

# Section 1 – Annual governance statement 2016/17

We acknowledge as the members of:

Enter name of  
smaller authority here:

HETHERSGILL PARISH COUNCIL

our responsibility for ensuring that there is a sound system of internal control, including 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 2017, that:

	Agreed		'Yes' means that this smaller 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.	YES		prepared its accounting statements in accordance with the Accounts and Audit Regulations.
2. We maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	YES		made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.
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 smaller authority to conduct its business or on its finances.	YES		has only done what it has the legal power to do and has complied with proper practices in doing so.
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.	YES		during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.
5. We carried out an assessment of the risks facing this smaller authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	YES		considered the financial and other risks it faces and has dealt with them properly.
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	YES		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.
7. We took appropriate action on all matters raised in reports from internal and external audit.	YES		responded to matters brought to its attention by internal and external audit.
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 smaller authority and, where appropriate have included them in the accounting statements.	YES		disclosed everything it should have about its business activity during the year including events taking place after the year-end if relevant.
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	has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts.
		NA	

This annual governance statement is approved by this smaller authority on:

16/05/2017

Signed by Chair at meeting where approval is given:

U R R King

and recorded as minute reference:

761.4/17

Clerk:

Blake

\*Note: Please provide explanations to the external auditor on a separate sheet for each 'No' response. Describe how this smaller authority will address the weaknesses identified.

# Section 2 – Accounting statements 2016/17 for

Enter name of smaller authority here:

HETHERSCILL PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2016 £	31 March 2017 £	
1. Balances brought forward	2,879	3,807	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	6,127	6,081	Total amount of precept (or for IDBs, rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	3,611	4,458	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	2,964	2,997	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	0	0	Total expenditure or payments of capital and interest made during the year on the smaller authority's borrowings (if any).
6. (-) All other payments	5,846	8,684	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	3,807	2,665	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	3,807	2,665	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – <b>To agree with bank reconciliation.</b>
9. Total fixed assets plus long term investments and assets	3,013	3,346	This cell shows the value of all the property the authority owns. It is made up of its fixed assets and long-term investments.
10. Total borrowings	0	0	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.
		NO	

I certify that for the year ended 31 March 2017 the accounting statements in this annual return present fairly the financial position of this smaller authority and its income and expenditure, or properly present receipts and payments, as the case may be.

Signed by Responsible Financial Officer:

*Styke*

Date 03/04/2017

I confirm that these accounting statements were approved by this smaller authority on:

16/05/2017

and recorded as minute reference:

761.5/17

Signed by Chair at meeting where approval is given:

*URR Day*



# Annual internal audit report 2016/17 to

Enter name of smaller authority here:

HETHERSCILL PARISH COUNCIL

This smaller authority's internal audit, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ended 31 March 2017.

Internal audit has been carried out in accordance with this smaller 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 smaller authority.

Internal control objective	Agreed? Please choose only one of the following		
	Yes	No*	Not covered**
A. Appropriate accounting records have been kept properly throughout the year.	✓		
B. This smaller authority met its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This smaller 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 smaller 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
			N/A

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

Name of person who carried out the internal audit PAMELA CROWIN

Signature of person who carried out the internal audit *Pamela Crowin* Date 03/05/2017

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

Hethersgill Parish Council

Bank Reconciliation 31st March 2016/17

Balance brought forward	£ 3,807.31	
Add receipts	£ 10,538.88	
	<u>£ 14,346.19</u>	
Less Payments	£ 11,681.01	
Cash Book balance at 31 March 2017		<u><b>£ 2,665.18</b></u>
Represented by:		
Cash at bank	£ 3,465.18	
Less outstanding payments	£ 800.00	
		<u><b>£ 2,665.18</b></u>

Hethersgill Parish Council Variances 2016/17

			2016	2017	Difference	Significant
Box 1	balance brought forward	£	2,879	£	3,807	
Box 2	precept	£	6,127	£	6,081	-£ 46 No
Box 3	receipts	£	3,611	£	4,458	£ 848 Yes
Box 4	staff	£	2,964	£	2,997	£ 33 No
Box 5	loan	£	-	£	-	
Box 6	payments	£	5,846	£	8,684	£ 2,838 Yes
Box 7	balance carried	£	3,807	£	2,665	
Box 8	cash at bank	£	3,807	£	2,665	
Box 9	fixed assets	£	3,013	£	3,346	£ 333 Yes

Box 2 Precept

No significant difference      Precept varies according to CTRS as determined by Local Authority

Box 3 Receipts

£	46.41	Increase in CTRS Grant (reflected in lower precept as above), set by City Council
-£	690.00	Loss of concurrent services grant (set by City Council)
£	1,291.00	increase in grant funding due to more projects
-£	47.50	less advertising revenue
£	247.88	Increase in VAT reclaimed (includes previous financial years too)
£	848	

Box 4 Staff Costs

No significant difference      Minor variation due to annual salary increases as per national scales

Box 5 Payments

£	13.16	Increased stationery/admin costs
-£	448.59	Less equipment purchased
£	21.13	more on newsletter costs
£	1,800.00	more on donations provided due to large parish hall project
£	5.25	increased insurance costs
£	150.00	increased training costs
-£	300.00	less website costs
£	1,182.00	increased grants received for forwarding onto village hall committee
£	450.00	increased maintenance costs due to more repairs needed
-£	34.97	less vat incurred due to nature of spending
£	2,838	

Box 9 Fixed Assets

£                      333      Purchase of new computer

**TO BE SUBMITTED TO BDO LLP WITH THE ANNUAL RETURN AND SUPPORTING INFORMATION**

NAME OF SMALLER AUTHORITY:	HETHERSGILL PARISH COUNCIL
DATE INSPECTION PERIOD COMMENCED:	5 JUNE 2017

Please note this information must be provided to the auditor in accordance with the Accounts and Audit Regulations 2015. If this is not confirmed we may charge an additional fee in obtaining the information.

**IMPORTANT TIPS**

**DOs**

- The inspection period must be for a period of 30 (thirty) working days.
- It must include the first 10 working days of July.
- The earliest the inspection period can commence is Monday 5 June
- The latest the inspection period can commence is Monday 3 July
- The inspection period must start the day after the notice, approved section 1 and approved section 2 are published on your website (parish meetings must publish it somewhere conspicuous).

**DONTs**

- The inspection period should not be commencing before the annual governance statement and accounting statements are approved
- The inspection period should not be commencing on a date on or after 4 July

# APPENDIX 5

## Hethersgill Parish Council PERIOD FOR THE EXERCISE OF PUBLIC RIGHTS ACCOUNTS FOR THE YEAR ENDED 31 March 2017

Local Audit And Accountability Act 2014  
Accounts and Audit Regulations 2015 (SI 2015/234)

Hethersgill Parish Council's annual return needs to be reviewed by an external auditor appointed by Public Sector Audit Appointments Limited. Any person interested has the right to inspect the accounting records for the financial year to which the audit relates and all books, deeds, contracts, bills, vouchers and receipts and other documents relating to those records or documents.

These documents for Hethersgill Parish Council are to be made available on reasonable notice by application between the hours of 8.30am and 3.15pm on working days (excluding public holidays).

Commencing on 05 June 2017  
And  
Ending on 14 July 2017

If you wish to view them then please contact the named smaller authority representative:

Name SARAH KYLE  
Position in Smaller Authority CLERK + RFO  
Address HILL HOUSE  
WALTON  
BRAMPTON  
CA8 2DY  
  
Phone number 01228 231124

Local electors and their representatives have rights to question the auditor about the accounts and object to the accounts or any item in them. Written notice of an objection must first be given to the auditor and a copy sent to the smaller authority. The auditor can be contacted at the address below for this purpose during the inspection period which commences on 05 June 2017 and ends on 14 July 2017.

The smaller authority's annual return 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.

The appointed auditor of Hethersgill Parish Council is:

BDO LLP, Arcadia House, Maritime Walk, Ocean Village, Southampton, SO14 3TL  
Telephone: 023 8088 1941