

Annual Internal Audit Report 2017/18

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.	✓		
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)			
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

03/02/19

Name of person who carried out the internal audit

LYNNE SMITH

Signature of person who carried out the internal audit

L. Smith

Date

03/02/19

*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
			✓
			<i>has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts.</i>

*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:

23 06.02.2019

dated

06/02/2019

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

Chairman

R. Eldred

Clerk

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

Authority web address

www.wopc.org.uk

Section 2 – Accounting Statements 2017/18 for

	Year ending		Notes and guidance
	31 March 2017 £	31 March 2018 £	
1. Balances brought forward	£97876	£116847	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. 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	£63848	£65763	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	£17338	£1947	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	£17793	£15237	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	£10999	£10999	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	£33423	£43918	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	£116847	£124403	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	£106701	£130940	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	NIL	NIL	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	NIL	NIL	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

14/02/19

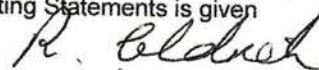
I confirm that these Accounting Statements were approved by this authority on this date:

06/02/2019

and recorded as minute reference:

23.06.02.2019

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



Water Orton Parish Council
Financial Statement 2017/2018

2017/2018

£

INCOME AND EXPENDITURE ACCOUNT

INCOME

Lettings

Bowls Club rent	925.00
Tennis Club rent	921.44
Water Orton Utd FC rent	1,560.00
Playing Field Pavilion lettings	5,183.50
Allotments rent	48.00
Sub-Total	8,637.94

General

Precept	63,417.00
Precept - Gov Grant	2,346.00
Lloyds Bank Interest	14.60
VAT Refundable	3,089.38
Miscellaneous	205.00
Sub-Total	69,071.98

TOTALS **77,709.92**

EXPENDITURE

Playing Field Pavilion

Electricity	3,163.75
Water rates	350.40
Cleaning and associated costs	3,661.66
General maintenance	646.00
Trade refuse	606.15
Sub-Total	8,427.96

Playing Field /Open Spaces

Groundsman net salary	5,063.50
Groundsman's vehicle	977.05
Grass/hedge cutting & dog bin emptying	6,111.11
Repair/renew play equipment	289.50
General maintenance	3,666.25
Petty cash purchases/float	100.00
Sub-Total	16,207.41

INCOME AND EXPENDITURE ACCOUNT CONTINUED

General

Clerk's - net salary	9,303.16
- expenses	72.00
Inland Revenue	798.23
Audit fees	220.00
Subscriptions	747.45
Donations/Grants	650.00
Insurance	4,620.68
Reclaimable VAT	3,089.38
Professional/Legal fees	350.00
Advertising	1,200.00
Loan repayments	10,999.38
Depreciation fund	12,175.37
Bank Charges	110.90
Miscellaneous	1,074.96
Web Site Hosting	106.39
<i>Sub-Total</i>	45,517.90

TOTALS **70,153.27**

Income over expenditure **7,556.65**

Balance at 31 March 2017 **116,846.82**

Income over Expenditure **7,556.65**

Balance at 31st March 2018 **124,403.47**

Water Orton Parish Council
Financial Statement 2017/2018

2017/2018
£

FINANCIAL STATEMENT

Bank Current Account	102,058.13
Bank Deposit Account	28,882.29
	<u>130,940.42</u>
Transfer to Depreciation fund	(12,175.37)
TOTAL MONETARY ASSETS	118,765.05

RESERVED FUNDS

Depreciation Fund	37,164.83
Car Park refurbishment fund	69,900.00
General fund	5,000.00
	<u>112,064.83</u>

UNRESERVED MONETARY ASSETS	6,700.22
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OTHER ASSETS & LIABILITIES

Petty Cash Float	73.25
Vat recoverable	5,795.62
Amounts due from hirers etc	3,015.83
Amounts due to suppliers & other creditors	(3,246.28)
	<u>5,638.42</u>

TOTAL MONETARY ASSETS LESS LIABILITIES	124,403.47
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Bank reconciliation

Water Orton Parish Council

Financial year ending 31 March 2018

Prepared by Christopher Giles (External finance administrator)

15th November 2018

Balance per bank statements as at 31 March 2018:	£	£
Bank Current Account	103350.31	
Bank Deposit Account	28882.29	
	132232.60	
Petty cash float (if applicable)	73.25	
Less: any un-presented cheques at 31 March 2018	1292.18	
352.97 Cheque 2739 N Smith		
404.49 Cheque 2740 J Coombes		
136.35 Cheque 2741 C Brookes		
190.10 Cheque 2742 HMRC		
208.27 Cheque 2743 HMRC		
Add: any un-banked cash at 31 March 2018	0.00	
Net balances as at 31 March 2018 (Box 8)		131013.67

The net balances reconcile to the Cash Book (receipts and payments account) for the year, as follows:

CASH BOOK:

Opening Balance 1 April 2017 (Prior year Box 8)	106774.31
Add: Receipts in the year	81487.76
Less: Payments in the year	57248.40
Closing balance per cash book [receipts and payments book] as at 31 March 2018 (must equal net balances above – Box 8)	131013.67

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

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

Water Orton Parish Council

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		124403.47
Deduct:		
Debtors		
• Amounts due from hirers		
• Vat refundable		
•		
	8811.45	
Deduct:		
Payments made in advance (prepayments)		
•		
•		
	0.00	
Total deductions		8811.45
Add:		
Creditors (must not include community infrastructure levy (CIL) receipts)		
•		
•		
	3246.28	
Add:		
Transfer to reserves		
• Transfer to depreciation fund		
•		
	12175.37	
Total additions		15421.65
Box 8: Total cash and short term investments		131013.67