

**Annual Report by the
Internal Auditor for Assington Parish Council
for the 2014/15 Financial Year**

Carried out by: Simon White - 20 The Street, Assington, Sudbury, Suffolk

Report to Assington Parish Council (APC)

Acting independently and on the basis of an assessment of risk, I carried out a selective assessment of the compliance with the relevant procedures and controls expected to be in operation during the financial year ended 31st March 2015.

In following the process outlined within the Annual Return, I submit the following report with observations and recommendations in *italics*:

- Appropriate books of accounts were kept throughout the period under review with all receipts and payments, including VAT, being correctly approved and accounted for in the cashbook.
- Remittances and invoices supported all receipts and payments.
- The bank reconciliation and budget were regularly monitored throughout the year as well as the bank statement being checked against the reconciliation at each Council meeting.
- There were no petty cash items in the period reviewed.
- The annual precept requirement was based on a sound budgetary process and agreed at the APC meeting on 24th November 2014.
- The Asset Register has been properly maintained and insurance risk assessed against the total value.
- Salary and allowances paid to the Clerk are in accordance with your approvals and in line with the Inland Revenue dispensation received on 19 December 2005.
- The year-end accounts have been prepared on a correct accounting basis, agreed with the cashbook and supported by an adequate audit trail. The year-end bank statement has also been prepared correctly.
- APC does not act as a sole trustee and therefore has no responsibilities as a trustee.
- All APC meetings were carried out correctly and members declared their interests where appropriate. *However, the use of the first person in appendices to the*

Associated Papers for APC Meeting to be held on 18th May 2015

minutes (pp. 195, 201, 202) is confusing and should be avoided where possible unless it is clear who 'I' is to everyone reading minutes.

- The risk assessment is appropriate for the activities of the Council.

On the basis of my examination, it is my opinion that the system of internal controls is adequate and effective for Assington Parish Council's needs and planned coverage.

Section 4 – Annual internal audit report 2014/15 to

ASSINGTON PARISH Council/Meeting

The council'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 2015.

Internal audit has been carried out in accordance with the council'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 the council.

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 The council's financial regulations have been met, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C The council assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D The annual precept 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 council 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, were supported by an adequate audit trail from underlying records, and where appropriate debtors and creditors were properly recorded.	✓		
K Trust funds (including charitable) The council met its responsibilities as a trustee.	Yes	No	Not applicable ✓

For any other risk areas identified by the council (list any other risk areas below or on separate sheets if needed) adequate controls existed:

* THERE WERE NO PETTY CASH PAYMENTS

Name of person who carried out the internal audit SIMON JOHN WHITE

Signature of person who carried out the internal audit [Signature] Date 5/5/2015

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).

Agenda Item 17b Receipts & Payments 2014 / 2015

Receipts & Payments Account for the year ending 31st March 2015			
Receipts			
Precept		£7,362.96	
Grants		£331.40	
Bank Interest		£5.27	
Loan		£0.00	
Other		£522.75	
VAT Repayment		£184.89	
			£8,407.27
Payments			
Clerks Salary		£1,992.15	
Admin		£819.86	
Donations		£600.00	
Street Lighting		£314.56	
Street Lighting Upgrade		£0.00	
Insurance		£317.42	
Inspection		£0.00	
P3 Scheme		£331.40	
Licensed Footpaths		£168.50	
Contingency		£96.85	
Maintenance		£237.33	
Loan Repayment		£1,448.37	
Loan Interest		£124.95	
Allotments / Conservation		£5.00	
VAT Paid		£144.08	
			£6,600.47
Excess of Receipts over Payments			£1,806.80
Add Balance Brought Forward			£6,912.04
Balance Carried Forward			£8,718.84
Represented by			
Barclays Community		£100.00	
Barclays Premium		£8,618.84	
Cash		£0.00	
			£8,718.84

Associated Papers for APC Meeting to be held on 18th May 2015

Bank Reconciliation for Financial year ending 31st March 2015

Balances per Bank Statements as at 31st March 2015				
Barclays Community			£100.00	
Barclays Premium Account			<u>£10,807.15</u>	
				£10,907.15
Add any Unbanked Cash as at 31 March				£0.00
Less Unpresented Cheques as at 31 March				
		692	£125.00	
		693	£377.47	
		694	£202.20	
		695	£284.80	
		696	£555.64	
		697	£129.20	
		698	£264.00	
		699	£50.00	
		700	£50.00	
		701	£50.00	
		702	£50.00	
		703	£50.00	
				<u>£2,188.31</u>
			Total Cash	<u>£8,718.84</u>
CASH BOOK				
Opening Balance				£6,912.04
Add Receipts in the year				<u>£8,407.27</u>
				£15,319.31
Less Payments in the year				<u>£6,600.47</u>
			Total Cash	<u>£8,718.84</u>

Agenda Item 17c Annual Return

Section 1 – Accounting statements 2014/15 for

Enter name of reporting body here: ASSINGTON PARISH Council/Meeting

Readers should note that throughout this annual return references to a 'local council' or 'council' also relate to a parish meeting.

	Year ending		Notes and guidance
	31 March 2014 £	31 March 2015 £	
1 Balances brought forward	4,468	6,912	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 (+) Annual precept	7,000	7,363	Total amount of precept received or receivable in the year. Excludes any grants received.
3 (+) Total other receipts	2,068	1,044	Total income or receipts as recorded in the cashbook less the precept received (line 2). Include any grants received here.
4 (-) Staff costs	1,968	1,992	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	1,573	1,573	Total expenditure or payments of capital and interest made during the year on the council's borrowings (if any).
6 (-) All other payments	3,083	3,035	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	6,912	8,719	Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6)
8 Total cash and short term investments	6,912	8,719	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 other long term investments and assets	17,403	17,403	The original Asset and Investment Register value of all fixed assets, plus other long term assets owned by the council as at 31 March
10 Total borrowings	7,501	6,052	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).
11 Disclosure note 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 2015 the accounting statements in this annual return present fairly the financial position of the council and its income and expenditure, or properly present receipts and payments, as the case may be.

Signed by Responsible Financial Officer

SIGNATURE REQUIRED

Date DD/MM/YYYY

I confirm that these accounting statements were approved by the council on this date:

DD/MM/YYYY

and recorded as minute reference:

MINUTE REFERENCE

Signed by Chair of the meeting approving these accounting statements.

SIGNATURE REQUIRED

Date DD/MM/YYYY

Section 2 – Annual governance statement 2014/15

We acknowledge as the members of:

ASSINGTON PARISH Council/Meeting

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 2015, that:

	Agreed –		'Yes' means that the council:	
	Yes	No*		
1 We approved the accounting statements prepared in accordance with the requirements of the Accounts and Audit Regulations and proper practices.	✓		prepared its accounting statements in the way prescribed by law.	
2 We maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	✓		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 the council to conduct its business or on its finances.	✓		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.	✓		during the year has given all persons interested the opportunity to inspect and ask questions about the council's accounts.	
5 We carried out an assessment of the risks facing the council and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		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 council accounting records and control systems.	✓		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 the council.	
7 We took appropriate action on all matters raised in reports from internal and external audit.	✓		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 the council and, where appropriate have included them in the accounting statements.	✓		disclosed everything it should have about its business activity during the year including events taking place after the year-end if relevant.	
9 Trust funds (including charitable) – in our capacity as the sole managing trustee we discharged our responsibility in relation to the accountability for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	yes	no	NA	has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts.

This annual governance statement is approved by the council and recorded as minute reference

MINUTE REFERENCE

dated

Signed by:

Chair

dated

Signed by:

Clerk

dated

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

Associated Papers for APC Meeting to be held on 18th May 2015

Agenda Item 17d Responsible Finance Officer (RFO) Report

Receipts & Payments

Date	Details	Ref	Power	Receipts	Payments
07/04/15	BDC Precept & Grant			4,005.15	0.00
10/04/15	Anglian Water - Supply Connection	704	LA 2011 ss 1 to 8	0.00	818.40
10/04/15	CR Heseltine - Water supply on allotments	705	LA 2011 ss 1 to 8	0.00	444.00
18/05/15	SALC - Councillor Guides	706	LA 2011 ss 1 to 8	0.00	13.30
18/05/15	SALC - Annual Subscription	706	LA 2011 ss 1 to 8	0.00	174.00
18/05/15	CAS - Annual Subscription	707	LA 2011 ss 1 to 8	0.00	30.00
30/06/15	DF Crimmin - Salary Apr to June	708	LA 2011 ss 1 to 8	0.00	397.45
30/06/15	DF Crimmin - WFHA Apr to June	708	LA 2011 ss 1 to 8	0.00	39.00
30/06/15	HMRC - Clerk Tax	709	LA 2011 ss 1 to 8	0.00	99.20

Reconciliation

	Statement Date	Statement Balance	Actual Balance	Unpresented Cheques	Credits not shown	Difference
Community	30/04/15	£100.00				
Premium Accounts	30/04/15	£12,748.99	£10,708.64	£2,015.35	£0.00	£125.00
Cash	30/04/15	£0.00	£0.00			£0.00
		£12,848.99	£10,708.64	£2,015.35	£0.00	

Statement of Accounts vs Budget

	Budget	Actual		Reserves	Budget	Actual
Assets B/Forward		£8,718.84				
Income			Expenditure			
Precept	£7,646.64	£3,823.32	Clerks Salary		£2,011.00	£496.65
Grants	£331.40	£0.00	Admin		£1,260.00	£256.30
Bank Interest	£5.00	£0.00	Donations		£600.00	£0.00
Loan	£0.00	£0.00	Street Lighting		£425.00	£0.00
Other	£200.00	£181.83	Street Lighting Upgrade		£0.00	£0.00
VAT Repayment	£0.00	£0.00	Insurance		£330.00	£0.00
			Inspection		£100.00	£0.00
			P3 Scheme		£360.00	£0.00
			Licensed Footpaths		£175.00	£0.00
			Contingency		£500.00	£0.00
			Maintenance		£575.00	£0.00
			Loan Repayment		£1,417.14	£0.00
			Loan Interest		£156.18	£0.00
			Allotments / Conservation	£750.00	£455.00	£1,052.00
			VAT Paid		£0.00	£210.40
Total	£8,183.04	£4,005.15	Total	£750.00	£8,364.32	£2,015.35
			Assets C/Forward			£10,708.64
Total		£12,723.99	Total			£12,723.99

Associated Papers for APC Meeting to be held on 18th May 2015

Agenda Item 18d Status of planning applications

BDC Ref	Application	APC Ref	Date of Response	APC Response	BDC Response
B/08/00316	Enforcement Reference following APC's question re vehicular access at 8 The Gurdons			Raised	
	Heritage enquiry re Bambridge Hall	12/115		Raised	
B/14/00362	Land South of Assington Farm Shop, The Street - Outline - Erection of 2 No. dwellings with associated off street parking.	14/112a	30/09/14	Support	Approved 20/03/2015
B/15/00087	St Edmunds Cottage, The Street - Erection of first floor rear extension and alterations.	15/027a	31/03/15	Support	Approved 02/04/2015

