

Annual Internal Audit Report 2017/18

MAPLEDURWELL AND UP NATELY 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.			not fully covered
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.			✓

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

05/06/18

Name of person who carried out the internal audit

JOHN K MULLAY FRCPA FCPFA

Signature of person who carried out the internal audit

SIGNATURE REQUIRED

Date

05/06/18

*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:

MAPLEDURWELL AND UPNATEL PARISH COUNCIL

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	No*	'Yes' means that this authority:
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	✓		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.	✓		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 authority to conduct its business or manage 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 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 authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		considered and documented the financial and other risks it faces and 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.	✓		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.	✓		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 authority 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. (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:

9.3.1 REFERENCE

dated

16/05/2018

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

mapledurwellupnately.co.uk WEBSITE ADDRESS

Section 2 – Accounting Statements 2017/18 for

	Year ending		Notes and guidance
	31 March 2017 £	31 March 2018 £	
1. Balances brought forward	11,560	11,853	<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> 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	7,235	8,094	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	8,553	18,980	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	3,120	3,120	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	NIL	NIL	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	12,375	27,034	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	11,853	8,774	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	11,853	8,774	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	106,235	116,481	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

16/05/2018

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

16/05/2018

and recorded as minute reference:

9.3.2

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

Mapledurwell & Up Nately Parish Council
2017 - 2018 Bank Reconciliation - AUDIT SHEET

Receipts and payments summary

1	Balance Brought Forward from 1st April 2017	£11,853.02
2	Plus Income 2017/18	£27,074.33
3	Less Expenditure 2017/18	£30,153.85
4	Balance to take over	£8,773.50

Reconciliation

5	Business Instant Access	£481.99
6	Treasurers (Cheque)	£8,695.97
7	TOTAL ACCOUNTS	£9,177.96
8	Plus Income outstanding	£756.06
9	Less expenditure to clear	£1,160.52
10	Balance to take over	£8,773.50

Notes

13	Treasurer's Account balance at box 8 includes i. Deposits held on behalf of allotment holders	£300.00
14	Income outstanding at box 8 = Alloment payments x3 Final 2017/18 VAT reclaim TOTAL	 £93.39 £662.67 £756.06
15	<u>Expend to clear at Box 9</u> 768 Harvey Simpson - tennis court maintenance 779, 784 Clerk salary 785 Martin Gosling Gnd Seviles - toP-up to SO Jan 2018 TOTAL	 £75.00 £1,040.00 £45.52 £1,160.52

Lorna Cuthill, Chairman ...

16th May 2018

Susan Turner, RFO ...

16th May 2018

2017 - 2018 Audit Year Significant Variations - AUDIT SHEET

Difference between current and previous year greater than both 10% and £100
in Section 1, boxes 2, 3, 4, 5, 6, 9 and 10

	Item	Previous Year 2016/17	Current Year 2017/18	Difference	Diff %
1	Balance Brought Forward	£11,559.96	£11,853.02	£293.06	2.54%
2	Annual Precept	£7,235.00	£8,094.00	£859.00	11.87%
3	Total Other Receipts	£8,553.24	£18,980.33	£10,427.09	121.91%
4	Staff Costs	£3,120.00	£3,120.00	£0.00	0.00%
5	Loan interest/capital repayments	£0.00	£0.00	£0.00	0.00%
6	Total other payments (excl salaries)	£12,375.18	£27,033.85	£14,658.67	118.45%
7	Balance carried forward	£11,853.02	£8,773.50	£3,079.52	25.98%
8	Total cash and short term investments	£11,853.02	£8,773.50	£3,079.52	25.98%
9	Total fixed assets and long term assets	£106,235.12	£116,480.68	£10,245.56	9.64%
10	Total borrowings	0	0	0	0
11	Trust funds	NA	NA	NA	NA

Box 2 Precept

Explanation for variation of £859 = 11.87%			
	16/17	17/18	Difference
Precept	£7,235.00	£8,094.00	£859.00
Precept 17/18 calculated at 3% increase on 2016/17 plus shortfalls in BDBC grants			
totals	£7,235.00	£8,094.00	£859.00

Box 3 Total other receipts

Explanation for variation of £10,427.09 = 121.91%			
	16/17	17/18	Difference
Insurance- Village Hall contribution	£715.87	£695.64	£20.23
BDBC Grants	£2,514.00	£1,883.00	£631.00
Grant - County Cllr devolved budget - play equip	£800.00	£0.00	£800.00
Donation - Friends St Marys	£800.00	£0.00	£800.00
Noise study grants / donations	£0.00	£2,587.50	£2,587.50
Pavilion grants (community infrastructure levy)	£0.00	£9,150.00	£9,150.00
Residents contributions - Up Natley pond project	£1,155.00	£20.00	£1,135.00
Recreation - Football - Chineham Tigers pitch hire	£612.00	£612.00	£0.00
Recreation - Tennis club keys	£45.00	£25.00	£20.00
Allotments - 2015/16 cheques banked April 16 - income t/o to 2016/17	£420.78	£225.65	£195.13
Village Hall rent (contra arrangement)	£5.00	£5.00	£0.00
Vat reclaim	£1,484.32	£3,775.87	£2,291.55
Bank interest	£1.27	£0.67	£0.60
totals	£8,553.24	£18,980.33	£10,427.09

Box 6 Total other payments (excl salaries)

Explanation for variation of £14,658.67 = 118.45%			
	16/17	17/18	Difference
Finance - Admin	£615.99	£775.00	£159.01
Parish Council and Village Hall insurance	£1,132.12	£1,032.86	£99.26
Publication, information	£1,123.00	£64.58	£1,058.42
Maintenance grounds	£3,854.79	£2,872.98	£981.81
Maintenance general	£1,529.53	£1,039.26	£490.27
Allotments	£180.06	£381.43	£201.37
Pavilion water	£106.39	£83.59	£22.80
Playground	£0.00	£455.00	£455.00
Up Natley Pond	£671.58	£0.00	£671.58
Bund project	£0.00	£6,313.50	£6,313.50
Pavilion refurb - capital	£0.00	£9,809.56	£9,809.56
Capital-16/17 pond pump, bench, padlock; 2017/18 play equip	£1,672.40	£432.00	£1,240.40
VH meeting room hire (contra arrangement)	£5.00	£5.00	£0.00
VAT paid - high in 2014/15 due to purchase of play equipment	£1,484.32	£3,769.09	£2,284.77
totals	£12,375.18	£27,033.85	£14,658.67