes | No | | Yes | No | | Yes | No |
| ENGLISH | | | WELSH | | | BILINGUALLY | | |

THE ACCOUNTS AND AUDIT PROCESS

Section 12 of the Public Audit (Wales) Act 2004 requires community and town councils (and their joint committees) in Wales to make up their accounts each year to 31 March and to have those accounts audited by the Auditor General for Wales. Regulation 14 of the Accounts and Audit (Wales) Regulations 2014 states that smaller local government bodies i.e. those with annual income and expenditure below £2.5 million must prepare their accounts in accordance with proper practices.

For community and town councils and their joint committees, proper practices are set out in the One Voice Wales/Society of Local Council Clerks publication **Governance and accountability for local councils in Wales – A Practitioners' Guide** (the Practitioners' Guide). The Practitioners' Guide requires that they prepare their accounts in the form of an Annual Return. This Annual Return meets the requirements of the Practitioners' Guide.

The accounts and audit arrangements follow the process as set out below.



Please read the guidance on completing this Annual Return and **complete all sections highlighted pink.**

APPROVING THE ANNUAL RETURN

The council must approve the Annual Return **BEFORE** the accounts and supporting documents are made available for public inspection under section 30 of the Public Audit (Wales) Act 2004.

The Auditor General for Wales' Audit Certificate and report is to be completed by the auditor acting on behalf of the Auditor General. It **MUST NOT** be completed by the Clerk/RFO, the Chair or the internal auditor.

Audited and certified returns are sent back to the body for publication and display of the accounting statements, Annual Governance Statement and the Auditor General for Wales' certificate and report.

Accounting statements 2020-21 for:

Name of body:

| | Year ending | | Notes and guidance for compilers |
|--|-------------------------|-------------------------|----------------------------------|
| | 31 March 2020 (£) | 31 March 2021 (£) | |

Statement of income and expenditure/receipts and payments

| | | | |
|---|---------|---------|--|
| 1. Balances brought forward | 251,780 | 176,521 | Total balances and reserves at the beginning of the year as recorded in the financial records. Must agree to line 7 of the previous year. |
| 2. (+) Income from local taxation/levy | 142,254 | 149,800 | Total amount of income received/receivable in the year from local taxation (precept) or levy/contribution from principal bodies. |
| 3. (+) Total other receipts | 97,508 | 119,195 | Total income or receipts recorded in the cashbook minus amounts included in line 2. Includes support, discretionary and revenue grants. |
| 4. (-) Staff costs | 164,824 | 182,870 | 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 related expenses eg. termination costs. |
| 5. (-) Loan interest/capital repayments | 0 | 0 | Total expenditure or payments of capital and interest made during the year on external borrowing (if any). |
| 6. (-) Total other payments | 150,197 | 62,096 | Total expenditure or payments as recorded in the cashbook minus staff costs (line 4) and loan interest/capital repayments (line 5). |
| 7. (=) Balances carried forward | 176,521 | 200,550 | Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6). |

Statement of balances

| | | | |
|---|-----------|-----------|---|
| 8. (+) Debtors | 37,407 | 33,158 | Income and expenditure accounts only: Enter the value of debts owed to the body at the year-end. |
| 9. (+) Total cash and investments | 143,367 | 169,728 | All accounts: The sum of all current and deposit bank accounts, cash holdings and investments held at 31 March. This must agree with the reconciled cashbook balance as per the bank reconciliation. |
| 10. (-) Creditors | 4,253 | 2,336 | Income and expenditure accounts only: Enter the value of monies owed by the body (except borrowing) at the year-end. |
| 11. (=) Balances carried forward | 176,251 | 200,550 | Total balances should equal line 7 above: Enter the total of (8+9-10). |
| 12. Total fixed assets and long-term assets | 1,827,185 | 1,827,681 | The asset and investment register value of all fixed assets and any other long-term assets held as at 31 March. |
| 13. Total borrowing | 0 | 0 | The outstanding capital balance as at 31 March of all loans from third parties (including PWLB). |

14. Trust funds disclosure note

| Yes | No | N/A | Yes | No | N/A |
|-----|----|-----|-----|----|-----|
| | X | | | X | |

The body acts as sole trustee for and is responsible for managing (a) trust fund(s)/assets (readers should note that the figures above do not include any trust transactions).

Annual Governance Statement

We acknowledge as the members of the Council/Board/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 2021, that:

| | Agreed? | | 'YES' means that the Council/Board/Committee: | PG Ref |
|---|---------|-----|---|----------|
| | Yes | No* | | |
| 1. We have put in place arrangements for: <ul style="list-style-type: none"> effective financial management during the year; and the preparation and approval of the accounting statements. | X | | Properly sets its budget and manages its money and prepares and approves its accounting statements as prescribed by law. | 6, 12 |
| 2. We have maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption, and reviewed its effectiveness. | X | | Made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge. | 6, 7 |
| 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 Council/Board/Committee to conduct its business or on its finances. | X | | 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. | 6 |
| 4. We have provided proper opportunity for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit (Wales) Regulations 2014. | X | | Has given all persons interested the opportunity to inspect the body's accounts as set out in the notice of audit. | 6, 23 |
| 5. We have carried out an assessment of the risks facing the Council/Board/Committee and taken appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required. | X | | Considered the financial and other risks it faces in the operation of the body and has dealt with them properly. | 6, 9 |
| 6. We have maintained an adequate and effective system of internal audit of the accounting records and control systems throughout the year and have received a report from the internal auditor. | X | | Arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether these meet the needs of the body. | 6, 8 |
| 7. 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 Council/Board/Committee and, where appropriate, have included them on the accounting statements. | X | | Disclosed everything it should have about its business during the year including events taking place after the year-end if relevant. | 6 |
| 8. We have taken appropriate action on all matters raised in previous reports from internal and external audit. | X | | Considered and taken appropriate action to address issues/weaknesses brought to its attention by both the internal and external auditors. | 6, 8, 23 |
| 9. Trust funds – in our capacity as trustee, we have: <ul style="list-style-type: none"> discharged our responsibility in relation to the accountability for the fund(s) including financial reporting and, if required, independent examination or audit. | Yes | No | N/A | 3, 6 |
| | | | X | |

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

Additional disclosure notes*

The following information is provided to assist the reader to understand the accounting statement and/or the Annual Governance Statement

1. Expenditure under S137 Local Government Act 1972 and S2 Local Government Act 2000

Section 137(1) of the 1972 Act permits the Council to spend on activities for which it has no other specific powers if the Council considers that the expenditure is in the interests of, and will bring direct benefit to, the area or any part of it, or all or some of its inhabitants, providing that the benefit is commensurate with the expenditure. Section 137(3) also permits the Council to incur expenditure for certain charitable and other purposes. The maximum expenditure that can be incurred under both section 137(1) and (3) for the financial year 2020-21 was £8.32 per elector.

In 2020-21, the Council made payments totalling £_____0_____ under section 137. These payments are included within 'Other payments' in the Accounting Statement.

2.

3.

* Include here any additional disclosures the Council considers necessary to aid the reader's understanding of the accounting statement and/or the annual governance statement.

Council/Committee approval and certification

The Council/Committee is responsible for the preparation of the accounting statements and the annual governance statement in accordance with the requirements of the Public Audit (Wales) Act 2004 (the Act) and the Accounts and Audit (Wales) Regulations 2014.

Certification by the RFO

I certify that the accounting statements contained in this Annual Return presents fairly the financial position of the Council/Board/Committee, and its income and expenditure, or properly presents receipts and payments, as the case may be, for the year ended 31 March 2021.

RFO signature:

Name:

Date:

Approval by the Council/Board/Committee

I confirm that these accounting statements and Annual Governance Statement were approved by the Council/Board/Committee under minute reference:

Minute ref:

Chair signature:

Name:

Date:

Auditor General for Wales' Audit Certificate and report

I report in respect of my audit of the accounts under section 13 of the Act, whether any matters that come to my attention give cause for concern that relevant legislation and regulatory requirements have not been met. My audit has been conducted in accordance with guidance issued by the Auditor General for Wales.

I certify that I have completed the audit of the Annual Return for the year ended 31 March 2021 of:

Auditor General's report

Audit opinion

[Except for the matters reported below]* On the basis of my review, in my opinion no matters have come to my attention giving cause for concern that in any material respect, the information reported in this Annual Return:

- has not been prepared in accordance with proper practices;
- that relevant legislation and regulatory requirements have not been met;
- is not consistent with the Council's/Committee's governance arrangements; and
- that the Council/Committee does not have proper arrangements in place to secure economy, efficiency and effectiveness in its use of resources.

Other matters arising and recommendations

I draw the body's attention to the following matters and recommendations which do not affect my audit opinion but should be addressed by the body.

External auditor's name:

External auditor's signature:

Date:

For and on behalf of the Auditor General for Wales

* Delete as appropriate.

Annual internal audit report to:

Name of body: **ROGERSTONE COMMUNITY COUNCIL**

The Council/~~Board~~/~~Committee~~'s internal audit, acting independently and on the basis of an assessment of risk, has included carrying out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ending 31 March 2021.

The internal audit has been carried out in accordance with the Council/~~Board~~/~~Committee~~'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 the internal audit conclusions on whether, in all significant respects, the following control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the Council/~~Board~~/~~Committee~~.

| | Agreed? | | | | Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body) |
|---|---------|-----|-----|---------------|--|
| | Yes | No* | N/A | Not covered** | |
| 1. Appropriate books of account have been properly kept throughout the year. | x | | | | |
| 2. Financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for. | x | | | | |
| 3. The body assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these. | x | | | | |
| 4. The annual precept/levy/resource demand requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored, and reserves were appropriate. | x | | | | |
| 5. Expected income was fully received, based on correct prices, properly recorded and promptly banked, and VAT was appropriately accounted for. | x | | | | |
| 6. Petty cash payments were properly supported by receipts, expenditure was approved and VAT appropriately accounted for. | | | x | | |
| 7. Salaries to employees and allowances to members were paid in accordance with minuted approvals, and PAYE and NI requirements were properly applied. | x | | | | |
| 8. Asset and investment registers were complete, accurate, and properly maintained. | x | | | | |

| | Agreed? | | | | Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body) |
|--|---------|-----|-----|---------------|--|
| | Yes | No* | N/A | Not covered** | |
| 9. Periodic and year-end bank account reconciliations were properly carried out. | x | | | | |
| 10. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments/income and expenditure), agreed with the cashbook, were supported by an adequate audit trail from underlying records, and where appropriate, debtors and creditors were properly recorded. | x | | | | |
| 11. Trust funds (including charitable trusts). The Council/Board/Committee has met its responsibilities as a trustee. | | | x | | |

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

| | Agreed? | | | | Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body) |
|-----|---------|-----|-----|---------------|--|
| | Yes | No* | N/A | Not covered** | |
| 12. | | | x | | |
| 13. | | | x | | |
| 14. | | | x | | |

* 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).

** 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.

[My detailed findings and recommendations which I draw to the attention of the Council/Board/Committee are included in my detailed report to the Council/Board/Committee dated 23/06/2021.] * Delete if no report prepared.

Internal audit confirmation

I/we confirm that as the Council's internal auditor, I/we have not been involved in a management or administrative role within the body (including preparation of the accounts) or as a member of the body during the financial years 2019-20 and 2020-21. I also confirm that there are no conflicts of interest surrounding my appointment.

Name of person who carried out the internal audit: Vivian Lyn Llewellyn

Signature of person who carried out the internal audit: *V. L. Llewellyn*

Date: 23/06/2021

Guidance notes on completing the Annual Return

1. You must apply proper practices when preparing this Annual Return. Proper practices are set out in the Practitioners' Guide.
2. Make sure that the Annual Return is fully completed ie, no empty red boxes. Please avoid making any amendments to the completed return. If this is unavoidable, cross out the incorrect entries, make sure the amendments are drawn to the attention of the body, properly initialled and an explanation for them is provided to the external auditor. **Please do not use correction fluid.** Annual returns that are incomplete or contain unapproved and/or unexplained amendments or correction fluid will be returned unaudited and may incur additional costs. Ask your auditor for an electronic copy of the form if required.
3. Use a second pair of eyes, perhaps the Chair or a member, to review your Annual Return for completeness before sending the original form to the auditor.
4. Make sure that your accounting statements add up, that the balance carried forward from the previous year (line 7 of 2020) equals the balance brought forward in the current year (line 1 of 2021). Explain any differences between the 2020 figures on this Annual Return and the amounts recorded in last year's Annual Return.
5. Explain fully any significant variances in the accounting statements. Do not just send in a copy of your detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include a detailed analysis to support your explanation and be specific about the values of individual elements making up the variances.
6. Make sure that the copy of the bank reconciliation you send to your auditor with the Annual Return covers **all** your bank accounts and cash balances. If there are no reconciling items, please state this and provide evidence of the bank balances. If your Council holds any short-term investments, please note their value on the bank reconciliation. The auditor should also be able to agree your bank reconciliation to line 9 in the accounting statements. More help on bank reconciliations is available in the Practitioners' Guide.
7. **Every council must send to the external auditor, information to support the assertions made in the Annual Governance Statement even if you have not done so before.** Your auditor will tell you what information you need to provide. Please read the audit notice carefully to ensure you include all the information the auditor has asked for. You should send **copies** of the original records (certified by the Clerk and Chair as accurate copies) to the external auditor and not the original documents themselves.
8. Please do not send the auditor any information that you are not specifically asked for. Doing so is not helpful.
9. If the auditor has to review unsolicited information, repeat a request for information, receives an incomplete bank reconciliation or explanation of variances or receives original documents that must be returned, the auditor will incur additional costs for which they are entitled to charge additional fees.
10. **Please deal with all correspondence with the external auditor promptly.** This will help you to meet your statutory obligations and will minimise the cost of the audit.
11. **Please note that if completing the electronic form, you must print the form for it to be certified by the RFO and signed by the Chair before it is sent to the auditor.**

| Completion checklist – 'No' answers mean that you may not have met requirements | | Done? | |
|---|--|-------|----|
| | | Yes | No |
| Initial submission to the external auditor | | | |
| Accounts | Do the papers to be sent to the external auditor include an explanation of significant variations from last year to this year? | | |
| | Does the bank reconciliation as at 31 March 2021 agree to Line 9? | | |
| Approval | Has the RFO certified the accounting statements and Annual Governance Statement (Regulation 15 (1)) no later than 30 June 2021? | | |
| | Has the body approved the accounting statements before 30 June 2021 and has Section 3 been signed and dated by the person presiding at the meeting at which approval was given? | | |
| All sections | Have all pink boxes in the accounting statements and Annual Governance Statement been completed and explanations provided where needed? | | |
| | Has all the information requested by the external auditor been sent with this Annual Return? Please refer to your notice of audit and any additional schedules provided by your external auditor. | | |
| If accounts are amended after receipt of the Auditor General's report on matters arising | | Yes | No |
| Accounts | Have the amended accounting statements been approved and Section 3 re-signed and re-dated as evidence of the Board's approval of the amendments before re-submission to the auditor? | | |

**Rogerstone Community Council
2020-21**

Explanation of variances

(% change > 15%)

| Section 1 | 2019/20 £ | 2020/21 £ | Variance (+/-) £ | Detailed explanation of variance (with amounts £) |
|--|----------------------|----------------------|-----------------------------|---|
| Box 3 <i>Other receipts</i> | 97,508 | 119,195 | 21,687 | Grants received for coronavirus support £16,438 in 2020/21 and increased income from Jubilee Park £34,952 and Rogerstone & Bassaleg Burial Board £1,872. Reduction in income from hall lettings of £22,293 and reduction in grant funding for Land Sale Reserve funded projects, £10,650 2020/21 compared to £20,685 in 2019/20. |
| Box 4 <i>Staff costs</i> | (164,824) | (182,870) | 18,046 | |
| Box 5 <i>Loan interest/ capital</i> | 0 | 0 | 0 | |
| Box 6 <i>Other payments</i> | (150,197) | (62,096) | -88,101 | Significant decrease in major expenditure incurred on projects funded from Land Sale Reserve in 2020/21 (£9,176) compared with 2019/20 (£96,502). |
| Box 8 <i>Debtors</i> | 37,407 | 33,158 | -4,249 | |
| Box 9 <i>Cash and investments</i> | 143,367 | 169,728 | 26,361 | Increase in cash balances due to receipt of grants relating to coronavirus support (£16,438) and reduction in spending on some services (£6,417) during the year |
| Box 10 <i>Creditors</i> | (4,253) | (2,336) | -1,917 | Burial Board precept £992 owing in 2019/20 but equivalent for 2020/21 was paid during the year. Also, reduction in estimated water rates accrual, £779 after resolution of water leak issue. |
| Box 12 <i>Fixed & long term assets</i> | 1,827,185 | 1,827,681 | 496 | |
| Box 13 <i>Total borrowings</i> | 0 | 0 | 0 | |

Rogerstone Community Council
2020-21
Bank reconciliations

| | TSB 72801260 | Nationwide 90100580 | TOTAL |
|------------------------------------|------------------|------------------------|-------------------|
| | £ | £ | £ |
| Balance b/f per last year accounts | 6,038.07 | 137,328.57 | 143,366.64 |
| Receipts | 289,515.11 | | 289,515.11 |
| Payments | (263,241.08) | | (263,241.08) |
| Transfers | | | 0.00 |
| Interest received | | 87.10 | 87.10 |
| | <u>32,312.10</u> | <u>137,415.67</u> | <u>169,727.77</u> |
| Balance per bank at 31 March 2021 | 32,312.10 | 137,415.67 | 169,727.77 |
| Unpresented cheques | | | 0.00 |
| Unrecorded lodgements | | | 0.00 |
| Adjusted balance | <u>32,312.10</u> | <u>137,415.67</u> | <u>169,727.77</u> |

Lyn Llewellyn Internal Audit Service

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Oakfield Terrace
Ammanford
Carms
SA18 2NG
Tel: 07582 535 6172
E-mail: v_llewellyn@sky.com

The Chairperson
Rogerstone Community Council
Ty-du Community Hall
Welfare Ground
Tregwilym Road
Rogerstone
Newport, NP10 9EQ

22nd June 2021

Dear Chairperson

Internal Audit Report for the year ended 31st March 2021

Purpose of the Audit

The purpose of the audit was to review the financial propriety and governance arrangements of the Council in accordance with proper practices as set out in the One Voice Wales/Society of Local Council Clerks' publication "Governance and Accountability for Local Councils in Wales – A Practitioners' Guide" (2019 Edition).

Main Findings

The control objectives tested proved to be satisfactory and as a result there are no matters I need to bring to the attention of your Council on this occasion. My conclusions are reflected in the internal auditor's report on pages 6 and 7 of the 2020/21 Annual Return and are based inter alia on tests conducted by me – see schedule attached.

Audit Opinion

Assurance can be expressed in the governance arrangements and the financial statement of Rogerstone Community Council for the financial year 2020/21. However, it is recommended that the Council should undertake a review, during the current financial year, of its system of internal control and the outcome should be considered by members and duly minuted – see pages 37 to 43 of the Practitioners' Guide attached.

Acknowledgements

I would like to take this opportunity to thank the Clerk, Mr Colin Atyeo, and his staff, for all their help and co-operation during the completion of the internal audit.

I attach my invoice for your kind attention in due course.

Yours sincerely


Lyn Llewellyn
Internal Auditor

Name of Council: Rogerstone Community Council

Financial Year: 2020/2021

Internal Control / Testing carried out by Internal Audit confirmed the following:

Proper bookkeeping

Cashbook maintained and up to date.

Cashbook arithmetic correct.

Cashbook regularly balanced.

Standing Orders and financial regulations adopted and applied

Council formally adopted standing orders and financial regulations.

The Clerk has been appointed Responsible Financial Officer.

Items or services above the de minimus amount have been competitively purchased.

Payments Controls

Payments in the cashbook are supported by invoices, authorised and minuted.

VAT on payments have been identified, recorded and reclaimed.

S137 expenditure separately recorded and within statutory limits.

Risk Management Arrangements

Review of the minutes does not identify any unusual financial activity.

Minutes record the council carrying out an annual risk assessment.

Insurance cover appropriate and adequate.

Budgetary Controls

Council has prepared an annual budget in support of its precept.

Actual expenditure against the budget reported to the council.

There are no significant unexplained variances from budget.

Income Controls

Income is properly recorded and promptly banked.

The precept recorded agrees with the total of the instalments paid directly into the Council's bank account by the County Council.

Security controls over cash and near-cash is adequate and effective.

Petty Cash Procedures / Commercial Bank Cards

There are no Petty Cash procedures currently in operation.

Petty Cash has been replaced by commercial bank cards.

All expenditure charged to the cards is reported regularly to Council for approval and payment.

Payroll Controls

All employees have contracts of employment with clear terms and conditions.

Salaries paid agree with those approved by the council.

Other payments to employees are reasonable and approved by the council.

PAYE/NIC has been properly operated by the council as an employer.

Assets Controls

The council maintains a register of all material assets owned or in its care.

The assets register is up to date.

Bank Reconciliation

Bank reconciliation prepared for each account.

Bank reconciliation carried out regularly and in a timely fashion.

There are no unexplained balancing entries in any reconciliation.

Value of any investments held summarised on the reconciliation.

Year-end procedures

Year end accounts prepared on the correct accounting basis -Income and Expenditure.

Accounts agree with cashbook.

There is an audit trail from underlying financial records to the accounts.

Signed –



Mr V L Llewellyn

Internal Auditor

Date: 22nd June 2021

Part 2: Governance and financial management

Guidance

What are internal controls?

- 7.1. Local councils must have in place safe and efficient arrangements for managing money to the highest standard of honesty and integrity. 'Money' includes cash and all other forms of negotiable instrument and stores of value that can easily be converted into cash. For example, a non-exhaustive list of money includes:
- physical cash and notes, petty cash and unclaimed receipts, imprest accounts, cash in transit;
 - unpaid income held by debtors;
 - signed and unsigned cheques, drafts and other orders for payment;
 - current, deposit and investment accounts at banks and financial institutions and access to undrawn borrowing facilities;
 - credit cards (where held – see below), debit cards, store cards, fuel cards;
 - access to balances by telephone or electronic transfer; and
 - the ability to buy goods or services on credit.
- 7.2. Where any doubt exists over what constitutes money, councils should presume that it is within the scope of the definition. The definition covers all accounts held with financial institutions and controls over access whether physical or electronic.
- 7.3. Internal controls are essential checks and procedures that help council members:
- meet their responsibilities to safeguard the council's money and assets;
 - administer the council's finances and assets in a way that identifies and manages risk; and
 - ensure the quality of financial reporting by keeping proper accounting records and preparing timely and relevant financial information.
- 7.4. These checks and balances will include procedures to receive money, make payments, record financial transactions and by its internal audit, to check that this is being done.
- 7.5. Internal controls reduce but do not remove completely, the risk of losses through:
- theft and fraud;
 - poor decision-making;
 - human error;
 - breaches of controls and unforeseeable events.
- 7.6. Although the risks are not completely removed, internal controls should also help members to detect problems sooner and take any necessary action.
- 7.7. The type of financial checks and balances the council puts in place will depend on the size of the council and the range of services the council provides. Larger councils providing a wider range of services will need a wider range of checks and balances than smaller councils. However, every council must have some basic checks and balances.
- 7.8. Generally, controls are of two types:

Part 2: Governance and financial management

- Preventative Controls: that are designed to discourage errors or irregularities from occurring (i.e., processing vouchers only after signatures have been obtained from appropriate personnel), and
- Detective Controls: these find errors or irregularities after they have occurred (i.e. reviewing bank statements for items not in the cashbook).

Who is responsible for internal controls?

- 7.9. Regulation 5 states that the council is responsible for putting in place and ensuring that there is a sound system of internal control. This system must facilitate the effective exercise of the council's functions, include arrangements to manage risk and secure adequate and effective financial management.
- 7.10. The tone at the top created by members will embed a culture of proper control in the council as a whole. Members should therefore lead by example in adhering to the established internal controls and good practice.
- 7.11. A local council's members are jointly and individually responsible for putting proper governance arrangements in place to safeguard public funds. Councils may delegate the role of protecting its money to individuals, for example to the Clerk or the RFO. However, the legal responsibility always remains with the council and its members.
- 7.12. Regulation 6 states that the RFO must determine on behalf of the council and after consideration of proper practices, its accounting control systems. The Regulation notes that the RFO shall also ensure that the accounting control systems are observed.
- 7.13. Therefore, there is a joint responsibility between the members and the RFO to ensure an adequate system of internal control exists.
- 7.14. Arrangements should demonstrate how the council intends to meet its responsibilities within the legal framework. They should be current and include the specific duties and responsibilities of named individuals for securely managing money and arranging its security, as well as for identifying internal controls and supervision measures.

What is the review of the system of internal control?

- 7.15. Regulation 5 also requires the council to review at least once a year, the effectiveness of the system of internal control and to prepare a statement on internal control.
- 7.16. In order to review the system of internal control, the council must first understand the nature of the control system and its various components. These will include:
- high level controls providing an overall framework; and
 - specific controls related to activities and transactions.
- 7.17. The annual review should include an assessment of whether the controls:
- operated during the year;
 - are relevant and appropriate for the council, and
 - are not too onerous or disproportionate.

Part 2: Governance and financial management

7.18. The council may seek external advice and guidance if it does not have sufficient or appropriate internal expertise or knowledge. Reviews of arrangements may be carried out by members or by Internal Audit.

High level internal controls

7.19. The following high level controls should be in place at all councils.

Exhibit 8: High level controls

| (Control area) | |
|-----------------------|---|
| Segregation of duties | A key feature of an effective control framework is to ensure that where possible, no single individual has sole responsibility for any transaction from authorisation to completion and review. For smaller councils there may be particular resource constraints that make proper segregation of duties difficult to achieve. However, members can take action to compensate for these difficulties. For example, members reviewing reports of transactions independently of the RFO. |
| Budgetary control | One of the most important financial monitoring activities is budgetary control. This is monitoring the council's performance against its budget. The council should have procedures for regular budget reporting in place. More detail on budgets is set out in chapter 6. |
| Internal audit | The role of internal audit is to look at the effectiveness of the council's financial controls. The members should consider reports prepared by the internal auditor that identify weaknesses in internal control. More detail on internal audit is included in chapter 11. |
| Payments | The use of cheque payments is diminishing with the use of electronic payment methods. It is essential that the council has robust controls in place over payments made. These should be set out in the council's financial regulations/procedures |

Internal controls over activities and transactions

7.20. The following table contains advice covering internal controls over a range of financial activities. When using this guidance, councils and RFOs should focus on the sections that are relevant to their particular council. For example, if the council does not use electronic banking the section will not be relevant. The lists are not exhaustive but should assist councils to develop their own internal control system.

Exhibit 9: Example internal controls

| (Control area) | (Control objective) | (Example controls) |
|-------------------------------|---|--|
| Standing orders and financial | These establish the general rules applicable to council | Model standing orders and financial regulations are available from One Voice Wales or Society of Local |

Part 2: Governance and financial management

| | | |
|-------------------------------|---|---|
| regulations/ procedures | meetings and in carrying out the council's business. | <p>Council Clerks. Councils should base their documentation on these two models.</p> <p>Standing orders must include provisions for securing competition and regulating the way in which the council's contract with suppliers. They should include specified thresholds for obtaining estimates, quotes and tenders. Councils must set thresholds that are most appropriate to their circumstances.</p> <p>Standing orders and financial regulations should require:</p> <ul style="list-style-type: none"> ○ As far as is possible, a fully priced official order should be sent to suppliers in advance of delivery of goods. ○ On receipt of invoices, confirmation should be obtained that the goods or services have been received in good order, that the arithmetic is correct and discounts have been received if appropriate. ○ For capital projects, payments should only be made against certified completions under a planned and approved programme of works that is subject to a formal contract approved by the council. |
| Income received | The controls in place should provide assurance that the income received is secure, accurately recorded and banked as quickly as possible. | <p>All cash and cheques received should be recorded and banked intact as soon as possible.</p> <p>The following controls should be in place:</p> <ul style="list-style-type: none"> ○ Where possible, at least two people are involved in handling and recording monies received; ○ Cash collected is banked as soon as possible without deduction of expenses; ○ Records are kept of each source of funds or fundraising event in enough detail to identify gross receipts or takings and costs incurred; ○ Pre-numbered, carbon copy receipts are issued for all payments received. |
| Trading income and fees | Trading includes all goods and services provided for a fee. Controls should ensure that all income due to the council is received and recorded. | <p>Controls will depend on the type of activity carried out by the council. Controls should generally include:</p> <ul style="list-style-type: none"> ○ Establishing a pricing policy for goods and services supplied including regular review of price structures; ○ Invoicing procedures for all goods and services provided; ○ Review of outstanding debts and collection procedures; |

Part 2: Governance and financial management

| | | |
|------------------------------|---|--|
| | | <ul style="list-style-type: none"> Procedures to reconcile goods and services provided to amounts invoiced and cash received to outstanding balances. |
| Income records | Internal controls should ensure the council accurately maintains accounting records of income. | <p>Certain basic controls performed regularly may serve as an early warning of anything going wrong. Regular checks should be made to ensure that:</p> <ul style="list-style-type: none"> Records of cash and cheques received agree with bank paying in slips; Paying in slips agree with bank statements both in terms of amount banked and date of credit; and Transfers or other direct payments into the bank are verified against supporting paperwork. <p>These checks should be made by someone other than the person concerned with the original recording of the transactions.</p> |
| Authorisation of expenditure | Expenditure controls ensure that only necessary and authorised purchases are made. Controls also ensure that the council makes payments only for goods and services actually received and at agreed prices. | <p>Controls over purchases may include:</p> <ul style="list-style-type: none"> Establishing authority levels for placing orders and approving payments which are clear and documented; and Ensuring invoices received are checked against orders to confirm prices and the receipt of the goods or services ordered. <p>Payments whether by cheque or other means should only be released once confirmation has been received that sufficient funds are available.</p> <p>All payments made should be reported to a council meeting and should be issued immediately after approval.</p> <p>Members must never sign blank cheques or authorise funds transfers which are presented for approval in advance of supply or where unsupported by appropriate documentation.</p> <p>Councils must develop specific control procedures for payments by electronic means, taking into account the ease and speed of these transactions.</p> |
| Wages and salaries | The purpose of payroll controls is to make sure that the council pays the correct amounts to genuine employees and HMRC. | <p>The payment of wages and salaries is often a major item of a council's expenditure and therefore adequate control over these payments is essential.</p> <p>In addition to paying employees, the controls should ensure that the council is not exposed to additional liabilities from breaches of statutory regulations e.g. by failing to correctly deduct tax and national insurance. Internal controls should be established to should ensure that:</p> <ul style="list-style-type: none"> PAYE records are maintained for all employees; |

Part 2: Governance and financial management

| | | |
|---------------|---|--|
| | | <ul style="list-style-type: none"> Statutory deductions are paid to HMRC and pension contributions paid to pension providers promptly; Deadlines for yearend returns to HMRC are met e.g. P35, P11D and P60; Minimum wage legislation is adhered to; Only authorised or required deductions are made from pay; All employees have a proper contract of employment and individuals are not incorrectly classified as self-employed; Personnel records are checked against pay records periodically to prevent payments to former employees; Changes to pay, hours, overtime or non-standard hours are authorised promptly; and No individual has the authority to set his or her own pay. |
| Assets | Internal controls should be in place to safeguard the assets and investments held by the council from loss or damage and to ensure their proper use within the community. | <p>Internal controls may include:</p> <ul style="list-style-type: none"> Maintaining an asset register; Regular inspection of fixed assets to ensure they exist, remain in good repair and are being used appropriately; Appropriate authorisation for the disposal or scrapping of fixed assets; and Maintaining secure boundaries of any land and buildings held by the council and holding all title deeds securely. |
| Investments | Internal controls should ensure that the council's investments are safeguarded | <p>Controls should include:</p> <ul style="list-style-type: none"> Setting an investment policy; Maintaining records of all investments held; and Accounting controls to ensure that all dividends, rent or interest payments due are received. |
| Bank accounts | Controls over bank accounts ensure that the amount of money held at any given point in time can be identified and that this money is secure | <p>Controls should include:</p> <ul style="list-style-type: none"> Monthly preparation of bank reconciliations for all accounts. A second person should review the reconciliations and resolve any discrepancies. Keeping a list of all bank accounts and reviewing it for dormant accounts, which should be closed. <p>To maintain the security of bank accounts, the following controls should be in place:</p> <ul style="list-style-type: none"> Formal council approval should be required to set up or close bank accounts From time to time banks and other institutions holding the council's funds should be asked for written confirmation of balances. This should be sent to a named member who is not an authorised signatory. This is a particularly |

Part 2: Governance and financial management

| | | |
|-----------|--|--|
| | | <p>Important control where paper statements are not received and reliance is placed on electronic information.</p> <ul style="list-style-type: none"> ○ Segregation of duties to prevent any single person being able to control the council's resources; ○ Proper approval for movements between and payments from bank accounts. ○ After each electronic banking transaction, a print out should be taken showing transaction details and stored as part of the accounting record; ○ Keeping all PCs with access to online banking facilities secure; ○ Ensuring all PCs are up to date with anti-virus, spy ware and firewall software; ○ Adequate training for those using the electronic banking facility ○ Changing access passwords periodically and following changes in authorised employees and members ○ Councils should limit the use of corporate credit cards as they may present unacceptable and unnecessary risks to public funds. Where used, corporate credit card accounts must be set up to operate within a limit set by the council and must be cleared monthly by direct debit from the main bank account. |
| Employees | Employees must ensure that they adhere to the council's control arrangements | Where employees have responsibilities for collecting money or making payments, their terms and conditions of employment should include adherence to internal controls, including any updates. Officers should acknowledge in writing they have understood these special responsibilities and received appropriate training. |

JUBILEE PARK

2020/2021 ANNUAL REPORT

1. 2020/2021 Review

The Management Company responsible for the management and maintenance of all non-adopted spaces and flood defences on Jubilee Park was transferred from Walters Land (Rogerstone) Ltd to Rogerstone Community Council on 3rd April 2017.

During 2020/2021 Phase II of the Linear Park was handed over to the Management Company for the ongoing management and maintenance of the area, however a final inspection of the tree planting will be held in June 2021 when the extent of tree dieback and replacement required can be clearly seen.

The Bowls Hall has not yet been handed over or lease subsequently entered into with the Bowls Club due to drainage remediation works being undertaken by the developer, however handover is anticipated during June/July 2021. Once complete, all areas of the non-adopted public open space will then have been handed over.

The management and maintenance of the non-adopted public open space is funded by an annual charge levied on individual property owners, which is payable immediately on completion of purchase.

The annual charge for 2020/2021 is £215.58 per annum for standard housing units and £134.73 per annum for affordable housing units. This charge is subject to an annual Retail Price Index (RPI) uplift, as calculated by the Office for National Statistics (2.6% increase on 2019/2020 fees).

The annual charge is not only to fund maintenance of the unadopted public open spaces, it will also provide for example: management and professional costs, insurances, NNDR, depreciation of fixed assets and a reserve of funds to deal with the flood wall inspections as well as a contingency for the repair and eventual replacement of the some or all of the flood defences.

The management company's main costs this year have been the contributions to the reserve fund for the flood prevention wall, the contingency/dividend fund and the grounds maintenance of the non-adopted public open space.

There has been expenditure also on a galvanised safety grille to the flood wall outlet, graffiti removal, concrete repairs to the flood prevention wall, a new DDA compliant swing and a reconfiguration of one of the play parks, traffic prevention barriers to some of the footpath access points, additional shrub planting, commencement of a Japanese knotweed eradication programme, tree lopping or

felling of diseased or damaged trees and a contribution towards the Residents Committee's costs of Christmas lighting to the pond area.

There has also been a structural survey undertaken to the flood prevention wall following exceptionally adverse weather which resulted in minor maintenance works. However, the report concluded that the wall performed well during this event with no unexpected damage.

The income and expenditure have been fluid because of income fluctuations which are dependent on the number of sales/completions achieved by the developer, as well as increasing expenditure for the ongoing handover of the non-adopted areas once they have been satisfactorily completed.

The number of house completions on the development at 31st March 2021 was approximately:

- 746 standard dwelling units (665 @ 31st March 2020)
- 89 affordable home units (52 @ 31st March 2020)

In subsequent years when the situation becomes settled, the income and expenditure will become more predictable.

2. 2020/2021 Annual Statement of Accounts

The statement of accounts is detailed in Appendix 1.

3. 2020/2021 Budget Variances

The variations from budget are shown in Appendix 2.

The main financial variance can be seen to be salaries, which is because temporary seasonal employees are now included within this budget heading.

4. 2021/2022 Budget Forecast

The budget forecast based on facilities that have been handed over and also likely to be handed over is shown in Appendix 3.

5. 2021/2022 Capital Expenditure Consultation

Jubilee Park Residents Committee, the local Police and other interested parties have

been consulted over potential improvements to the non-adopted public open space on the development and the following suggestions have been received:

- Access restrictions on footpaths leading to the Linear Park to deter off road motorcycles
- Improvements to the footpath from the Welfare Grounds to the access bridge
- Drainage to an area of the path through the Linear Park which floods during winter
- CCTV in the area of the play parks to deter anti-social behaviour
- Additional or replacement shrub and seasonal planting to the linear park
- Spring bulb planting to the access paths
- Additional low level fencing to protect shrubs from cycles and foot traffic
- Christmas tree to the central pond area
- A further contribution to enhance the Christmas lighting adjacent to the pond
- A water feature to be incorporated into the central pond
- Advisory signage in respect of dogs to be on leads and age limitations on play equipment

The suggestions received will be considered during the course of 2021/2022.

Sally Mlewa
Director

Stewart Jones
Director

Colin Atyeo
Director

Jubilee Park (Rogerstone) Management Company Limited

Company Registration No. 08678710 (England and Wales)

**JUBILEE PARK (ROGERSTONE) MANAGEMENT COMPANY LIMITED
ANNUAL REPORT AND UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021**

**JUBILEE PARK (ROGERSTONE) MANAGEMENT COMPANY LIMITED
ANNUAL REPORT AND UNAUDITED ACCOUNTS
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JUBILEE PARK (ROGERSTONE) MANAGEMENT COMPANY LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2021

| | |
|--------------------------|--|
| Directors | Colin Atyeo Sarah Mlewa Stewart Jones |
| Company Number | 08678710 (England and Wales) |
| Registered Office | Ty Du Community Hall Welfare Grounds, Tregwilym Road Rogerstone Newport NP10 9EQ United Kingdom |
| Accountants | Nathan Evans Limited 16 Cambrian Way Marshfield Cardiff CF3 2WB |

JUBILEE PARK (ROGERSTONE) MANAGEMENT COMPANY LIMITED
(COMPANY NO: 08678710 ENGLAND AND WALES)
DIRECTORS' REPORT

The directors present their report and accounts for the year ended 31 March 2021.

Principal activity

The company charges homeowners/tenants an annual maintenance charge for non-adopted areas and flood defences at Jubilee Park. The company started trading from 1 April 2017.

Directors

The following directors held office during the whole of the period:

Colin Atyeo
Sarah Mlewa

Stewart Jones was appointed on 7 October 2020.

Yvonne Forsey resigned on 7 October 2020.

Statement of directors' responsibilities

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law, the directors have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small company provisions

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Signed on behalf of the board of directors



Colin Atyeo
Director

Approved by the board on: 7 June 2021

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE
PREPARATION OF THE UNAUDITED STATUTORY ACCOUNTS OF JUBILEE PARK
(ROGERSTONE) MANAGEMENT COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH
2021**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Jubilee Park (Rogerstone) Management Company Limited for the year ended 31 March 2021 as set out on pages 6 - 9 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at icaew.com/membershandbook.

Our work has been undertaken in accordance with AAF 7/16 as detailed at icaew.com/compilation.

Nathan Evans Limited
Chartered Accountants

16 Cambrian Way
Marshfield
Cardiff
CF3 2WB

7 June 2021

JUBILEE PARK (ROGERSTONE) MANAGEMENT COMPANY LIMITED
STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 MARCH 2021

| | 2021 £ | 2020 £ |
|--|----------------------|----------------------|
| Turnover | 187,642 | 146,385 |
| Cost of sales | (9,382) | (7,319) |
| Gross profit | <u>178,260</u> | <u>139,066</u> |
| Administrative expenses | (182,628) | (135,372) |
| Operating (loss)/profit | <u>(4,368)</u> | <u>3,694</u> |
| Income from investments | 31,526 | - |
| Interest receivable and similar income | 575 | 1,251 |
| Profit on ordinary activities before taxation | <u>27,733</u> | <u>4,945</u> |
| Tax on profit on ordinary activities | (3,169) | - |
| Profit for the financial year | <u><u>24,564</u></u> | <u><u>4,945</u></u> |
| Retained earnings at the start of the year | 37,317 | 32,372 |
| Profit for the financial year | 24,564 | 4,945 |
| Dividends | - | - |
| Retained earnings at the end of the year | <u><u>61,881</u></u> | <u><u>37,317</u></u> |

JUBILEE PARK (ROGERSTONE) MANAGEMENT COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

| | Notes | 2021 £ | 2020 £ |
|---|-------|----------------|----------------|
| Fixed assets | | | |
| Tangible assets | 4 | 17,221 | 18,599 |
| Current assets | | | |
| Debtors | 5 | 31,871 | 24,906 |
| Investments | 6 | 206,211 | 80,700 |
| Cash at bank and in hand | | 59,999 | 78,039 |
| | | <u>298,081</u> | <u>183,645</u> |
| Creditors: amounts falling due within one year | 7 | (50,420) | (21,926) |
| | | <u>247,661</u> | <u>161,719</u> |
| Net current assets | | <u>264,882</u> | <u>180,318</u> |
| Total assets less current liabilities | | | |
| Provisions for liabilities | | | |
| Other provisions | 8 | (203,000) | (143,000) |
| | | <u>61,882</u> | <u>37,318</u> |
| Net assets | | <u>61,882</u> | <u>37,318</u> |
| Capital and reserves | | | |
| Called up share capital | | 1 | 1 |
| Profit and loss account | | 61,881 | 37,317 |
| | | <u>61,882</u> | <u>37,318</u> |
| Shareholders' funds | | <u>61,882</u> | <u>37,318</u> |

For the year ending 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - Small Entities.

The financial statements were approved by the Board of Directors and authorised for issue on 7 June 2021 and were signed on its behalf by

Colin Atyeo
Director

Company Registration No. 08678710

JUBILEE PARK (ROGERSTONE) MANAGEMENT COMPANY LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

1 Statutory information

Jubilee Park (Rogerstone) Management Company Limited is a private company, limited by shares, registered in England and Wales, registration number 08678710. The registered office is Ty Du Community Hall, Welfare Grounds, Tregwilym Road, Rogerstone, Newport, NP10 9EQ, United Kingdom.

2 Compliance with accounting standards

The accounts have been prepared in accordance with the provisions of FRS 102 Section 1A Small Entities. There were no material departures from that standard.

3 Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

Basis of preparation

The accounts have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets.

Presentation currency

The accounts are presented in £ sterling.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. Turnover from the sale of goods is recognised when goods have been delivered to customers such that risks and rewards of ownership have transferred to them. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

Tangible fixed assets and depreciation

Tangible assets are included at cost less depreciation and impairment. Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives:

| | |
|--------------------|-------------------|
| Plant & machinery | 50% straight line |
| Computer equipment | 50% straight line |

4 Tangible fixed assets

Cost or valuation

At 1 April 2020

Additions

At 31 March 2021

Depreciation

At 1 April 2020

Charge for the year

At 31 March 2021

Net book value

At 31 March 2021

At 31 March 2020

| Plant & machinery £ | Computer equipment £ | Total £ |
|------------------------|-------------------------|---------------|
| At cost | At cost | |
| 25,644 | 1,667 | 27,311 |
| 11,022 | 2,280 | 13,302 |
| 36,666 | 3,947 | 40,613 |
| 8,643 | 69 | 8,712 |
| 13,246 | 1,434 | 14,680 |
| 21,889 | 1,503 | 23,392 |
| 14,777 | 2,444 | 17,221 |
| 17,001 | 1,598 | 18,599 |

JUBILEE PARK (ROGERSTONE) MANAGEMENT COMPANY LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

5 Debtors: amounts falling due within one year

| | 2021 £ | 2020 £ |
|---------------|---------------|---------------|
| Trade debtors | 31,870 | 24,905 |
| Other debtors | 1 | 1 |
| | <u>31,871</u> | <u>24,906</u> |

6 Investments held as current assets

| | 2021 £ | 2020 £ |
|--------------------|-----------|-----------|
| Listed investments | 206,211 | 80,700 |

The directors sought financial advice for site funding costs, primarily over the longer term. The investment strategy set invests in an Authorised Unit Trust/Open Ended Investment Company (OIEC) utilising an active fund management approach.

The actively managed, well diversified portfolios will be managed by Liontrust and Brewin Dolphin, in line with the agreed risk mandate.

7 Creditors: amounts falling due within one year

| | 2021 £ | 2020 £ |
|---------------------------|---------------|---------------|
| Taxes and social security | 3,169 | - |
| Other creditors | 26,600 | 12,556 |
| Accruals | - | 1,440 |
| Deferred income | 20,651 | 7,930 |
| | <u>50,420</u> | <u>21,926</u> |

8 Provisions for liabilities

| | £ |
|--|----------------|
| At 1 April 2020 | 143,000 |
| Additional provisions made during the period | 60,000 |
| At 31 March 2021 | <u>203,000</u> |

A flood defence wall was built as part of the site development in 2016. The wall was constructed during 2016 with an estimated life of 100 years and the rebuild costs could be as much as £6 million, which needs to be provided for. The company is responsible for the maintenance, upkeep and repair of the wall and makes an annual maintenance charge on all homeowners/tenants of the site. An estimate of the future maintenance costs is provided for each year.

9 Average number of employees

During the year the average number of employees was 3 (2020: 3).

JUBILEE PARK (ROGERSTONE) MANAGEMENT COMPANY LIMITED
DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2021

This schedule does not form part of the statutory accounts.

| | 2021 £ | 2020 £ |
|--|-----------|-----------|
| Turnover | | |
| Fees | 187,642 | 146,385 |
| Cost of sales | | |
| Other direct costs | 9,382 | 7,319 |
| Gross profit | 178,260 | 139,066 |
| Administrative expenses | | |
| Wages and salaries | 50,166 | 24,828 |
| Telephone and fax | 30 | 140 |
| Postage | 312 | 466 |
| Stationery and printing | 444 | 231 |
| Repairs and maintenance | 95,870 | 92,766 |
| Depreciation | 14,680 | 5,616 |
| Sundry expenses | 13,848 | 4,992 |
| Accountancy fees | 3,103 | 4,033 |
| Management fees | 1,015 | - |
| Other legal and professional | 3,160 | 2,300 |
| | 182,628 | 135,372 |
| Operating (loss)/profit | (4,368) | 3,694 |
| Income from investments | | |
| Income from investments | 31,526 | - |
| Interest receivable | | |
| Interest receivable | 575 | 1,251 |
| Profit on ordinary activities before taxation | 27,733 | 4,945 |

Budget Variance

Jubilee Park (Rogerstone) Management Company Limited 1 Apr 2020 to 31 Mar 2021

| | Actual | Budget | Var GBP | Var % |
|--|----------------|----------------|---------------|---------------|
| Income | | | | |
| Interest Income | 575 | 1,200 | (625)▼ | -52.1%▼ |
| Investment Income | 31,526 | - | 31,526▲ | 0.0% |
| Maintenance Fees | 172,838 | 166,000 | 6,838▲ | 4.1%▲ |
| Use of Land | 15,000 | - | 15,000▲ | 0.0% |
| Total Income | 219,938 | 167,200 | 52,738 | 31.5% |
| Less Cost of Sales | | | | |
| Direct Expenses | 9,392 | 8,300 | 1,092▲ | 13.2%▲ |
| | | | | |
| Audit & Accountancy fees | 3,103 | 2,880 | 223▲ | 7.7%▲ |
| Aviva fees and charges | 1,015 | - | 1,015▲ | 0.0% |
| Corporation Tax | 5,071 | 2,696 | 2,375▲ | 88.1%▲ |
| Depreciation Expense | 14,680 | 11,904 | 2,776▲ | 23.3%▲ |
| General Expenses | 6,306 | 5,000 | 1,306▲ | 26.1% |
| Legal & Professional Fees | 3,160 | - | 3,160▲ | 0.0%▼ |
| Postage, Freight & Courier | 312 | 500 | (188)▼ | -37.6%▲ |
| Printing & Stationery | 443 | 250 | 193▲ | 77.4%▲ |
| Repairs & Maintenance | 95,870 | 95,000 | 870▲ | 0.9%▲ |
| Salaries | 50,166 | 28,500 | 21,666▲ | 76.0%▼ |
| Telephone & Internet | 30 | 150 | (120)▼ | -80.0% |
| Total Cost of Sales | 9,392 | 8,300 | 1,092 | 13.2% |
| Gross Profit | 210,546 | 158,900 | 51,646 | 33.0% |
| Less Operating Expenses | | | | |
| Total Operating Expenses | 180,157 | 146,880 | 33,277 | 22.7% |
| Net Profit | 30,390 | 12,020 | 18,370 | 153.0% |
| Budget Variance Jubilee Park (Rogerstone) Management Company Limited 14 April 2021 | | | | |
| Page 1 of 1 | | | | |

Budget
Jubilee Park (Rogerstone) Management Company Limited
For the year ended 31 March 2022

Appendix 3

| Actual 31-Mar-21 | | Budget 31-Mar-22 |
|-----------------------------|----------------------------|-----------------------------|
| Income | | |
| £172,837.58 | Maintenance Fees | £209,300.00 |
| £574.96 | Interest Income | £600.00 |
| £31,525.74 | Investment Income | £20,000.00 |
| £15,000.00 | Use of Land | £0.00 |
| £219,938.28 | Total Income | £229,900.00 |
| Less Cost of Sales | | |
| £9,391.88 | Direct Expenses | £10,465.00 |
| £9,391.88 | Total Cost of Sales | £10,465.00 |
| £210,546.40 | Gross Profit | £219,435.00 |
| Less Overheads | | |
| £3,103.00 | Audit & Accountancy fees | £2,880.00 |
| £1,015.00 | Aviva fees and charges | £2,000.00 |
| £5,070.62 | Corporation Tax | £2,977.00 |
| £14,680.12 | Depreciation Expense | £18,144.00 |
| £6,306.12 | General Expenses | £5,000.00 |
| £3,160.00 | Legal & Professional Fees | £3,000.00 |
| £312.17 | Postage, Freight & Courier | £300.00 |
| £443.46 | Printing & Stationery | £400.00 |
| £95,869.74 | Repairs & Maintenance | £116,000.00 |
| £50,166.27 | Salaries | £56,000.00 |
| £30.00 | Telephone & Internet | £40.00 |
| £180,156.50 | Total Overheads | £206,741.00 |
| £180,156.50 | Total Expenses | £206,741.00 |
| £30,389.90 | Net Profit | £12,694.00 |