

Annual Governance & Accountability Return 2021/22

Board paper title		30/06/22 - 3
Approval the Annual Governance & Accountability Return 2021/22		
Report by	Jo Rogers	
Job Title	Director of Operations & Governance	
Date of decision	Board Meeting – 30/06/22	

Summary
This paper requests the Board's approval of the Annual Governance and Accountability Return year ending 31 March 2022.

Recommendation
<p>The Board is recommended to:</p> <ul style="list-style-type: none"> • Note the Annual Internal Audit Report and Assurance Review (Appendix 1). • Approve the Governance Statements (Section 1 of the AGAR submission at Appendix 2). • Approve the Accounting Statements (Section 2 of the AGAR submission at Appendix 2).

Originating Officer	Jo Rogers
Contact details	Jo.Rogers@relondon.gov.uk

Annual Governance & Accountability Return 2021/22

Report

Background

As a 'smaller authority' under the Accounts and Audit Regulations 2015, ReLondon is required to prepare and publish an Annual Governance and Accountability Return (AGAR) each year, rather than the full set of accounts published years prior to 2019/20 (ReLondon was re-classified as a smaller authority in 2019/20 as its income and expenditure dropped below £6.5m).

The AGAR comprises two parts: an Annual Governance Statement and the Accounting Statements for the year.

Timeline & Approval

ReLondon is required to approve and publish the AGAR on its website by 30th June, and submit it to the external auditors (PKF Littlejohn) by 1st July. The external auditors will provide their Audit Report by 30th September, by which date ReLondon must also publish the final, audited AGAR.

The Audit Committee reviewed and approved the Governance and Accounting Statements of the AGAR at its meeting on 16th June 2022 and has recommended they are approved by the full Board.

Internal Audit Report 2021/22

LWARB's internal auditor, Ankura/TIAA Ltd, has carried out an assurance review of governance risk and control to satisfy the internal audit requirements for the AGAR. Their report is attached at Appendix 1 for information. The review gave an overall assessment of *substantial assurance*, (the highest assurance available) and noted in particular that:

- ReLondon is a 'well-run organisation with good accounting practices'.
- ReLondon has a website that is 'easy to navigate and includes good access to the Boards governance arrangements'.
- 'ReLondon provides good transparency with clear and informative Board and Committee meeting agendas and minutes present on their website'.
- 'Good corporate governance is practiced by the Board with appropriate Member involvement at both the Board and Audit Committee'.

No recommendations were made in the report.

Annual Governance & Accountability Return 2021/22

The auditor's Annual Internal Audit Report to be submitted as part of the AGAR is also included at Appendix 1. Note that the internal auditor has given an affirmative response to all of the relevant internal control objectives A to L listed as part of the report applicable to ReLondon.

Annual Governance Statement 2021/22

The Annual Governance Statement is included at Section 1 of the AGAR presented in Appendix 2.

The Board is recommended (by the Audit Committee) to specifically approve the affirmative Responses given to statements 1 to 9 of the Annual Governance Statement.

Accounting Statements for 2021/22

Accounting statements for 2021/22 are presented in Section 2 of the AGAR (Appendix 2).

Appendix 3 is the supporting documentation required by the external auditors to accompany the AGAR.

The Board is recommended (by the Audit Committee) to approve the Accounting Statements for 2021/22 included at Section 2 of the AGAR presented in Appendix 2.

Supporting papers

Appendix 1: Annual Internal Audit Report and Assurance Review of Annual Governance and Accountability Return.

Appendix 2: AGAR Governance & Accounting Statements 2021/22.

Appendix 3: AGAR supporting documentation required by external auditors.



Internal Audit

FINAL

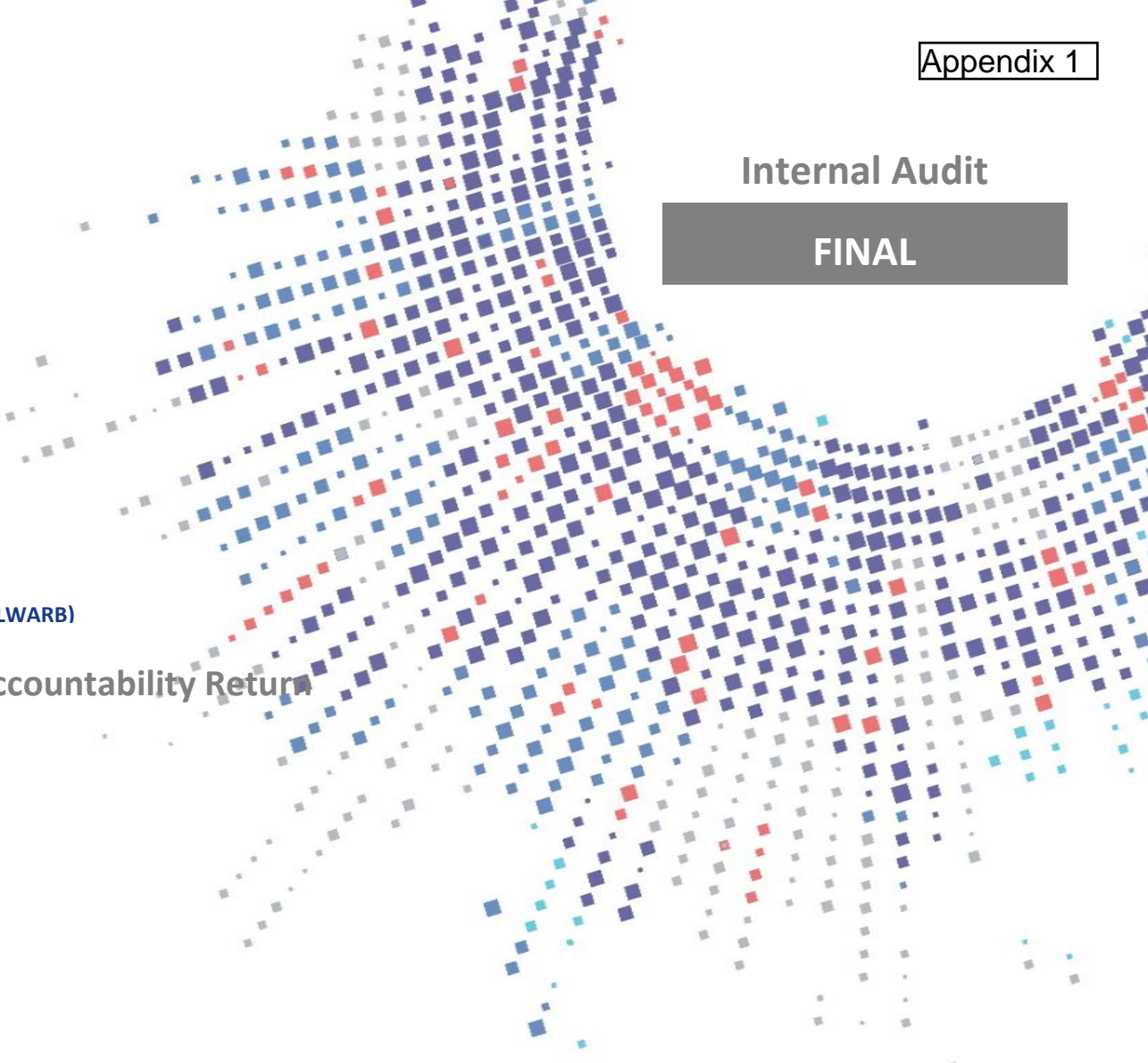
ReLondon

ReLondon is the operating name of the London Waste and Recycling Board (LWARB)

Assurance Review of Annual Governance and Accountability Return

2021/22

May 2022



Executive Summary

OVERALL ASSESSMENT

ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

The audit covers all areas required by the Annual Governance and Accountability Return (AGAR) and includes, where appropriate, the key risks associated with ReLondon.

SCOPE

The aim of the audit was to undertake sufficient audit work to be able to sign off the Annual Governance and Accountability Return for Internal Audit.

KEY STRATEGIC FINDINGS

- ReLondon is a well-run organisation with good accounting practices.
- ReLondon, following their rebranding, have developed a new website that is easy to navigate and includes good access to the Boards governance arrangements.

GOOD PRACTICE IDENTIFIED

- Good corporate governance is practiced by the Board with appropriate Member involvement at both the Board and Audit Committee.
- ReLondon provides good transparency with clear and informative Board and Committee meeting agendas and minutes present on their website.

ACTION POINTS

Urgent	Important	Routine	Operational
0	0	0	0

Assurance - Key Findings and Management Action Plan (MAP)

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
No recommendations were raised.							

PRIORITY GRADINGS

1	URGENT	Fundamental control issue on which action should be taken immediately.
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2	IMPORTANT	Control issue on which action should be taken at the earliest opportunity.
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3	ROUTINE	Control issue on which action should be taken.
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Operational - Effectiveness Matter (OEM) Action Plan

Ref	Risk Area	Finding	Suggested Action	Management Comments
No Operational Effectiveness Matters were identified.				

ADVISORY NOTE

Operational Effectiveness Matters need to be considered as part of management review of procedures.

Findings



Directed Risk:

Failure to properly direct the service to ensure compliance with the requirements of the organisation.

Ref	Expected Key Risk Mitigation	Effectiveness of arrangements	Cross Reference to MAP	Cross Reference to OEM
GF	Governance Framework There is a documented process instruction which accords with the relevant regulatory guidance, Financial Instructions and Scheme of Delegation.	In place	-	-
RM	Risk Mitigation The documented process aligns with the mitigating arrangements set out in the corporate risk register.	In place	-	-
C	Compliance Compliance with statutory, regulatory and policy requirements is demonstrated, with action taken in cases of identified non-compliance.	In place	-	-

Other Findings



The policies and procedures adopted by ReLondon include the following:

- Scheme of Delegated Authority (SODA) - the approved (25th February 2021) SODA enables ReLondon to transact business day to day and be able to react to any emergency or urgent matter arising.
- Risk Management Strategy - clearly sets out how ReLondon will identify and manage its key risks.
- Expenses Policy - clearly sets out and explains what expenses can be claimed primarily covering travel and subsistence.
- Procurement Procedures - these cover all aspects of how the Board may commit expenditure.

Other Findings



The ReLondon website clearly identifies who ReLondon are and uses colour to good effect on the site. It covers its key activities;

- how you can work with ReLondon;
- how you can get involved with ReLondon their resources, and
- latest developments.

In addition, the Governance and Administration for the Board are easy to identify with the key corporate governance documents clearly identified.



The Board agendas and minutes are all posted on the Boards website. Up to the 25th November 2021. (Next meeting of the Board is scheduled for the 30th June 2022). The minutes of the meetings are clear and comprehensive and demonstrate good governance is being undertaken by the Board.



The Audit Committee agendas and minutes and all posted on the Boards website. Up to the 17th March 2022 (Next meeting of the Audit Committee is scheduled for the 16th June 2022). The minutes of the meetings are clear and comprehensive and demonstrate good governance is being undertaken by the Audit Committee.



The Board has a detailed risk management strategy which includes a matrix for scoring risks. The Audit Committee receive at each meeting the risk register for the Board. Risks are regularly reviewed and updated.



The Boards Business Plan (2020-2025) identifies the objectives for the Board. The key risks in the risk register identifies the impact the risk has upon achieving those objectives.



The main accounting system used by ReLondon is Xero Accounting. Other finance packages used interface with Xero. The accounting records for the Board all looked in order.



A trial balance was produced at 31st March 2022 for all accounting transactions. The trial balance was in balance.



An aged creditors record was produced at 31st March 2022. There was only one aged creditor older than nine months - this was Vodafone for £45.00.



The Board use ApprovalMax a software solution to raise and approve purchase orders and approve the payment of invoices. This was working well.



All payments for 2021/22 were scanned and sense checked to confirm payments were appropriate for ReLondon. These were all in order.












From the aged debtor listing as at the 31st March 2022 there are two old debts (older than nine months) as follows:

- Past Trash - £250
- Youth Goodyear - £250

These debts emanate from the Life 14 exercise and are dated 30th January 2020. These debts were outstanding at the 2020/21 internal audit. Consideration needs to be given to the collection of these debts but if deemed unrecoverable they should be written off. ReLondon have stated as the amounts are reasonably small they have decided to write them off fully in the 2021/22 accounts.

Other Findings

-  All outstanding debts are reviewed annually and any old debts deemed unrecoverable would be considered for potential write off.
-  The Board operate a small petty cash imprest of £100 to support the purchase of minor items that require a cash payment. There is a petty cash procedure to enable the cash float to be adequately controlled. There was a closing balance as at the 31st March 2022 in the accounts of £27.83.
-  The organisation, uses a separate HR and Payroll system, the HR system (YouManage) is operated in-house by the Governance and Secretariat Officer. The HR system records employees' sickness, annual leave, and retains recruitment records, as well as all employment related documentation. The payroll is processed by IRIS.
-  The full list of employees' salaries for June 2021 was reviewed and found to be in order.
-  From bank statements it was confirmed that PAYE and NI payments had been made to HMRC
-  From bank statements it was confirmed that Pension payments had been made to Aviva.
-  ReLondon do not hold an asset register as the nature of their work does not require the ownership of assets other than IT equipment.
-  Accounting Statements have been reconciled to the Cash Book.
-  Data feeding into the Accounting Statements was confirmed to be correct.










Delivery Risk:

Failure to deliver the service in an effective manner which meets the requirements of the organisation.

Ref	Expected Key Risk Mitigation	Effectiveness of arrangements	Cross Reference to MAP	Cross Reference to OEM
PM	Performance Monitoring There are agreed KPIs for the process which align with the business plan requirements and are independently monitored, with corrective action taken in a timely manner.	In place	-	-
FC	Financial Constraint The process operates within the agreed financial budget for the year.	In place	-	-
R	Resilience Good practice to respond to business interruption events and to enhance the economic, effective and efficient delivery is adopted.	In place	-	-

Other Findings

-  Adequate budgetary arrangements are in place and budgetary and financial data is reported to each meeting of the Audit Committee.
-  ReLondon hold adequate reserves to support the business in going forward.
-  Five year finance plans are prepared and published on a five yearly basis with additional budgets being prepared when deemed necessary by management.
-  Income mainly comes from GLA via bank transfer
-  The bank statements as at 31st March 2022 had been reconciled and were in balance.
-  The Board is operating within its approved budget for the 2021/22 financial year.
-  Good practice is adopted by the Board to respond to business interruption events and to enhance the economic, effective and efficient delivery of its services.

EXPLANATORY INFORMATION

Appendix A

Scope and Limitations of the Review

1. The definition of the type of review, the limitations and the responsibilities of management in regard to this review are set out in the Annual Plan. As set out in the Audit Charter, substantive testing is only carried out where this has been agreed with management and unless explicitly shown in the scope no such work has been performed.

Disclaimer

2. The matters raised in this report are only those that came to the attention of the auditor during the course of the review, and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. This report has been prepared solely for management's use and must not be recited or referred to in whole or in part to third parties without our prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose. TIAA neither owes nor accepts any duty of care to any other party who may receive this report and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our report.

Effectiveness of arrangements

3. The definitions of the effectiveness of arrangements are set out below. These are based solely upon the audit work performed, assume business as usual, and do not necessarily cover management override or exceptional circumstances.

In place	The control arrangements in place mitigate the risk from arising.
Partially in place	The control arrangements in place only partially mitigate the risk from arising.
Not in place	The control arrangements in place do not effectively mitigate the risk from arising.

Assurance Assessment

4. The definitions of the assurance assessments are:

Substantial Assurance	There is a robust system of internal controls operating effectively to ensure that risks are managed and process objectives achieved.
Reasonable Assurance	The system of internal controls is generally adequate and operating effectively but some improvements are required to ensure that risks are managed and process objectives achieved.
Limited Assurance	The system of internal controls is generally inadequate or not operating effectively and significant improvements are required to ensure that risks are managed and process objectives achieved.
No Assurance	There is a fundamental breakdown or absence of core internal controls requiring immediate action.

Acknowledgement

5. We would like to thank staff for their co-operation and assistance during the course of our work.

Release of Report

6. The table below sets out the history of this report.

Stage	Issued	Response Received
Audit Planning Memorandum:	17 th December 2021	17 th March 2022
Draft Report:	23 rd May 2022	24 th May 2022
Final Report:	25 th May 2022	

AUDIT PLANNING MEMORANDUM

Appendix B

Client:	ReLondon		
Review:	Annual Governance and Accountability Return		
Type of Review:	Assurance	Audit Lead:	Chris Harris

Outline scope (per Annual Plan):	The aim of the audit was to undertake sufficient audit work to be able to sign off the Annual Governance and Accountability Return for Internal Audit.		
Detailed scope will consider:	<p>Directed</p> <p>Governance Framework: There is a documented process instruction which accords with the relevant regulatory guidance, Financial Instructions and Scheme of Delegation.</p> <p>Risk Mitigation: The documented process aligns with the mitigating arrangements set out in the corporate risk register.</p> <p>Compliance: Compliance with statutory, regulatory and policy requirements is demonstrated, with action taken in cases of identified non-compliance.</p>	<p>Delivery</p> <p>Performance monitoring: There are agreed KPIs for the process which align with the business plan requirements and are independently monitored, with corrective action taken in a timely manner.</p> <p>Financial constraint: The process operates with the agreed financial budget for the year.</p> <p>Resilience: Good practice to respond to business interruption events and to enhance the economic, effective and efficient delivery is adopted.</p>	
Requested additions to scope:	(if required then please provide brief detail)		
Exclusions from scope:			

Planned Start Date:	03/05/2022	Exit Meeting Date:	20/05/2022	Exit Meeting to be held with:	Adam Leibowitz and Jo Rogers
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SELF ASSESSMENT RESPONSE

Matters over the previous 12 months relating to activity to be reviewed	Y/N (if Y then please provide brief details separately)
Has there been any reduction in the effectiveness of the internal controls due to staff absences through sickness and/or vacancies etc?	N
Have there been any breakdowns in the internal controls resulting in disciplinary action or similar?	N
Have there been any significant changes to the process?	N
Are there any particular matters/periods of time you would like the review to consider?	N

Annual Internal Audit Report 2021/22

London Waste and Recycling Board (T/A ReLondon)

<https://relondon.gov.uk/> PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

During the financial year ended 31 March 2022, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2021/22 has been carried out in accordance with this authority'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 this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	✓		
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic bank account reconciliations were properly carried out during the year.	✓		
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, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K. If the authority certified itself as exempt from a limited assurance review in 2020/21, it met the exemption criteria and correctly declared itself exempt. <i>(If the authority had a limited assurance review of its 2020/21 AGAR tick "not covered")</i>			✓
L. The authority publishes information on a free to access website/webpage up to date at the time of the internal audit in accordance with any relevant transparency code requirements			✓
M. The authority, during the previous year (2020-21) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations <i>(evidenced by the notice published on the website and/or authority approved minutes confirming the dates set)</i> .	✓		
N. The authority has complied with the publication requirements for 2020/21 AGAR <i>(see AGAR Page 1 Guidance Notes)</i> .	✓		
O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes	No	Not applicable

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

Name of person who carried out the internal audit

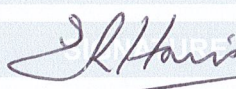
16/05/2022

17/05/2022

20/05/2022

Christopher R Harris

Signature of person who carried out the internal audit



Date

31/05/2022

*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, the annual internal audit report must explain why not (add separate sheets if needed).

31 May 2022

SBA Team
PKF Littlejohn LLP
15 Westferry Circus
London E14 4HD
United Kingdom

Dear Sir

**RE: Annual Governance and Accountability Return 2021/22
Internal Audit Report Row L (The authority publishes information on a free to access website/webpage up to date at the time of the internal audit in accordance with any relevant transparency code requirements.)**

The London Waste and Recycling Board (T/A ReLondon) are not required to publish data in accordance with the Transparency Code as they are not a body identified by the Code.

Yours faithfully



Chris Harris
Audit Director

Section 1 – Annual Governance Statement 2021/22

We acknowledge as the members of:

London Waste and Recycling Board (T/A ReLondon)

our responsibility for ensuring that there is a sound system of internal control, including arrangements for 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 2022, that:

	Agreed		'Yes' means that this authority:
	Yes	No*	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	✓		<i>prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i>
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	✓		<i>made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.</i>
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	✓		<i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i>
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	✓		<i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.</i>
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		<i>considered and documented the financial and other risks it faces and dealt with them properly.</i>
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	✓		<i>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 this smaller authority.</i>
7. We took appropriate action on all matters raised in reports from internal and external audit.	✓		<i>responded to matters brought to its attention by internal and external audit.</i>
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.	✓		<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A
			✓

*Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.

This Annual Governance Statement was approved at a meeting of the authority on:

DD/MM/YY

and recorded as minute reference:

MINUTE REFERENCE

Signed by the Chairman and Clerk of the meeting where approval was given:

Chairman

SIGNATURE REQUIRED

Clerk

SIGNATURE REQUIRED

<https://relondon.gov.uk/> PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

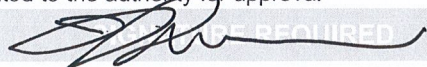
Section 2 – Accounting Statements 2021/22 for

London Waste and Recycling Board (T/A ReLondon)

	Year ending		Notes and guidance	
	31 March 2021 £	31 March 2022 £		
			<i>Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to underlying financial records.</i>	
1. Balances brought forward	18,181,051	14,786,720	<i>Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.</i>	
2. (+) Precept or Rates and Levies	0	0	<i>Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.</i>	
3. (+) Total other receipts	791,618	2,065,421	<i>Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.</i>	
4. (-) Staff costs	-1,976,956	-2,385,374	<i>Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.</i>	
5. (-) Loan interest/capital repayments	0	0	<i>Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).</i>	
6. (-) All other payments	-2,208,993	4,135,260	<i>Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).</i>	
7. (=) Balances carried forward	14,786,720	10,331,507	<i>Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).</i>	
8. Total value of cash and short term investments	14,889,508	10,425,171	<i>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.</i>	
9. Total fixed assets plus long term investments and assets	5,549,215	7,390,896	<i>The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.</i>	
10. Total borrowings	0	0	<i>The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).</i>	
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	N/A	<i>The Council, as a body corporate, acts as sole trustee for and is responsible for managing Trust funds or assets.</i>
			✓	<i>N.B. The figures in the accounting statements above do not include any Trust transactions.</i>

I certify that for the year ended 31 March 2022 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval



Date

16/06/2022

I confirm that these Accounting Statements were approved by this authority on this date:

DD/MM/YY

as recorded in minute reference:

MINUTE REFERENCE

Signed by Chairman of the meeting where the Accounting Statements were approved

SIGNATURE REQUIRED

Explanation of variances – pro forma

Name of smaller authority: **London Waste and Recycling Board**

County area (local councils and parish meetings only):

Insert figures from Section 2 of the AGAR in all **Blue** highlighted boxes

Next, please provide full explanations, including numerical values, for the following that will be flagged in the green boxes where relevant:

- variances of more than 15% between totals for individual boxes (except variances of less than £200);
- a breakdown of approved reserves on the next tab if the total reserves (Box 7) figure is more than twice the annual precept/rates & levies value (Box 2).

	2020/2021 £	2021/2022 £	Variance £	Variance %	Explanation Required?	Automatic responses trigger below based on figures input, DO NOT OVERWRITE THESE BOXES Explanation from smaller authority (must include narrative and supporting figures)
1 Balances Brought Forward	18,181,051	14,786,720	(3,394,331)	-19%	Yes	Balance brought forward agrees
2 Precept or Rates and Levies	0	0	0	0%	No	N/A
3 Total Other Receipts	791,618	2,065,421	1,273,803	161%	YES	See detailed variance sheet (below)
4 Staff Costs	-1,976,956	-2,385,374	(408,418)	21%	Yes	Increased operational activity - staffing headcount increased from 28.7 FTE to 35.5FTE plus inflationary salary increases
5 Loan Interest/Capital Repayment	0	0	0	0%	NO	N/A
6 All Other Payments	-2,208,993	-4,135,260	(1,926,267)	87%	Yes	£1.4m investment in Greater London Investment Fund plus increased operating costs
7 Balances Carried Forward	14,786,720	10,331,507	(4,455,213)	-30%	Yes	Balance agrees - £4.4m net expenditure
8 Total Cash and Short Term Investments	14,889,508	10,425,171	(4,464,337)	-30%	Yes	Operating costs
9 Total Fixed Assets plus Other Long Term Investments and Assets	5,549,215	7,390,896	1,841,681	33%	Yes	£441k into Circularity European Growth Fund and £1.4m into Greater London Investment Fund.
10 Total Borrowings	0	0	0	0%	NO	

Rounding errors of up to £2 are tolerable

Variances of £200 or less are tolerable

BOX 10 VARIANCE EXPLANATION NOT REQUIRED IF CHANGE CAN BE EXPLAINED BY BOX 5 (CAPITAL PLUS INTEREST PAYMENT)

London Waste and Recycling

As at 31 March 2021

Detailed variance analysis

	2021	2022	Variance	Variance %	Explanation
Income					
Grant	520,932	1,744,380	1,223,448	235%	New grant income - £834k from Green New Deal, £145k Ecosurety, £100k FoodWave, £158k Islington
Investment and loan repayments	170,988	180,210	9,222	5%	
Bank interest	86,820	49,114	(37,706)	-43%	Reduced capital and interest rates
Loan interest	-	-	-	-	
Other	12,877	91,717	78,840	612%	Consultancy services/ training (£34k) and sponsorship (£57k)income
	791,618	2,065,421	1,273,803	161%	
Checkline	0	-			
All Other Payments					

Reconciliation between Box 7 and Box 8 in Section 2 - pro forma

(applies to Accounting Statements prepared on an income and expenditure basis only)

Please complete the highlighted boxes.

Name of smaller authority:

London Waste and Recycling Board

County area (local councils and parish meetings only):

n/a

There should only be a difference between Box 7 and Box 8 where the Accounting Statements (Section 2 of the AGAR) have been prepared on an income and expenditure basis and there have been adjustments for debtors/prepayments and creditors/receipts in advance at the year end. Please provide details of the year end adjustments, showing how the net difference between them is equal to the difference between Boxes 7 and 8.

	£	£
Box 7: Balances carried forward		10,331,507
Deduct: Debtors		
1100 - Debtors Control Account	(189,810)	
1301 - Bad debt provision	-	
	<u>(189,810)</u>	
Deduct: Payments made in advance (prepayments)		
1103 Prepayments	-	
1500 Other debtors	(29,006)	
	<u>-</u>	
	(29,006)	
Total deductions		<u>(218,816)</u>
Add:		
Creditors (must not include community infrastructure levy (CIL) receipts)		
1241 Credit Card - Hubbard	83	
1290 Virtual Card	1,439	
2000 Creditors Control Account	123,671	
2100 Other Creditors	2,950	
2301 P.A.Y.E. & NI liability	65,189	
2303 Pension Fund	13,115	
2304 Childcare Vouchers	(245)	
2401 VAT Liability	4,756	
2550 Accruals	79,624	
2551 Accruals - Accumulated Absences	23,159	
2800 Provisions - Committed Project Fundings	(1,260)	
860 Rounding		
	<u>312,481</u>	
Add:		
Receipts in advance (must not include deferred grants/loans received)		
1		
2		
	<u>-</u>	
Total additions		<u>312,481</u>
Box 8: Total cash and short term investments		<u><u>10,425,171</u></u>
Check cash balance		
1201 - RBS Current Account 10336667		25,000.00
1211 - RBS SIBA		285,351.32
1215 - GLA treasury deposit account		9,954,819.87
1216 - LWARB GND		160,000.00
		<u>10,425,171.19</u>

Reserves breakdown

(applies to Accounting Statements prepared on an income and expenditure basis only)

Please complete the highlighted boxes.

Name of smaller authority:

London Waste and Recycling Board

County area (local councils and parish meetings only):

n/a

EXPLANATION REQUIRED ON RESERVES TAB AS TO WHY CARRY FORWARD RESERVES ARE GREATER THAN TWICE INCOME FROM LOCAL TAXATION/LEVIES

Local taxation/levies for LWARB are £0 therefore any level of reserves will be greater twice the income from this. Breakdown of the usable and Unusable reserves is detailed below.

Usable reserves

General	7,950,091	4,556,122
Committed project loans	22,261	(1,260)

Unusable reserves

Capital Adjustment account	5,776,644	5,776,644
Accumulated Absences account	(23,159)	(30,574)

TOTAL

13,725,838 **10,300,933**

13. Reserves

LWARB is required to maintain a number of reserves under the provisions of the Code. The reserves and their broad functions are as follows.

Usable Reserves

General Fund – this balance represents the cumulative surplus available to LWARB to support revenue spending.

Capital Grants Unapplied Account – this reserve represents the balance of capital grants that have been recognised as income but have yet to be used to finance investment expenditure.

Unusable Reserves

Capital Adjustment Account – this account exists to capture those elements of capital accounting required by the Code.

Accumulated Absences Account – this reserve exists to capture the difference between the amount of expenditure recognised in the Comprehensive Income and Expenditure Statement relating to accrued holiday pay and that required by Statute to be charged to the General Fund.

Bank reconciliation – pro forma

This reconciliation should include **all** bank and building society accounts, including short term investment accounts. It **must** agree to Box 8 in the column headed "Year ending 31 March 2020" in Section 2 of the AGAR – and will also agree to Box 7 where the accounts are prepared on a receipts and payments basis. Please complete the highlighted boxes, remembering that unpresented cheques should be entered as negative figures.

Name of smaller authority:

County area (local councils and parish meetings only):

Financial year ending 31 March 2022

Prepared by (Name and Role):

Date: 31/03/2022

	£	£
Balance per bank statements as at 31/3/22:		
RBS Current Account 10336667	25,000.00	
RBS SIBA	285,351.32	
GLA treasury deposit account	9,954,819.87	
LWARB GND	160,000.00	
	<hr/>	10,425,171.19
Petty cash float		0.00
Less: any unpresented cheques as at 31/3/22 (enter these as negative numbers)		
item 1		
item 2		
item 3		
item 4		
[add more lines if necessary] item 5		
item 6		
item 7		
item 8		
	<hr/>	-
Add: any un-banked cash as at 31/3/22		
	<hr/>	-
Net balances as at 31/03/22 (Box 8)		<u><u>10,425,171.19</u></u>