

# Kirton & Falkenham Parish Council

## Notice of conclusion of audit

### Annual Governance & Accountability Return for the year ended 31 March 2018

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

Accounts and Audit Regulations 2015 (SI 2015/234)

	Notes
<p>1. The audit of accounts for <b>Kirton &amp; Falkenham Parish Council</b> for the year ended 31 March 2018 has been completed and the accounts have been published.</p>	<p>This notice and Sections 1, 2 &amp; 3 of the AGAR must be published by 30 September. <b>This must include publication on the smaller authority's website.</b></p>
<p>2. The Annual Governance &amp; Accountability Return is available for inspection by any local government elector of the area of <b>Kirton &amp; Falkenham Parish Council</b> on application to:</p>	
<p>(a) <u>Mr Colin Shaw, Clerk to the Parish Council</u> <u>17 Grays Orchard</u> <u>Kirton</u> <u>Suffolk IP10 0RE</u></p>	<p>(a) Insert the name, position and address of the person to whom local government electors should apply to inspect the AGAR</p>
<p>(b) <u>10.00 to 12.00 and 14.00 - 16.00 by appointment via email at</u> <u>kandfpc@gmail.com</u></p>	<p>(b) Insert the hours during which inspection rights may be exercised</p>
<p>3. Copies will be provided to any person on payment of <u>£1+10p</u> (c) for each copy of the Annual Governance &amp; Accountability Return.</p>	<p>(c) Insert a reasonable sum for copying costs</p>
<p>Announcement made by: (d) <u>David Lines RFO</u></p>	<p>(d) Insert the name and position of person placing the notice</p>
<p>Date of announcement: (e) <u>26th September 2018</u></p>	<p>(e) Insert the date of placing of the notice</p>

## Section 1 – Annual Governance Statement 2017/18

We acknowledge as the members of:

Kirton and Falkenham 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*	
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
			X

\*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:

11.6.18.6ii(a)

dated

11/06/18

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

<http://kirtonandfalkenham.suffolk.cloud/parish-council/> ADDRESS




## Section 2 – Accounting Statements 2017/18 for

Kirton and Falkenham Parish Council

	Year ending		Notes and guidance
	31 March 2017 £	31 March 2018 £	
1. Balances brought forward	26960	23808	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	16075	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	4422	9201	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	4682	5892	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 authority's borrowings (if any).
6. (-) All other payments	17886	10,950	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	23809	32242	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	23809	32242	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – <b>To agree with bank reconciliation.</b>
9. Total fixed assets plus long term investments and assets	7482	7,482	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	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 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 21/05/18

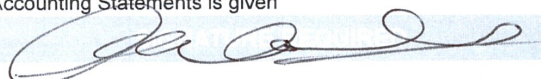
I confirm that these Accounting Statements were approved by this authority on this date:

11/06/18

and recorded as minute reference:

11.6.18.61(b)

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



### Section 3 – External Auditor Report and Certificate 2017/18

In respect of

Kirton and Falkenham Parish Council – SF0232

#### 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 2018; 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 2017/18

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.

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

None

#### 3 External auditor certificate 2017/18

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 2018

External Auditor Name

PKF LITTLEJOHN LLP

External Auditor Signature

PKF Littlejohn LLP

Date

22/09/2018

\* Note: the NAO issued guidance applicable to external auditors' work on limited assurance reviews for 2017/18 in Auditor Guidance Note AGN/02. The AGN is available from the NAO website ([www.nao.org.uk](http://www.nao.org.uk))



## Annual Internal Audit Report 2017/18

Kirton and Falkenham 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.			✓ NO PETTY CASH KEPT
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.	✓		
<b>K. (For local councils only)</b>			
Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes	No	Not applicable
			✓

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

31/05/18

Name of person who carried out the internal audit

DF CLIMIN (ON BEHALF OF HEELIS + LODGE)

Signature of person who carried out the internal audit

*St. Climin*

Date

31/05/18

\*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).

# Explanation of variances – pro forma

Name of smaller authority: **Kirton and Falkenham Parish Council**

County area (local councils and parish meetings only): **Suffolk**

**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);
- a breakdown of approved reserves if the total reserves (Box 7) figure is more than twice the annual precept/rates & levies value (Box 2).

Section 2	2016/17 £	2017/18 £	Variance £	Variance %	Detailed explanation of variance (with amounts £)
<b>Box 2</b> <i>Precept or Rates and Levies</i>	14995	16075	1080	7.2	n/a
<b>Box 3</b> <i>Total other receipts</i>	4422	9201	4779	108.07	£5,535 VAT repayment collected on behalf of Recreation Ground Trust Nett increase of <b>£1,899</b>  £3,300 grants received Nett increase of <b>£2,798</b>
<b>Box 4</b> <i>Staff costs</i>	4682	5892	1210	25.84	Employment of RFO April 1 2017 <b>£1212</b> annual salary
<b>Box 5</b> <i>Loan interest/ capital repayments</i>	n/a	n/a		n/a	n/a
<b>Box 6</b> <i>All other payments</i>	17886	10950	6936	(38.78)	<b>Nett reductions/increases</b> VAT repayment Rec. Grnd Trust <b>£5,306</b> less Clerk and Councillor Expenses <b>£596</b> less Insurance <b>£410</b> less Software, Subs and Publicity <b>£500</b> more Grants <b>£204</b> more Horticultural Expenses <b>£882</b> less Repairs and replacements <b>£500</b> less
<b>Box 9</b> <i>Total fixed assets &amp; long term investments &amp; assets</i>	7482	7482	0	0	n/a
<b>Box 10</b> <i>Total borrowings</i>	n/a	n/a			n/a
<b>Explanation for 'high' reserves</b>	Box 7 is more than twice Box 2 because the authority held the following breakdown of reserves at the year end: Suffolk Coastal Grant for Speed Indicator Device <b>£2,500</b> / SCC Grant for Village Green Bollards <b>£800</b> / Election Reserve <b>£700</b> / Specialist fees contingency (Legal and Planning) to challenge upcoming major planning application <b>£21,000</b> / Maintenance contingency <b>£1,000</b> / Unallocated <b>£6,242</b> ( approx. four months of projected 18/19 expenditure)				



**Kirton and Falkenham Parish Council**  
**STATEMENT OF ACCOUNTS**

		RECEIPTS	PAYMENTS
Balance at Bank		23,808.30	
Precept	16,075.00		
SCC Locality Grant	800.00		
SCDC Community Enabling Fund	2,500.00		
Bank Interest	15.37		
Collections	165.00		
Salaries /PAYE			5,892.08
Stationery/Post/Telecoms			396.99
Mileage			75.60
Insurance			1,238.01
Annual subscriptions			524.01
Councillor Expenses			95.50
Semi-Annual Grants			4,500.00
Section 137/145 Grants			1,820.00
Audit			100.00
Training			38.00
Website and Accounting Licences			375.54
Village Green grass cutting			575.00
Publicity			175.50
Village Green Electricity			32.90
Repairs and Replacements			73.50
VAT Refund RG	5,535.53		587.73
Bank Charges			54.00
VAT	185.20		288.27
		<b>25,276.10</b>	<b>16,842.63</b>
<b>Closing Balances:</b>			
Balances in Bank Account			32,241.77
<b>TOTAL</b>		<b>49,084.40</b>	<b>49,084.40</b>

**KIRTON & FALKENHAM PARISH COUNCIL**

**Asset Register 2018**

<u>Date</u>	<u>Description</u>	<u>Location</u>	<u>Cost/Value</u>	<u>Status</u>	<u>PC asset</u> £
01/03/1973	Village Green	Falkenham/Trimley Road junction	£1.00	Historic	
28/03/1983	Bus Shelter	Village Green	£1,500.00	Historic	1500
25/07/1989	Village Sign	Village Green	£230.00	Historic	230
19/10/1999	9 No sand bins	Various roadsides	£520.00	Historic	520
20/07/2002	2 No dog bins	Various roadsides	£162.00	Replacement cost	162
16/11/2004	1 set tree lights	Village Green	£250.00	Replacement cost	250
17/01/2005	Notice board	Village Green	£717.00	Replacement cost	717
12/01/2006	Cashbook software	Clerk	£60.00	Historic	60
02/09/2006	No-Parking signs	Village Green	£150.00	Historic	150
30/10/2006	2nd set tree lights	Village Green	£253.00	Replacement cost	253
22/11/2006	2 No grit bins	Church Ln/Oakdene	£319.00	Replacement cost	319
01/12/2006	Dell laptop computer	Clerk	£1.00	Nominal value	1
09/02/2008	BX300F photocopier	Clerk	£58.00	Replacement cost	58
30/06/2010	Memorial Plaque	Village Green	£30.00	Replacement cost	30
10/09/2012	Jubilee beacon	Village Green	£196.00	Replacement cost	196
16/11/2012	3rd set tree lights	Village Green	£344.00	Replacement cost	344
11/12/2013	Tree light safety equ	Village Green	£50.00	Replacement cost	50
11/12/2013	Laptop + hard drive	Clerk	£500.00	Replacement cost	500
10/03/2014	1 No dog bin	Falkenham Dog	£200.00	Replacement cost	200
05/01/2015	2 picnic tables	Village Green	£938.00	Replacement cost	938
28/03/2015	3 dog bins	Back Road	£200.00		200
		Bucklesham Road	£200.00	Replacement cost	200
		Back Lane	£200.00		200
01/09/2015	Defibrillator	White Horse PH	£1,200.00	Replacement cost	
19/09/2017	Footpath NB sign	Village Green	£404.00	Replacement cost	404
13/03/2018	Verge posts	Village Green	£700.00	Replacement cost	
<b><u>Total PC assets</u></b>					<b><u>£7,482</u></b>

**Kirton and Falkenham Parish Council**  
**Summary of Receipts and Payments**  
**All Cost Centres and Codes**

**Cost Centre A - Receipts**

Code	Title	Receipts			Payments			Net Position +/- Under/over spend
		Estimated	Actual	Variance	Estimated	Actual	Variance	
1	Precept	16,075.00	16,075.00					
2	SCC Locality Grant		800.00	800				800
3	SCDC Community Enabling Fund		2,500.00	2,500				2,500
4	Bank Interest		15.37	15				15
5	Other Grants and Donations							
6	Collections		165.00	165				165
29	VAT Refund RG		5,535.53	5,536		587.73	-588	4,948
30	VAT Refund PC							
<b>SUB TOTAL</b>		<b>16,075.00</b>	<b>25,090.90</b>	<b>9,016</b>		<b>587.73</b>	<b>-588</b>	<b>8,428</b>

**Cost Centre B - Administration**

Code	Title	Receipts			Payments			Net Position +/- Under/over spend
		Estimated	Actual	Variance	Estimated	Actual	Variance	
7	Salaries /PAYE				5,882.00	5,892.08	-10	-10
8	Stationery/Post/Telecoms				770.00	396.99	373	373
9	Mileage				125.00	75.60	49	49
10	Insurance				1,822.00	1,238.01	584	584
12	Annual subscriptions				607.00	524.01	83	83
13	Councillor Expenses				180.00	95.50	85	85
20	Audit				190.00	100.00	90	90
21	Training				202.00	38.00	164	164
22	Election Costs							
23	Website and Accounting Licences					375.54	-376	-376
26	Publicity				202.00	175.50	27	27
31	Bank Charges					54.00	-54	-54
<b>SUB TOTAL</b>					<b>9,980.00</b>	<b>8,965.23</b>	<b>1,015</b>	<b>1,015</b>

**Cost Centre C - Recreation Ground**

Code	Title	Receipts			Payments			Net Position +/- Under/over spend
		Estimated	Actual	Variance	Estimated	Actual	Variance	
14	Semi-Annual Grants				4,554.00	4,500.00	54	54
16	Hedge-cutting contribution							
17	VAT Refund/Advance							
<b>SUB TOTAL</b>					<b>4,554.00</b>	<b>4,500.00</b>	<b>54</b>	<b>54</b>

**Cost Centre D - Section 137/145 Grants**

Code	Title	Receipts			Payments			Net Position +/- Under/over spend
		Estimated	Actual	Variance	Estimated	Actual	Variance	
15	Section 137/145 Grants				1,822.00	1,820.00	2	2
<b>SUB TOTAL</b>					<b>1,822.00</b>	<b>1,820.00</b>	<b>2</b>	<b>2</b>

**Cost Centre E - Environment**

Code	Title	Receipts			Payments			Net Position +/- Under/over spend
		Estimated	Actual	Variance	Estimated	Actual	Variance	
19	Village Green Tree and Shrub cut				300.00		300	300
24	Village Green grass cutting				510.00	575.00	-65	-65
27	Village Green Electricity				30.00	32.90	-3	-3
28	Repairs and Replacements					73.50	-74	-74
<b>SUB TOTAL</b>					<b>840.00</b>	<b>681.40</b>	<b>159</b>	<b>159</b>

<b>NET TOTAL</b>	<b>16,075.00</b>	<b>25,090.90</b>	<b>9,016</b>	<b>17,196.00</b>	<b>16,554.36</b>	<b>642</b>	<b>9,658</b>
<b>V.A.T.</b>		<b>185.20</b>			<b>288.27</b>		
<b>GROSS TOTAL</b>		<b>25,276.10</b>			<b>16,842.63</b>		



# Kirton and Falkenham Parish Council

	<b>Bank Reconciliation at 31/03/2018</b>		
	Cash in Hand 01/04/2017		
			23,808.30
	<b>ADD</b>		
	Receipts 01/04/2017 - 31/03/2018		25,276.10
			49,084.40
	<b>SUBTRACT</b>		
	Payments 01/04/2017 - 31/03/2018		16,842.63
<b>A</b>	<b>Cash in Hand 31/03/2018</b> (per Cash Book)		<b>32,241.77</b>
	Cash in hand per Bank Statements		
	Cash 01/06/2017	0.00	
	Barclays Community 31/03/2018	1,422.69	
	Barclays Business Premium 31/03/2018	16,897.49	
	NS&I Recreation Ground 12/10/2017	0.00	
	NS&I Village Green 12/10/2017	0.00	
	Unity Trust 31/03/2018	13,921.59	
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