

Annual Internal Audit Report 2017/18

Home on SPALDING Moor PARISH Council

This authority's internal auditor, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls to be in operation **during** the financial year ended 31 March 2018.

The internal audit for 2017/18 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	Agreed? Please choose one of the following		
	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.	N/A		
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 and year-end bank account reconciliations were properly carried out.	✓		
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. (For local councils only)	Agreed? Please choose one of the following		
	Yes	No	Not applicable
Trust funds (including charitable) – The council met its responsibilities as a trustee.			N/A

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

11/04/18

Name of person who carried out the internal audit

ANN SMITH

Signature of person who carried out the internal audit

A. Smith

Date

11/04/18

*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).

Section 1 – Annual Governance Statement 2017/18

We acknowledge as the members of:

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 2018, 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. Describe how the authority will address the weaknesses identified.

This Annual Governance Statement is approved by this authority and recorded as minute reference:

dated

27/18
18/04/18

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

Chairman

Clerk

Other information required by the Transparency Codes (not part of Annual Governance Statement)

Authority web address

HOSMPARISH COUNCIL.CO.UK

Section 2 – Accounting Statements 2017/18 for

	Year ending		Notes and guidance
	31 March 2017 £	31 March 2018 £	
1. Balances brought forward	15,436	12,659	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.
2. (+) Precept or Rates and Levies	33,000	33,000	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	23,577	117,136	Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.
4. (-) Staff costs	18,357	20,682	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 employment expenses.
5. (-) Loan interest/capital repayments	1,667	3,386	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	39,330	113,197	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	12,659	25,530	Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).
8. Total value of cash and short term investments	12,659	25,530	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.
9. Total fixed assets plus long term investments and assets	108,700	108,700	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.
10. Total borrowings	8,000	36,952	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	The Council acts as sole trustee for and is responsible for managing Trust funds or assets.
		☒	N.B. The figures in the accounting statements above do not include any Trust transactions.

I certify that for the year ended 31 March 2018 the Accounting Statements in this Annual Governance and Accountability Return present fairly the financial position of this authority and its income and expenditure, or properly present receipts and payments, as the case may be.

Signed by Responsible Financial Officer

Date


18/04/2018

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

18/04/18

and recorded as minute reference:

28/18

Signed by Chairman of the meeting where approval of the Accounting Statements is given



Section 3 – External Auditor Report and Certificate 2017/18

In respect of

1 Respective responsibilities of the body and the auditor

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2018; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

Our responsibility is to review Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with guidance issued by the National Audit Office (NAO) on behalf of the Comptroller and Auditor General (see note below). Our work **does not** constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and **does not** provide the same level of assurance that such an audit would do.

2 External auditor report 2017/18

(Except for the matters reported below)* on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return, in our opinion the information in Sections 1 and 2 of the Annual Governance and Accountability Return is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met. (*delete as appropriate).

(continue on a separate sheet if required)

Other matters not affecting our opinion which we draw to the attention of the authority:

(continue on a separate sheet if required)

3 External auditor certificate 2017/18

We certify/do not certify* that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2018.

*We do not certify completion because:

External Auditor Name

External Auditor Signature

Date

*Note: the NAO issued guidance applicable to external auditors' work on limited assurance reviews for 2017/18 in Auditor Guidance Note AGN/02. The AGN is available from the NAO website (www.nao.org.uk)

Smaller authority name: Horne and Spalding Moor Parish Council

**NOTICE OF PUBLIC RIGHTS AND PUBLICATION
OF UNAUDITED ANNUAL GOVERNANCE &
ACCOUNTABILITY RETURN**

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

**Local Audit and Accountability Act 2014 Sections 26 and 27
The Accounts and Audit Regulations 2015 (SI 2015/234)**

NOTICE	NOTES
1. Date of announcement <u>3/6/18</u> (a) 2. Each year the smaller authority's Annual Governance and Accountability Return (AGAR) needs to be reviewed by an external auditor appointed by Smaller Authorities' Audit Appointments Ltd. The unaudited AGAR has been published with this notice. As it has yet to be reviewed by the appointed auditor, it is subject to change as a result of that review. Any person interested has the right to inspect and make copies of the accounting records for the financial year to which the audit relates and all books, deeds, contracts, bills, vouchers, receipts and other documents relating to those records must be made available for inspection by any person interested. For the year ended 31 March 2018, these documents will be available on reasonable notice by application to: (b) <u>STEVE YOUNG PARISH CLERK</u> <u>TEL 01757 288234 FOR APPOINTMENT.</u> commencing on (c) <u>Monday 4 June 2018</u> and ending on (d) <u>Friday 13 July 2018</u> 3. Local government electors and their representatives also have: • The opportunity to question the appointed auditor about the accounting records; and • The right to make an objection which concerns a matter in respect of which the appointed auditor could either make a public interest report or apply to the court for a declaration that an item of account is unlawful. Written notice of an objection must first be given to the auditor and a copy sent to the smaller authority. The appointed auditor can be contacted at the address in paragraph 4 below for this purpose between the above dates only. 4. The smaller authority's AGAR is subject to review by the appointed auditor under the provisions of the Local Audit and Accountability Act 2014, the Accounts and Audit Regulations 2015 and the NAO's Code of Audit Practice 2015. The appointed auditor is: PKF Littlejohn LLP (Ref: SBA Team) 1 Westferry Circus Canary Wharf London E14 4HD (sba@pkf-littlejohn.com) 5. This announcement is made by (e) <u>STEVE YOUNG PARISH CLERK</u>	(a) Insert date of placing of the notice which must be not less than 1 day before the date in (c) below (b) Insert name, position and address/telephone number/ email address, as appropriate, of the Clerk or other person to which any person may apply to inspect the accounts (c) Insert date, which must be at least 1 day after the date of announcement in (a) above and at least 30 working days before the date appointed in (d) below (d) The inspection period between (c) and (d) must be 30 working days inclusive and must include the first 10 working days of July. (e) Insert name and position of person placing the notice – this person must be the responsible financial officer for the smaller authority

Holme on Spalding Moor Parish Council					
Section 2	2016/17	2017/18	Variance £	Variance %	Explanation £
Box 1	15,436	12,659	-2,777	-18	
Box 2	33,000	33,000	nil	nil	
Box 3	23,577	117,136	93,559	397	Cemetery income -£3,047 Newsletter income +£1,133 VAT reclaim +£17,568 Grant/loan/donations to Village Hall project +£42,626 Donations/grants Youth Club +£7,390 Grants to play area +£28,677 Other donations given out as grants -£1,019
Box 4	18,357	20,682	2,325	13	Wage increases to 3 employees inc Clerk
Box 5	1,667	3,386	1,719	103	New PwLB taken out to help pay for Village Hall roof
Box 6	39,330	113,197	73,867	188	Insurance +£69 Newsletter spend +£871 Meet room hire -£115 PwLB payments +£1,719 Training -£306 Spend on Village Hall project +£44,663 Spend on play area +£33,353 Tree work -£360 Cemetery work -£142 Grant to bowls -£842 Spend on streetlights -£4,769 Grave reservation plaques -£180
Box 7	12,659	25,530	12,871	102	
Box 8	12,659	25,530	12,871	102	
Box 9	108,700	108,700	nil	nil	
Box 10	8,000	36,952	28,952	362	New loan taken out to fund Village Hall roof

Holme on Spalding Moor Parish Council

Clerk: Steve Young 01757 288234
steveyoungclerk@gmail.com

The Hawthorns
60 Main Street
Bubwith
Selby
North Yorkshire
YO8 6LX
1 April 2018

Accounts at 31/3/18

Bank reconciliation prepared by Clerk Steve Young

Balances at 31/3/17

Bank current	£10,417.86
Bank saver	£2,241.12

Total	£12,658.98
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Cash Book

Add receipts	£150,136.23
Less payments	£137,265.12
Closing balance	£25,530.09

Made up of

Current account	£23,287.92
Saver account	£2,242.17
Total	£25,530.09

Contact details

Name of smaller authority: HOME ON SPALDING MOOR PARISH COUNCIL

County Area (local councils and parish meetings only): _____

Please complete this form and send it back to us with the AGAR or exemption certificate

	Clerk/RFO (Main contact)	Chair
Name	STEVE YOUNG	PETER HASTINGS
Address	60 MAIN STREET BUBWITH NR SELBY YO8 6LX	55 SANDS LANE HOME ON SPALDING MOOR YO43 4HJ
Daytime telephone number	01757 288234	01430 860873
Mobile telephone number	07546 223358	
Email address	STEVE.YOUNG.CLERK @ GMAIL.COM	PETER.HASTINGS.868 @ BTINTERNET.COM

CONFIRMATION OF THE DATES OF THE PERIOD FOR THE EXERCISE OF PUBLIC RIGHTS

Name of smaller authority: Horne on Spalding Moor Parish Council

County Area (local councils and parish meetings only): _____

On behalf of the smaller authority, I confirm that the dates set for the period for the exercise of public rights are as follows:

Commencing on 4/6/18

and ending on 13/7/18

(Please enter the dates set by the smaller authority as appropriate which must be 30 working days inclusive and must include the first 10 working days of July 2018.

We have suggested the following dates: Monday 4 June – Friday 13 July 2018.

The latest possible dates that comply with the statutory requirements are Monday 2 July – Friday 10 August 2018.)

Signed: [Signature]

Role: Parish Council Clerk

PLEASE SUBMIT THIS FORM TO PKF LITTLEJOHN LLP WITH
THE AGAR AND OTHER REQUESTED DOCUMENTATION