

NOTICE OF CONCLUSION OF AUDIT

(LOCAL AUDIT AND ACCOUNTABILITY ACT 2014
ACCOUNTS AND AUDIT REGULATIONS 2015)

FOR

Kirton & Falkenham Parish Council

NOTICE is hereby given that the audit for the
year ended 31 March 2017 was completed on

11 September 2017

and the accounts are now available for inspection by local electors
in accordance with Section 25 of the Local Audit and Accountability Act 2014.
The requisite information as defined by Section 13(1) of the Accounts and Audit
Regulations 2015 is/is not* displayed alongside this notice

(* Please delete as necessary)

If the requisite information is not displayed alongside
this notice, it is available for inspection by appointment.

To arrange a viewing please contact

between the hours of _____ and _____

Dated: 18 SEPTEMBER 2017

Signed: Donna Line

(Responsible Financial Officer)

APPENDIX 6

Councils' Accounts: A Summary of Electors' Rights

The basic position

By law any person interested has the right to inspect a smaller authority's accounts. If you are entitled and registered to vote in local council elections then you (or your representative) also have the right to ask the appointed auditor questions about the smaller authority's accounts or object to an item of account contained within them.

The right to inspect the accounts

When your smaller authority has finalised its accounts for the previous financial year it must make them available for inspection. Smaller authorities must tell the public including advertising this on their website that the accounts and related documents are available to inspect. You then have 30 working days to look through the accounting statements in the annual return and any supporting documents. The 30 day period must include a common period of inspection, the first 10 working days of July during which all smaller authorities accounts are available to inspect. This will be 3-14 July 2017 for 2016/17 accounts. By arrangement you will be able to inspect and make copies of the accounts and the relevant documents. You may have to pay a copying charge.

The right to ask the auditor questions about the accounts

You can only ask the appointed auditor questions about the accounts. The auditor does not have to answer questions about the smaller authority's policies, finances, procedures or anything else not related to the accounts. Your question must be about the accounts for the financial year just ended. The auditor does not have to say whether they think something the smaller authority has done, or an item in its accounts, is lawful or reasonable. You can only ask the auditor questions during the period for the exercise of public rights.

The right to object to the accounts

If you think that the smaller authority has spent money that they shouldn't have, or that someone has caused a loss to the smaller authority deliberately or by behaving irresponsibly, you can object to an item of account by sending a formal 'notice of objection' to the auditor, to the address below. The notice must be in writing. In it you must tell the auditor why you are objecting and what you want the auditor to do about it. The auditor must reach a decision on your objection. If you are not happy with that decision, you can appeal to the courts.

You may also object if you think that there is something in the accounts that the auditor should discuss with the smaller authority or tell the public about in a 'public interest report'. **You must give your reasons in writing** to the auditor at the address below and send a copy to the smaller authority no later than the end of the period for the exercise of public rights. The auditor must then decide whether to take any action. The auditor does not have to, but usually will, give reasons for their decision and you cannot appeal to the courts.

You may not use this 'right to object' to make a personal complaint or claim against your smaller authority. You should take these complaints to your local Citizens' Advice Bureau, local Law Centre or a solicitor.

What else you can do

Instead of objecting, you can give the auditor information that is relevant to their responsibilities. For example, you can simply tell the auditor if you think that something is wrong with the accounts or about waste and inefficiency in the way the smaller authority runs its services. You do not have to follow any set time limits or procedures. The auditor does not have to give you a detailed report of their investigation, but they will usually tell you the outcome.

A final word

Smaller authorities, and so local taxpayers, must meet the costs of dealing with questions and objections. In deciding whether to take your objection forward further, one of a series of factors the auditor must take into account is the costs that will be involved. They will only continue with the objection if it is in the public interest to do so. If you appeal to the courts, against an auditor's decision, you will have to pay for the action yourself.

For more detailed guidance on electors' rights and the special powers of auditors, copies of the publication **Local Authority Accounts - a guide to your rights** are available from the National Audit Office's website.

If you wish to contact your smaller authority's appointed external auditor please write to: BDO LLP, Arcadia House, Maritime Walk, Ocean Village, Southampton, Hampshire SO14 3TL.

Section 1 – Annual governance statement 2016/17

We acknowledge as the members of:

Enter name of
smaller authority here:

KIRTON & FALKENHAM 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	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 this smaller authority on:

05/06/2017

and recorded as minute reference:

9b) Finance i) Audit Annual Return

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.

Section 2 – Accounting statements 2016/17 for

Enter name of
smaller authority here:

KIRTON & FALKENHAM PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2016 £	31 March 2017 £	
1. Balances brought forward	31789	26960	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	14995	14995	Total amount of precept (or for IDBs, rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	3130	4422	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	4135	4682	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 smaller authority's borrowings (if any).
6. (-) All other payments	18819	17886	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	26960	23809	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	26960	23809	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	7078	7482	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	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 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:

David Line

Date

05/06/17

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

05/06/2017

and recorded as minute reference:

96 Finance (1) Audit Annual Ret.

Signed by Chair at meeting where approval is given:

[Signature]

Section 3 – External auditor report and certificate

In respect of:

Enter name of
smaller authority here:

KIRTON & FALKENHAM PARISH COUNCIL

1. Respective responsibilities of the body and the auditor

This smaller authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The smaller authority prepares an annual return in accordance with proper practices which:

- summarises the accounting records for the year ended 31 March 2017; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

Our responsibility is to review the annual 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. 2016/17 External auditor report

(~~Except for the matters reported below~~)* on the basis of our review of the annual return, in our opinion the information in the annual return is in accordance with proper practices and no other matters have come to our attention giving cause for concern that relevant legislative and regulatory requirements have not been met. (~~*delete as appropriate~~).

(continue on a separate sheet if required)

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

(continue on a separate sheet if required)

3. 2016/17 External auditor certificate

We certify/~~do not certify~~* that we have completed our review of the annual return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2017.

~~*We do not certify completion because:~~

External auditor signature

BDO LLP

External auditor name

BDO LLP Southampton
United Kingdom

Date

11/9/17

Note: The NAO issued guidance applicable to external auditors' work on 2016/17 accounts in Auditor Guidance Note AGN/02. The AGN is available from the NAO website (www.nao.org.uk)

Annual internal audit report 2016/17 to

Enter name of
smaller authority here:

KIRTON and FALKENHAM 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.			✓ PETTY CASH NOT 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
			✓

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

T. BROWN (on behalf of MEELIS + LODGE)

Signature of person who carried out the internal audit

T. Brown

Date

17/06/2017

*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).

Kirton and Falkenham Bank and Investment balances
31st March 2017

ACCOUNT	BALANCE	
Barclays Community	£1,395.08	
Less uncashed cheques	-£154.19	101395
	-£352.80	101393
	-£88.20	101394
 Barclays Business Premium To 3rd March only	 £21,886.11	
 NS&I Recreation Ground	 £667.51	
 NS&I Village Green	 £454.79	
 TOTAL CASH BALANCES	 £23,808.30	

Accounting Statements 2016 to 2017

Balance brought forward	£26,960
Precept	£14,995
Other receipts	£4,422
Staff Costs	£4,682
Loan Payments	£0
Other Payments	£17,886
Balance carried forward	£23,809

KIRTON AND FALKENHAM P C PAYMENTS OVER £100 2016 TO 2017

Date	Audit Ref.No	Item	Payee	Amount (non-salary)	VAT (included in total)	Amount (Salary & PAYE)
April						
11	1	Grit bin repairs	Boundary Fencing	40.00		
25	4	Beacon collection	EACH	102.00		
May						
9	5	AM/Beacon exp	G Walker	179.30	2.70	
21	10	Hedge-cutting	Recreation Ground	105.00		
June						
6	11	Annual subs	SALC	510.27		
July						
25	17	VAT Refund	Recreation Ground	1131.94		
August						
15	18	Audit fee	BDO	120.00	20.00	
September						
19	21	Ward sign	Signs Express	129.60	21.60	
19	22	Footpath sign	Scarlet Line	404.00		
19	23	Clerk's Expenses	C A Shaw	194.09	28.90	
October						
17	27	RG Insurance	CAS Ltd	923.93		
17	30	1/2 year grant	Recreation Ground	2250.00		
November						
4	33	VG Hedge cut	D Cope	155.00		
28	37	VG grass cutting	SC Norse	494.40	82.40	
December						
10	38	Poppy wreaths	RBL	100.00		
10	39	Grant	AGE UK	216.00		
14	41	VG Tree & shrub cut	D Cope	300.00		
15	42	VAT Refund	Recreation Ground	403.08		
January						
9	45	Grant	DAS	100.00		
9	46	Grant	Avenue East	100.00		
9	47	Grant	CAB	200.00		
9	48	Grant	SARS	100.00		
9	49	Clerk's Expenses	C A Shaw	322.06	52.78	
9	50	Grant	Magpas	100.00		
9	51	Grant	St Elizabeth Hospice	100.00		
18	54	PAYE	HMRC			130.00
24	55	Grant	EACH	100.00		
24	56	Grant	Alzheimer's Society	200.00		
24	57	Grant	EAAA	100.00		
24	58	Grant	Homestart	100.00		
February						
March						
13	61	Pavilion insurance	CAS Ltd	724.38		
13	63	VAT Advance	Recreation Ground	4947.00		
31	66	Clerk's Expenses	C A Shaw	154.19	20.55	

KIRTON & FALKENHAM PARISH COUNCIL

Asset Register 2017

<u>Date</u>	<u>Description</u>	<u>Location</u>	<u>Cost/Value</u>	<u>Status</u>
01/03/1973	Village Green	Falkenham/Trimley	£1.00	Historic
		Road junction		
28/03/1983	Bus Shelter	Village Green	£1,500.00	Historic
25/07/1989	Village Sign	Village Green	£230.00	Historic
19/10/1999	9 No sand bins	Various roadsides	£520.00	Historic
20/07/2002	2 No dog bins	Various roadsides	£162.00	Replacement cost
16/11/2004	1 set tree lights	Village Green	£250.00	Replacement cost
17/01/2005	Notice board	Village Green	£717.00	Replacement cost
12/01/2006	Cashbook software	Clerk	£80.00	Historic
02/09/2006	No-Parking signs	Village Green	£150.00	Historic
30/10/2006	2nd set tree lights	Village Green	£253.00	Replacement cost
22/11/2006	2 No grit bins	Church Ln/Oakdene	£319.00	Replacement cost
01/12/2006	Dell laptop computer	Clerk	£1.00	Nominal value
09/02/2008	BX300F photocopier	Clerk	£58.00	Replacement cost
30/06/2010	Memorial Plaque	Village Green	£30.00	Replacement cost
10/09/2012	Jubilee beacon	Village Green	£196.00	Replacement cost
16/11/2012	3rd set tree lights	Village Green	£344.00	Replacement cost
11/12/2013	Tree light safety equ	Village Green	£50.00	Replacement cost
11/12/2013	Laptop + hard drive	Clerk	£500.00	Replacement cost
10/03/2014	1 No dog bin	Falkenham Dog	£200.00	Replacement cost
05/01/2015	2 picnic tables	Village Green	£938.00	Replacement cost
28/03/2015	3 dog bins	Back Road	£200.00	
		Bucklesham Road	£200.00	Replacement cost
		Back Lane	£200.00	
01/09/2015	Defibrillator	White Horse PH	£1,200.00	Replacement cost
19/09/2016	Footpath NB sign	Village Green	£404.00	Replacement cost

Total PC assets

Recreation Ground

26/06/1929	Recreation Ground	Back Road	£1.00	Nominal value
Pre-1991	Kiddies swings	Recreation Ground)		
09/09/1992	Play equipment	Recreation Ground)		
	rdbt, 2 spring seats	Recreation Ground)	£8,900.00	historic cost
02/09/1997	Children's swings	Recreation Ground)		
	Children's slide	Recreation Ground)		
Pre-1991	Floodlighting	Recreation Ground	£3,000.00	historic cost
Pre-1991	Goalposts	Recreation Ground	£300.00	historic cost
Pre-1991	Hover mower	Recreation Ground	£400.00	historic cost
01/07/1991	Logworld	Recreation Ground	£10,000.00	historic cost
01/01/1993	Playarea fencing	Recreation Ground	£3,200.00	historic cost
05/04/2004	Pavilion	Recreation Ground	£222,000.00	historic cost
13/10/2008	Basket ball frame	Recreation Ground	£800.00	historic cost
14/09/2009	Play area safety surf.	Recreation Ground	£14,000.00	Replacement cost
01/01/2007	Security Camera	RG pavilion	£2,000.00	Replacement cost
01/04/2007	Furnishings, games	RG pavilion	£5,665.00	Replacement cost
	Equipment			
01/11/2007	Litter bin	RG pavilion	£337.00	Replacement cost
09/07/2012	Zip Wire	Recreation Ground	£3,750.00	Replacement cost
09/07/2012	Exercise equip X 6	Recreation Ground	£5,400.00	Replacement cost
09/07/2012	Safety matting	Recreation Ground	£2,550.00	Replacement cost
01/06/2014	2 No picnic tables	Recreation Ground	£940.00	Replacement cost
01/11/2015	5-a-side facility	Recreation Ground	£15,100.00	Replacement cost
01/11/2015	Goal store	Recreation Ground	£1,985.00	Replacement cost
20/12/2016	Defibrillator	RG pavilion	£1,200.00	Replacement cost
	TOTAL		308,211.00	

HEELIS&LODGE

Local Council Services • Internal Audit

Internal Audit Report for Kirton and Falkenham Parish Council – 2016/17

Receipts: £19,416.80

Payments: £22,567.89

Reserves: £23,808.30

Annual Return Completion:

Section One: *Yes*

Section Two: *Yes*

Section Four: *Yes, completed by Internal Auditor*

The following Internal Audit was carried out on the adequacy of systems of control. The following recommendations/comments have been made:

Proper book-keeping Cash Book, regular reconciliation of books and bank statements.
Supporting vouchers, invoices and receipts

The Receipts List and the Payments List are well referenced and provide a clear audit trail. Supporting paperwork is largely in place and well referenced.

The Payments List separately identifies VAT payments.

Payments made under Section 137 of the Local Government Act 1972 are separately identified (donations to Citizens Advice Bureau and Disability Advice Service can be made under Sect 142).

A sample of transactions in the Receipts List and the Payments List was closely examined and found to be in order.

Financial regulations Standing Orders and Financial Regulations
Tenders
Appropriate payment controls including acting within the legal framework with reference to council minutes
Identifying VAT payments and reclamation
Cheque books, paying in books and other relevant documents

Standing Orders in place: The Council's Standing Orders were reviewed and adopted by the Council at its meeting on 19 September 2016 (Minute 3 (ii) refers) and on 8 May 2017 (Minute 3).

Financial Regulations in place: The Council's Financial Regulations were reviewed and adopted by the Council at its meeting on 15 February 2016 (Minute 6b (v) refers) and on 8 May 2017 (Minute 3).

Appointment of RFO: *Mr Colin Shaw was the RFO during the year of account; Mr David Lines was appointed to the position of RFO with effect from 1 April 2017 (Council meeting on 8 May 2017, Minute 5a refers).*

VAT reclaimed during the year: *Re-imburement of £3,160.31 was received at bank on 25 July 2016. A further re-imburement of £476.28 from HMRC was received at bank on 12 December 2016.*

Use of the General Power of Competence: *Not Applicable.*

Data Protection registration: *No Registration for the provision of council services has been made.*

Code of Conduct: *The Council adopted the Suffolk Local Code of Conduct at its meeting on 19 September 2016 (Minute 3 (ii) refers) and on 8 May 2017 (Minute 3).*

Minutes of the Council: *Loose-leaf minutes are only lawful provided that the pages are consecutively numbered and initialled by the person signing the Minutes at the time of signature (LGA1972 Sch. 12, para 41(2) refers). The Council's Minutes are consecutively numbered and the final page of the Minutes are signed. However, each page has not been initialled.*

Recommendation 1: Each page of the Council's Minutes should be initialled by the person signing the Minutes at the time of signature.

Risk Assessment

Appropriate procedures in place for the activities of the council

Risk Assessment document in place: *The Audit and Governance Statement was reviewed and agreed by the Council at its meeting on 13 March 2017 (Minute 4 (iii) refers). Risk assessment documents are in place.*

A Play Area Safety Inspection was undertaken on behalf of the Council on 20 October 2016.

Insurance was in place for the year of audit. The Council considered the insurance renewal of the pavilion insurance at its meeting on 13 March 2017 (Minute 10b (iii) refers). The cover for employee dishonesty (fidelity guarantee) is £50,000, which meets the current recommended guidelines of year end balances plus 50% of the precept.

The Council has separate insurance in place for the Recreation Ground Pavilion.

Recommendation 2: Prior to the insurance renewal in September 2017 the Council should cross-check the items listed in the Asset Register with the insurance policies to ensure that all items are appropriately covered.

Transparency Code

Compliance for smaller councils with income/expenditure under £25,000.

Smaller Council: *Yes*

Website: <http://kirtonfalkenham.onesuffolk.net/>

Smaller authorities should publish on their website from 1 April 2015:

- a) all items of expenditure above £100
Published – Yes, included within Minutes published on-line
- b) annual governance statement (By 1 July)
2015/16 Annual Return, Section One Published – Yes
- c) end of year accounts (By 1 July)
2015/16 Annual Return, Section Two Published – Yes
- d) internal audit report (By 1 July)
2015/16 Annual Return, Section Four Published – No
- e) list of councillor or member responsibilities
Published – Yes
- f) the details of public land and building assets (By 1 July)
Published – No
- g) Minutes, agendas and meeting papers of formal meetings
Published – Yes

The Council has yet to fully meet the requirements of the Transparency Code. Guidance on documents that need to be published can be found on:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/388541/Transparency_Code_for_Smaller_Authorities.pdf

Recommendation 3: The Council should meet the requirements of the Transparency Code in full in accordance with the above guidance as soon as practically possible.

Budgetary controls

Verifying the budgetary process with reference to council minutes and supporting documents

Precept 2016/17: *£14,995*

Date: *11 January 2016 (Minute 4 (ii) refers)*

Precept 2017/18: *£16,075*

Date: *9 January 2017 (Minute 4 (iii) refers)*

Satisfactory budgetary procedures are in place. The Precepts were agreed in full Council and the Precept decision and amount has been

clearly Minuted. Budget papers are prepared to ensure councillors have sufficient information to make informed decisions.

The Clerk ensures the Council is aware of responsibilities, commitments, forward planning and the need for adequate reserves.

Income controls

Precept and other income, including credit control mechanisms

Income controls were checked and income received and banked cross referenced on a sample basis with the Cash Book and bank statements.

Petty Cash

Associated books and established system in place

Petty Cash is not held; an expenses system is in place with supporting paperwork.

Payroll controls

PAYE and NIC in place where necessary.
Compliance with Inland Revenue procedures
Records relating to contracts of employment

PAYE System in place: *The Council is registered with HMRC; PAYE was in operation during the year and payments were made to HMRC. The P60 End of Year Certificate (tax year to 5 April 2017) was presented to Internal Audit.*

With regard to the workplace pensions legislation, the Clerk reported to Council on 13 March 2017 that a declaration of compliance had been submitted to the Pensions Regulator.

Asset control

Inspection of asset register and checks on existence of assets
Cross checking on insurance cover

An Asset Register is in place and displays a value of £7,482; this is an increase of £404 over the value at the end of the previous year and reflects the acquisition of a Footpath sign during the year of account. At the direction of the External Auditors in their report for the year 2014/15, the Recreation Ground is not included in the Annual Return as a Council asset.

The value of £7,482 is correctly displayed in Box 9 of Section 2 of the 2016/17 Annual Return.

Bank Reconciliation

Regularly completed and cash books reconcile with bank statements

The bank statements for the Barclays Community (Current) Account and the Business Premium Account, together with the National Savings & Investments statements, reconciled with the End-of-Year Accounts and agreed with the Bank Reconciliation for all accounts.

Year-end procedures Appropriate accounting procedures are used and can be followed through from working papers to final documents
Verifying sample payments and income
Checking creditors and debtors where appropriate.

End of year accounts are prepared on a Receipts and Payments basis and were in order. Sample audit trails were undertaken and all were found to be in order.

Sole Trustee The Council has met its responsibilities as a trustee

The Kirton & Falkenham Recreation Ground is a Charitable Trust. The Recreation Ground deed confirmed that the Recreation Ground had been donated to the Parish Council but it should be managed by a committee separate from the Parish Council.

Internal Audit Procedures

The Council has satisfactory internal financial controls in place. Cheque book counterfoils and invoices/vouchers for payment are initialled by signatories as part of the overall financial control framework. The Clerk provides financial reports to Council meetings. Councillors are provided with information to enable them to make informed decisions.

The Internal Audit report for the previous year (2015/16) was considered and accepted by the Council at its meeting on 25 July 2016 (Minute 6b (i) refers). The report put forward the following recommendations:

- a) The latest Local Code of Conduct should be considered and adopted by the Council (this has been addressed).*
- b) The Council should meet the requirements of the Transparency Code (this is still outstanding, see Recommendation 3 above).*

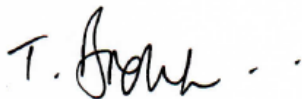
External Audit

The External Audit report for 2015/16 was considered and accepted by the Council at its meeting on 19 September 2016 (Minute 6b (iii) refers).

No issues were raised by the External Auditors in their report for the 2015/16 year.

Additional Comments

- *The Annual Parish Council meeting was held on 9 May 2016, within the required timescale. The first item of business was the Election of Chairman, in accordance with Standing Orders.*
- *I would like to record my appreciation to the Clerk to the Council for his assistance during the course of the audit work.*



Trevor Brown
for
Heelis & Lodge

17 June 2017