

## **FINAL ACCOUNTS 2022-23**

<b>Head of Service:</b>	Lee Duffy, Chief Finance Officer
<b>Wards affected:</b>	College Ward; Town Ward; Woodcote and Langley Vale Ward;
<b>Appendices (attached):</b>	Appendix 1 – 2022/23 Revenue Account Appendix 2 – Financial Statements 2022/23 Appendix 3 – Annual Governance and Accountability Return 2022/23

### **Summary**

This report seeks approval of the Conservators' final accounts for the financial year 2022/23.

### **Recommendation (s)**

**The Conservators are asked to:**

- (1) Receive the final accounts for 2022/23, subject to external audit.**
- (2) Approve the Annual Governance Statements as set out in section 1 of Appendix 3 to this report.**
- (3) Consider and approve the Accounting Statements as set out in section 2 of Appendix 3 to this report.**
- (4) Confirm that the arrangements for the internal audit as set out in this report are effective for auditing purposes.**
- (5) Authorise the Chair and Clerk to sign the Annual Governance Statement and the Accounting Statements on behalf of the Conservators.**

## **1 Reason for Recommendation**

- 1.1 To meet the statutory requirement for the Conservators to consider and approve the financial statements by 30 June 2023.

## **2 Background**

- 2.1 This report represents the Conservators' final accounts for the year ended 31 March 2023.

# Epsom and Walton Downs Conservators

## 19 June 2023

- 2.2 The revenue account, attached at Appendix 1, details income and expenditure for the year compared to the budget.
- 2.3 The financial statements are attached at Appendix 2 and the Annual Governance and Accountability Return, which requires approval of the Conservators, is attached at Appendix 3.
- 2.4 The Annual Governance and Accountability Return will be subject to external audit between July and September 2022.

### 3 Revenue Account for 2022/23

- 3.1 Overall, net expenditure for the year was £437,001 compared to the original budget of £432,700, resulting in a deficit for the year and a decrease in the working balance of £4,301.
- 3.2 At Q3, a deficit of £8,559 had been forecast. The year-end £4,301 deficit is mainly due to the following items:

<b>Explanation of significant variances</b>	<b>Adverse/(Favourable) Variance</b>  £
Grounds Maintenance – Net reduction in running costs, mainly due to underspent fuel budget	<b>(5,413)</b>
Keeper’s Hut – net reduction in running costs	<b>(1,914)</b>
EAFRD Project – one-off unreclaimable VAT from grant funded project	<b>11,422</b>
Income – increased income from events and interest received in light of Covid-19 recovery	<b>(1,165)</b>

- 3.3 A separate paper will be taken to Conservators regarding the unreclaimable VAT on the EAFRD project referred to in the table above.

### 4 Repairs and Renewals Fund

- 4.1 The balance of the fund at 31 March 2023 was £28,879, following a net contribution to revenue in year of £12,808 and interest earned of £722, as show in the following table:

	£
<b>Balance brought forward 1 April 2022</b>	<b>40,965</b>

# Epsom and Walton Downs Conservators

## 19 June 2023

Contribution from R&R Fund to revenue to cover demolition costs associated with Tattenham Conveniences as agreed by Conservators in January 2022	-16,808
Annual budgeted contribution from revenue to R&R Fund	4,000
Interest on balance (0.215% interest rate)	722
<b>Balance carried forward (uncommitted) 31 March 2023</b>	<b>28,879</b>

- 4.2 At the January 2022 meeting, it was agreed that £36,000 would be earmarked to fund demolition of Tattenham Corner Conveniences, however, the final costs came in at £18,448, therefore the uncommitted balance is higher than previously reported at 20 June 2022 meeting.

## 5 Internal Audit

- 5.1 From 1 April 2019, the Southern Internal Audit Partnership (SIAP) provide internal audit services to the Council and the Conservators, which includes completion of the Internal Audit Report within the Conservator's Annual Governance and Accountability Return. The role and scope of SIAP is detailed with the Internal Audit Charter which was presented to the Council's Audit and Scrutiny Committee on 6 April 2023.
- 5.2 The 2023/24 Internal Audit Plan was submitted in April 2023 to the same Committee who act as an Audit Committee under the Council's constitution. The Audit & Scrutiny Committee receive quarterly audit progress reports and a year-end Annual Report & Opinion.
- 5.3 All financial transactions for the Conservators are processed through Epsom and Ewell Borough Council's financial systems and transactions recorded on the Council's financial management system.
- 5.4 SIAP makes the appropriate arrangements for the Annual Internal Audit Report section of the Annual Return to be checked and signed off, which was completed in May 2023.

## 6 Annual Governance and Accountability Return

- 6.1 Smaller Bodies in England must complete an annual return, known as the Annual Governance and Accountability Return (AGAR) to the appointed External Auditor. PKF Littlejohn LLP have been appointed as the auditor to all relevant smaller authorities in Surrey for 5 years from 01 April 2022 to 31 March 2027. The AGAR for the year ending 31 March 2023 is attached at Appendix 3.
- 6.2 Any significant changes to the AGAR following external audit will be reported back to the Conservators.

# Epsom and Walton Downs Conservators

## 19 June 2023

- 6.3 Each smaller authority is now required by law to:
  - 6.3.1 Prepare Accounting Statements for the year ended 31 March 2023 in the form required by proper practices (the relevant AGAR, Form 1, 2 or 3)
  - 6.3.2 Approve and publish the unaudited AGAR including Accounting Statements by 30 June 2023
  - 6.3.3 Provide for the exercise of public rights
  - 6.3.4 Publish the audited AGAR, including the signed external auditor report by 30 September 2023
- 6.4 With regard to the AGAR, the Conservators will note that:
  - 6.4.1 The detailed budget is submitted to the Conservators each year prior to contributions being levied from constituent bodies.
  - 6.4.2 Officers monitor the account as part of the Council's budget monitoring arrangements.
  - 6.4.3 The Treasurer presents a mid-year monitoring report to the Conservators.
  - 6.4.4 The Treasurer presents a year-end report to the Conservators (this report).
  - 6.4.5 All transactions are subject to the Council's financial management and internal control arrangements.
  - 6.4.6 The Council's financial processes and operational activity are subject to risk profile as part of the audit needs assessment.

## **7 Risk Assessment**

### Legal or other duties

- 7.1 An updated Risk Register is expected to be taken for approval to the meeting in June 2023.
- 7.2 The working balance stands at £41,142 at year-end, having taken account of the previously agreed contribution of £21,216 in relation the EAFRD project. The 2023/24 budget includes provision for an annual contribution of £6,000 back to the working balance, to replenish this reserve over time. Together with the Repairs and Renewals fund, the working balance reserve provides sufficient financial cover to manage unexpected expenditure and risks.
- 7.3 Equality Impact Assessment
  - 7.3.1 None arising from the contents of this report.

# Epsom and Walton Downs Conservators

## 19 June 2023

### 7.4 Crime & Disorder

7.4.1 None arising from the contents of this report.

### 7.5 Safeguarding

7.5.1 None arising from the contents of this report.

### 7.6 Dependencies

7.6.1 None arising from the contents of this report.

### 7.7 Other

7.7.1 None arising from the contents of this report.

## 8 Financial Implications

8.1 **Section 151 Officer's comments:** Financial implications are set out in the body of the report.

## 9 Legal Implications

9.1 There are no legal implications arising from the contents of this report.

9.2 **Legal Officer's comments:** None arising directly from this report.

## 10 Policies, Plans & Partnerships

10.1 **Council's Key Priorities:** The following Key Priorities are engaged: Effective Council, Green & Vibrant

10.2 **Service Plans:** The matter is included within the current Service Delivery Plan.

10.3 **Climate & Environmental Impact of recommendations:** None

10.4 **Sustainability Policy & Community Safety Implications:** None

10.5 **Partnerships:** The Jockey Club, Training Grounds Management Board and Epsom and Ewell Borough Council are represented by Members on the Conservators committee.

## 11 Background papers

11.1 The documents referred to in compiling this report are as follows:

### **Previous reports:**

- Budget 2022/24 – (23 January 2023)

### **Other papers:**

# Epsom and Walton Downs Conservators

## 19 June 2023

- Strategic Risk Register 2023
- EAFRD Project Update