

Sherston Parish Council

Notice of conclusion of audit

Annual Governance & Accountability Return for the year ended 31 March 2019

Sections 20(2) and 25 of the Local Audit and Accountability Act 2014

Accounts and Audit Regulations 2015 (SI 2015/234)

	Notes
1. The audit of accounts for Sherston Parish Council for the year ended 31 March 2019 has been completed and the accounts have been published.	This notice and Sections 1, 2 & 3 of the AGAR must be published by 30 September. This must include publication on the smaller authority's website.
2. The Annual Governance & Accountability Return is available for inspection by any local government elector of the area of Sherston Parish Council on application to:	
(a) <u>DONNA FORD. CLERK/RFO</u> <u>PARISH COUNCIL</u> <u>PO BOX 1959</u> <u>YATE, BS37 0DS</u>	(a) Insert the name, position and address of the person to whom local government electors should apply to inspect the AGAR
(b) <u>MONDAY - FRIDAY</u> <u>9-5 PM.</u>	(b) Insert the hours during which inspection rights may be exercised
3. Copies will be provided to any person on payment of £___ (c) for each copy of the Annual Governance & Accountability Return.	(c) Insert a reasonable sum for copying costs
Announcement made by: (d) <u>DONNA FORD</u>	(d) Insert the name and position of person placing the notice
Date of announcement: (e) <u>29/9/2019.</u>	(e) Insert the date of placing of the notice

Section 1 – Annual Governance Statement 2018/19

We acknowledge as the members of:

SHERSTON 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 2019, 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 as a body corporate it is a sole managing trustee of a local trust or trusts.</i>

*For any statement to which the response is 'no', an explanation should be published

This Annual Governance Statement was approved at a meeting of the authority on:

13.6.19

and recorded as minute reference:

05/06/19

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

Chairman

Clerk

13.6.19

Section 2 – Accounting Statements 2018/19 for

SHERSTON PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2018 £	31 March 2019 £	
1. Balances brought forward	314,518	311,236	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	26,966	31,473	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	21,517	106,294	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	9,265	13,763	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	11,982	11,982	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	30,518	118,364	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	311,236	304,893	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	370,119	289,667	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	562,773	622,106	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	237,888	235,852	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 as a body corporate 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 2019 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority. Signed by Responsible Financial Officer before being presented to the authority for approval

D Fooks

Date

13.6.19.

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

13.6.19

as recorded in minute reference:

06.06.19

Signed by Chairman of the meeting where the Accounting Statements were approved

[Signature]

Section 3 – External Auditor Report and Certificate 2018/19

In respect of **SHERSTON PARISH COUNCIL – WI0205**

1 Respective responsibilities of the body and the auditor

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2019; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

Our responsibility is to review Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with guidance issued by the National Audit Office (NAO) on behalf of the Comptroller and Auditor General (see note below). Our work **does not** constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and **does not** provide the same level of assurance that such an audit would do.

2 External auditor report 2018/19

Except for the matters reported below, on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return (AGAR), in our opinion the information in Sections 1 and 2 of the AGAR is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met.

The smaller authority has disclosed that it made proper provision during the year 2018/19 for the exercise of public rights, by answering 'Yes' to Section 1, Assertion 4. However, as was reported last year, we are aware that it failed to do this and therefore should have answered 'No' to this assertion. It has also disclosed that it took appropriate action on all matters raised in reports from internal and external audit, by answering 'Yes' to Section 1, Assertion 7, which, on the basis of the above, is not correct.

Other matters not affecting our opinion which we draw to the attention of the authority:

None

3 External auditor certificate 2018/19

We certify that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2019.

External Auditor Name

PKF LITTLEJOHN LLP

External Auditor Signature

PKF Littlejohn LLP

Date


29/09/2019

* Note: the NAO issued guidance applicable to external auditors' work on limited assurance reviews for 2018/19 in Auditor Guidance Note AGN/02. The AGN is available from the NAO website (www.nao.org.uk)

INDEPENDENT INTERNAL AUDITOR'S REPORT TO THE MEMBERS OF
SHERSTON PARISH COUNCIL
YEAR ENDED 31ST MARCH 2019

I have examined the Council's records in the areas delineated in the attached schedule and made enquiries as deemed appropriate.

In my opinion the systems of internal controls is adequate for the purpose intended and there are no matters to be brought to your attention.



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Iain Selkirk FCA
Appointed Independent Internal Auditor

24.06.19

AUDITORS REPORT TO THE MEMBERS OF:-

	Y	N	COMMENTS
			SHERSTON PARISH COUNCIL
		N/A	
1 a	Y		Is the cashbook maintained and up to date
b	Y		Is the cashbook arithmetic correct
c	Y		Is the cashbook regularly balanced and reconciled to the bank
2 a	Y		Have Standing Orders and Financial Regulations been formally adopted
b	Y		Are Standing Orders and Financial Regulations regularly reviewed
c	Y		Has an RFO been appointed with specific duties
d	Y		Have items or services above a de minimis amount been competitively purchased
e	Y		Has the Clerk authority to spend in emergencies
			From what level are quotes required
			From what level are tenders required
3 a	Y		Are payments in the cashbook supported by invoices, authorised and minuted
b	Y		Has VAT on payments been identified, recorded and reclaimed
c	Y		Is S137 expenditure separately recorded and within statutory limits
d	Y		Is S137 expenditure separately minuted as such
e	Y		Is the signing authority two or more councillors
f	Y		Is the Clerk a signatory
g	Y		Are the counterfoils initialled by the signatories
h	Y		Are invoices vouched to payments
4 a	Y		Is there a procedure in place for the regular audit of internal controls
b	Y		Has a member of the Committee been appointed internal auditor
c	Y		Does he have a specific programme and does he report to meetings
5 a	N		Does scanning of the minutes identify any unusual activity
b	Y		Is the annual risk assessment minuted
c	Y		Is insurance cover appropriate and adequate
d	Y		Are internal financial controls documented and regularly reviewed.
6 a	Y		Has the Council prepared an annual budget in support of its precept
b	Y		Is actual expenditure against budget regularly reported to the Council
c	N		Are there any significant unexplained variances from budget

Up to £100
over £1,000
large jobs

- 7 a Y Is income properly recorded and banked as promptly as possible
 b Y Does the precept recorded in the cash book agree to the District Councils notification
 c N/A Where income is raised by rental or lettings has the VAT position been clarified
 d N/A Are security controls over cash adequate and effective
- 8 a N/A Is petty cash spent recorded and supported by VAT invoices/receipts
 b N/A Is petty cash expenditure reported to each Council meeting
 c Y Is petty cash expenditure reimbursed regularly
 d Y Or does the Clerk present petty cash with her expenses supported by VAT invoices/receipts
- 9 a Y Do salaries paid agree to with those approved by the Council
 b Y Has PAYE/NIC been properly operated by the Council as employer
 c Y Are other payments to the Clerk and staff reasonable and approved by the Council
 d N/A Where PAYE/NIC is not operated due to the low salary level has HMRC been informed
- 10 a Y Does the Council maintain an Asset Register of all material assets owned
 b Y Is the Register up to date
 c Y Do the values agree to insurance valuations
 d N/A Are movements in Treasury Deposits accurately recorded
- 11 a Y Is each bank account reconciled on a regular basis
 b N Are there any unexplained balancing entries in any reconciliation
 12 a Y Are accounts prepared on the correct accounting basis
 b Y Do the accounts reflect the cashbook entries
 c Y Is there an audit trail from the underlying financial records to the accounts
 d Y Where appropriate have debtors and creditors been properly recorded
- 13 a Y Are minutes signed, initialled and pages sequentially numbered
 14 a N/A Do Burial receipts agree to the attendant Burial records
 b N/A Are rights or permissions properly recorded
 15 a N/A Any evidence of fraudulent activity should be brought to the attention of the Chairman

REVIEWED ANNUALLY