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Section 2 – Accounting statements 2016/17 for

Enter name of
smaller authority here:

Elham Parish Council

Re-stated

	Year ending		Notes and guidance
	31 March 2016 £	31 March 2017 £	
1. Balances brought forward	38140	42165	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	24503	8124	Total amount of precept (or for IDBs, rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	2593	8128	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	10903	9455	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	12108	9358	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	42165	39604	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	42165	39604	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	31192	33372	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.
		✓	

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:



Date

26/06/2017


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

23rd June 2017

and recorded as minute reference:

058/17/211

Signed by Chair at meeting where approval is given:



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Annual internal audit report 2016/17 to

Enter name of
smaller authority here:

Elham 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.	YES		
B. This smaller authority met its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	YES		
C. This smaller authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	YES		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	YES		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	YES		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.			NOT COVERED NONE HELD
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.	YES		
H. Asset and investments registers were complete and accurate and properly maintained.	YES		
I. Periodic and year-end bank account reconciliations were properly carried out.	YES		
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.	YES		

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

LIONEL ROBBINS

Signature of person who carried out the internal audit

[Signature]

Date

26/06/2017

*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).

Section 1 – Annual governance statement 2016/17

We acknowledge as the members of:

Enter name of
smaller authority here:

Elham 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.	✓		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 smaller authority 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 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.	✓		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.	✓		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 smaller 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	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:

27th June 2017

and recorded as minute reference:

058/17 a) i

Signed by Chair at meeting where approval is given:

[Signature]

Clerk:

[Signature]

*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.



ELHAM PARISH COUNCIL

VARIANCE AND RESTATEMENT NOTES TO ACCOMPANY THE ANNUAL RETURN to 31st MARCH 2017

Variances

1. These have been identified on the enclosed proforma as required. Advisory actions from the previous return have been actioned as required by PKF Littlejohn. This includes amending the asset values to show purchase price where applicable.
2. In addition an error was identified within Year End 31 March 2016 bank reconciliation which showed an unpresented cheque number 1287 in the sum of £751.50, this is in fact included in the 2016/2017 accounts and adjustment made accordingly under advice of our internal auditor.

Catherine Skinner

Clerk

26th June 2017

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Bank reconciliation – pro forma

Elham Parish Council

Financial year ending 31 March 2017

Prepared by Catherine Skinner - Clerk (Name and role)

Date 26/6/2017

Balance per bank statements as at 31 March 2017:

£

£

Petty cash float (if applicable)

Less: any unpresented cheques at 31 March 2017

39 604

nil

nil

Add: any un-banked cash at 31 March 2017

nil

Net balances as at 31 March 2017 (Box 8)

39 604

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

CASH BOOK:

Opening Balance 1 April 2016 (Prior year Box 8)

Add: Receipts in the year

Less: Payments in the year

Closing balance per cash book [receipts and payments book] as at 31 March 2017 (must equal net balances above – Box 8)

42 165

16 252

18 813

£39 604

Explanation of variances – pro forma

Elham Parish Council

The 'Practitioners' Guide' provides guidance on explaining significant variances. Please provide full explanations, including numerical values, for the following:

- variances of more than 15% between totals for individual boxes (except variances of less than £200);
- if the total reserves (Box 7) figure is more than twice the annual precept value (Box 2).

Section 2	2015/16 £	2016/17 £	Variance £	Variance %	Detailed explanation of variance (with amounts £)
Box 2 Precept or Rates and Levies	24503	8124	16379	- 66%	Shepway District Council Paid 2016/17 precept first payment on 31 March 2016.
Box 3 Total other receipts	2593	8128	5535	+ 213%	Adjusted in accordance with PKF advisory.
Box 4 Staff costs	10903	9455	1448	- 13%	n/a
Box 5 Loan interest/ capital repayments	-	-	-	-	-
Box 6 All other payments	12168	9358	2810	- 23%	Re-stated and amended in accordance with PKF advisory.
Box 9 Total fixed assets & long term investments & assets	31192	33372	2181	+ 7%	n/a.
Box 10 Total borrowings	-	-	-	-	-
Explanation for 'high' reserves	Box 7 is more than twice Box 2 because £20000 held in reserves. The Parish Council is responsible for the churchyard wall which is being repaired. Estimated costs for 1st phase are £10K which has been ring fenced.				

ELHAM PARISH COUNCIL

2016/2017 - ACCOUNTS SUMMARY

INCOME

2015/2016 Outturn £		2016/2017 Outturn £
38140.00	Balance fwd	42165.00
0.00	VAT income	3,813.64
25255.50	Precept	8,255.50
1065.91	Burial Ground Income	1,557.98
10.62	Interest Income	6.41
0.00	Grants	2,618.55
52.80	Allotment Income	0
865.47	Misc Income	0
<u>27250.30</u>		<u>16,252.08</u>

EXPENDITURE

10903.06	Staff Costs	9454.86
190.02	Training - Clerk	0
465.67	Training - Members	0
0.00	Office equip & stationery	381.35
365.96	Room Hire	165
1090.47	Grants inc Sec 137	625
377.90	Misc inc Audit	1014.28
491.98	Insurance	510.84
188.00	Subscriptions	668.53
271.00	Maintenance	5154
95.38	Burial Ground/Churchyard	840.43
0.00		
587.02		
0.00		
1425.94		
1185.00		
<u>23071.90</u>		<u>18814.29</u>

DATE	DETAIL	BANK REC	CHQ NO	TOTAL	VAT	NET (EXCL VAT)	VAT NO	Clerk	STATIONERY OFFICE EQPT	Room Hire	INS	SUBS	MTNCE	BURIAL GROUND	GENERAL GRANTS	MISC	Check Total
04/04/2016	Clerk Salary, Office, Expenses	x	1287	751.50	0.00	751.5	0	751.5									751.50
22/04/2016	Internal Auditor Mr Funnell	x	1288	175.00	0.00	175	0									175	175.00
30/04/2016	Clerk Salary, Office, Expenses	x	1289	812.70	0.00	812.7	0	812.7									812.70
29/04/2016	Affinity Water - cemetery	x	1290	15.24	0.00	15.24	0							15.24			15.24
	C Skinner reimb Laptop repair	x	1291	48.00	0.00	48	0	48									48.00
06/06/2016	KALC subscription	x	1292	588.53	98.09	490.44	509750927					588.53					588.53
	Clerk Salary, Office, Expenses	x	1293	794.10	0.00	794.1	0	794.1									794.10
	Insurance	x	1294	510.84	0.00	510.84	0.00				510.84						510.84
	cnx	x	1295	0.00	0.00	0.00	0.00										0.00
	Village hall	x	1296	70.00	0.00	70.00	0.00			60.00		10					70.00
	Walking Festival Grant	x	1297	100.00	0.00	100.00	0.00								100		100.00
27/06/2016	River Group subs	x	1298	20.00	0.00	20.00	0.00					20					20.00
04/07/2016	Clerk Salary, Office, Expenses	x	1299	780.29	0.00	780.29	0.00	780.29									780.29
	Walkers are Welcome subs	x	1300	40.00	0.00	40.00	0.00					40					40.00
26/07/2016	Village hall	x	1301	45.00	0.00	45.00	0.00			45.00							45.00
	ACRK - SURVEY	x	1302	138.00	23.00	115	136202156									138	138.00
	Clerk Salary, Office, Expenses	x	1303	776.57	0.00	776.57	0.00	776.57									776.57
05/09/2016	Clerk Salary, Office, Expenses	x	1304	774.15	0.00	774.15	0.00	774.15									774.15
03/10/2016	Clerk Salary, Office, Expenses	x	1305	745.38	0.00	745.38	0.00	745.38									745.38
	Village hall	x	1306	15.00	0.00	15.00	0.00			15.00							15.00
04/11/2016	Grant to Elham School - speed sign	x	1307	500.00	0.00	500.00	0.00								500		500.00
07/11/2016	Clerk Salary, Office, Expenses	x	1308	778.60	0.00	778.60	0.00	778.60									778.60
	Royal British Legion wreath	x	1309	25.00	0.00	25.00	0.00								25		25.00
21/11/2016	Cnx	x	1310	0.00	0.00	0.00	0.00										0.00
29/11/2016	Affinity Water - cemetery	x	1311	45.19	0.00	45.19	0.00						5124	45.19			45.19
05/12/2016	Harmer - landscaping	x	1312	5,124.00	854.00	4270	100267370			45.00							5,124.00
	Village Hall	x	1313	45.00	0.00	45	0.00										45.00
	Clerk Salary, Office, Expenses	x	1314	763.80	0.00	763.8	0.00	763.80									763.80
	Viking - stationery	x	1315	75.26	3.38	71.88	536153357		75.26								75.26
14/12/2016	Mr Clough - Christmas Trees	x	1316	461.28	76.88	384.4	201060247		4.30							461.28	461.28
01/01/2017	Mr Clough - Christmas Trees	x	1317	4.30	0.00	4.30	0.00		4.30								4.30
	Clerk Salary, Office, Expenses	x	1318	814.29	0.00	814.29	0.00	814.29									814.29
	Cnx	x	1319	0.00	0.00	0.00	0.00										0.00
06/02/2017	Mr Boulden - clean bus shelter	x	1320	30.00	0.00	30.00	0.00						30				30.00
	Clerk Salary, Office, Expenses	x	1321	759.81	0.00	759.81	0.00	759.81									759.81
	Timpsons	x	1322	12.00	2.00	10.00	217915261		12.00								12.00
07/02/2017	Reimb Clerk for keys	x	1323	12.00	0.00	12.00	0.00		12.00								12.00
06/03/2017	Clerk Salary, Office, Expenses	x	1324	855.67	0.00	855.67	0.00	855.67									855.67
	PKF Littlejohn	x	1325	240.00	40.00	200	440498250		277.79							240	240.00
	Viking A3 Paper and Printer	x	1326	277.79	46.30	231.49	536153357		277.79								277.79
	Village Hall subs	x	1327	10.00	0.00	10	0					10					10.00
	Wrights - Tree Work Churchyard	x	1328	780.00	130.00	650.00	231067443		381.35					780			780.00
				18,814.29	1,273.65	17,540.64		9454.86	381.35	165	510.84	668.53	5154	840.43	625	1014.28	18,814.29

Handwritten signature/initials