Grant Thornton

Supplementary Information

The following has been provided by Grant Thornton UK LLP to aid with the completion of the working papers required for the 2019-20 audit.

PLEASE NOTE: Our address has changed in year. Please send all information to Grant Thornton UK LLP, 3 Callaghan Square, Cardiff, CF10 5BT

Accounting statements

Please enclose the following information to support the accounting statements:

- your financial year-end bank reconciliation for each year;
- an explanation of any differences between last year's audited Annual Return and the comparative figures entered in this year's accounting statements; and
- an explanation of any significant variances in the statements of accounts. A significant variance is where this year's figure differs from the previous years by more than 15% in section 1 lines 3, 4, 5, 6, 8, 9, 10, 12 and 13.

Bank Reconciliation

What is a bank reconciliation?

A bank reconciliation is a control schedule prepared by the Authority that agrees the balance per the bank statement at the year end (31 March 2020) to the bank balance per the Authority's own records. It is good practice for bank reconciliations to be prepared regularly throughout the year and approved by the Authority.

More than one bank account?

The bank reconciliation(s) should cover all the Authority's bank accounts. If the Authority has more than one bank account it is helpful if you can provide a summary of the bank reconciliations that agrees to Box 9 on the Annual Return in addition to the detailed reconciliations prepared for each account.

If there are no outstanding items at the year-end you must still supply a bank reconciliation. A zero or "Nil" should be included in the relevant lines on the schedule or a clear statement should be made to that effect.

Grant Thornton

BANK RECONCILIATION YEAR ENDED 31 MARCH 2020

COUNCIL NAME: CILYCWM COMMUNITY COUNCIL

COUNTY: CARMARTHENSHIRE

		£	
A	Balance on the bank statement(s) at 31 March 2020 (taken from bank statement)	£3756.44 £5221.42	CURRENT SAVINGS
	Outstanding items		
B	**Less** unpresented cheques (to agree with attached list)	£640	
C	**Plus** uncleared payments into bank (to agree with attached list)	—	
D	**Petty cash** **Plus** any petty cash balance held at 31 March 2020	—	
E	Balance in the cash book (Authority's own records) at 31 March 2020 (Calculated as A-B+C+D=E and agrees with Box 9 on the Annual Return)	£8337.86	CURRENT: £3116.44 SAVINGS: £5221.42

GrantThornton

Earmarked Reserves

Please outline any reserves held by the authority that are earmarked for specific use.

Details of Earmarked Funds	£
Development of a new Council	Estimated
website to meet 2018	Cost :
Web Acessibility Requations	£1000 - 2000

Grant Thornton

Explanations of significant variances on the Accounting Statements

We require explanations for significant variances (increases or decreases) of more than 15% between 2019 and 2020 in lines 3, 4, 5, 6, 8, 9, 10, 12 and 13. **Variances of less than 15% need not be explained.**

Your explanations must be quantified, i.e. state how much of the variance is covered by each specific explanation. Your explanations must ensure that the variances for each line are explained and quantified to within 15%.

You can set out your explanations of variances in any way you wish, but they should be clear and complete and easy to follow.

Our suggested method of how to identify variances that require explanation, and suggested layout for providing explanations are set out below. Positive and negative variances must be explained. If the clerk's salary has increased from the prior year, please provide minutes.

Line in section 1	2019 £	2020 £	Variance Increase (+) or decrease (-) (2020 less 2019) £	% (Variance divided by 2019 figure multiplied by 100)	Explanation required? Less than 15% - NO More than 15% - YES
Line 3 Total other receipts	144	139	-5	3.5	NO
Line 4 Staff costs	1200	1800	+600	50	YES
Line 5 Loan interest/ capital repayments	0	0	—	—	NO
Line 6 Total other payments	3949	3312	-627	15.1	YES
Line 8 Debtors and stock balances	0	0	—	—	NO
Line 9 Total cash and investments	8311	8338	+27	0.3	NO
Line 10 Creditors	0	0	—	—	NO
Line 12 Total fixed assets and long term assets	662	995	+333	50.3	YES
Line 13 Total borrowing	0	0	—	—	NO

Grant Thornton

Suggested layout for explanations

One sheet to be prepared for **each variance** that requires explanation.

Line .....4.....	£
Figure in 2020 column	1800
Figure in 2019 column	1200
Variance (2020 figure less 2019 figure) A positive figure is an increase, a negative figure is a decrease	+ 600

Reasons (as many as are applicable)	**Amount £**
Reason 1 in 2019 the council was without a clerk for 4 months so the full salary was not paid.	600
Reason 2	
Reason 3	
Reason 4	
Unexplained	
Confirm unexplained amount is less than 15% of 2019 figure	

Grant Thornton

Suggested layout for explanations

One sheet to be prepared for **each variance** that requires explanation.

Line .....6.....	£
Figure in 2020 column	3312
Figure in 2019 column	3949
Variance (2020 figure less 2019 figure) A positive figure is an increase, a negative figure is a decrease	627

Reasons (as many as are applicable)	**Amount £**
Reason 1 2020 Spend on Admin is less because there are no election Charges.	510
Reason 2 S137 Spending was less in 2020.	150
Reason 3	
Reason 4	
Unexplained	+ 33
Confirm unexplained amount is less than 15% of 2019 figure	YES

GrantThornton

Suggested layout for explanations

One sheet to be prepared for **each variance** that requires explanation.

Line ....12.....	£
Figure in 2020 column	995
Figure in 2019 column	662
Variance (2020 figure less 2019 figure) A positive figure is an increase, a negative figure is a decrease	333

Reasons (as many as are applicable)	**Amount £**
Reason 1 In 2020 a New Laptop & Printer were bought.	+ 418
Reason 2 The old printer had to be written off as it no longer works	− 84
Reason 3	
Reason 4	
Unexplained	1
Confirm unexplained amount is less than 15% of 2019 figure	YES