

# Section 1 – Accounting statements 2014/15 for

Enter name of reporting body here: Worsam Parish

Council/Meeting

Readers should note that throughout this annual return references to a 'local council' or 'council' also relate to a parish meeting.

This section should be completed for all councils. Do not leave any boxes blank and report out to 0 if nil. All figures must agree to the original submitted figures.

1	Balances brought forward	158153	176825	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	(+) Annual precept	123030 <del>130500</del>	126760	Total amount of precept received or receivable in the year. Excludes any grants received.
3	(+) Total other receipts	21017 <del>13547</del>	20515	Total income or receipts as recorded in the cashbook less the precept received (line 2). Include any grants received here.
4	(-) Staff costs	30410	30281	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 council's borrowings (if any).
6	(-) All other payments	94965	257247	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	176825	221172	Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6)
8	Total cash and short term investments	165100	182794	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 other long term investments and assets	117932	250472	The original Asset and Investment Register value of all fixed assets, plus other long term assets owned by the council 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 **Disclosure note** Trust funds (including charitable)  The council acts as sole trustee for and is responsible for managing trust funds or assets.  
IF The figures in the accounting statements above do not include any trust transactions

I certify that for the year ended 31 March 2015 the accounting statements in this annual return present fairly the financial position of the council and its income and expenditure, or properly present receipts and payments, as the case may be.

Signed by Responsible Financial Officer

Debra Newson

Date 28.05.15

I confirm that these accounting statements were approved by the council on this date:

18.05.15

and recorded as minute reference:

25

Signed by Chair of the meeting approving these accounting statements.

Ken Oliver

Date 28.05.15

# Section 2 – Annual governance statement 2014/15

We acknowledge as the members of:

Weston Park

Council/Meeting

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 2015, that:

		Internal Audit Report
1 We approved the accounting statements prepared in accordance with the requirements of the Accounts and Audit Regulations and proper practices.	✓	prepared its accounting statements in the way prescribed by law.
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 the council 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 has given all persons interested the opportunity to inspect and ask questions about the council's accounts.
5 We carried out an assessment of the risks facing the council 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 council 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 the council.
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 the council 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 Trust funds (including charitable) – in our capacity as the sole managing trustee we discharged our responsibility in relation to the accountability for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	✓	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 the council and recorded as minute reference

25

dated 18.05.15

Signed by:

Chair

*Kenn Venn*

dated 28.05.15

Signed by:

Clerk

*Debra Stevens*

dated 28.05.15

\*Note: Please provide explanations to the external auditor on a separate sheet for each 'No' response. Describe how the council will address the weaknesses identified.

# Section 4 – Annual internal audit report 2014/15 to

WESTHAM

PAR. 5H

Council/Meeting

The council'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 2015.

Internal audit has been carried out in accordance with the council'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 the council.

Internal control objective	Compliance	Realised in only one of the following
		Yes No Not covered
A Appropriate accounting records have been kept properly throughout the year.	✓	
B The council's financial regulations have been met, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for	✓	
C The council assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓	
D The annual precept 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.	✓	
G Salaries to employees and allowances to members were paid in accordance with council 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, were supported by an adequate audit trail from underlying records, and where appropriate debtors and creditors were properly recorded.	✓	
K Trust funds (including charitable) The council met its responsibilities as a trustee.		✓

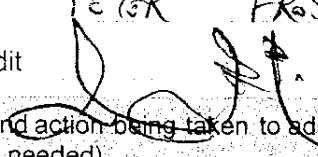
For any other risk areas identified by the council (list any other risk areas below or on separate sheets if needed) adequate controls existed:

SEE REPORT

Name of person who carried out the internal audit

PETER FROST

Signature of person who carried out the internal audit



Date 7/05/2015.

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).

<u>Bank Reconciliation.</u>	<u>£</u>	<u>£</u>
Balance at Bank 31.03.15		97843.83
Income not recorded		0.00
<u>Cheques Outstanding:</u>		
	212.75	
	52.00	
	144.00	
	1258.45	
	43.08	
	825.60	
	400.00	
	72.00	
	63.00	
	50.50	
	574.80	
	71.99	
	60.29	
		<u>3828.46</u>
		94015.37
Reserve Account		68505.33
Post Office		20273.60
		<u>182794.30</u>
Balance at Cash Book		182794.30
<u>Check</u>		
Income as Cash Book		470322.11
Expenditure as Cash Book		287527.81
		<u>182794.30</u>
<u>Annual Return:</u>		
Total as box 8		182794
Add debtors		39128
Less creditors		750
Box 7		<u>221172</u>

# Explanation of variances – pro forma for local councils

## Westham Parish Council

The JPAG 'Practitioners' Guide' (paragraph 2.15 onwards) provides guidance on explaining significant variances. Please provide explanations 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 1	2013/14 £	2014/15 £	Variance £	Variance %	Detailed explanation of variance (with amounts £)
<b>Box 2</b> Precept	123030 <del>135500</del>	126700	-3780	+3% <del>-2.8%</del>	
<b>Box 3</b> Other receipts	21017 <del>13507</del>	205515	+184498 <del>+11168</del>	+875% <del>+17%</del>	£159104.26 RECEIVED IN GRANTS £6350.00 COUNCIL TAX SUPP GRANT £26654 ADDITIONAL VAT
<b>Box 4</b> Staff costs	30410	30281	-129	-0.4%	
<b>Box 5</b> Loan interest/ capital repayments	NIL	NIL	NIL	NIL	
<b>Box 6</b> Other payments	94965	257247	+162282	+171%	£159048 NEW PLAY PARK £2487 DRAINAGE WORKS
<b>Box 9</b> Fixed assets & long term assets	117932	250472	+132540	+112%	
<b>Box 10</b> Borrowings	NIL	NIL	NIL	NIL	
<b>Explanation for 'high' reserves</b>	Box 7 is more than twice Box 2 because ....				

**WESTHAM PARISH COUNCIL**  
**Internal Audit & Annual Return – 31/03/2015**

In accordance with my Internal Audit Plan, Controls and Procedures have been tested, with Fraud and Risk Issues reviewed - these are well managed, in line with the Governance and Accountability for Local Councils Practitioners' Guide (GALCP) and meet the needs of the Council. I confirm that I do not have any role within the Council and will carry out my duties without bias. I would only comment by exception – the points listed below are for further attention:

1. GALCP 2014 Version. Page 50 lists a number of new requirements that need to have Systems and/or Documentation in place:
  - Procedure documented re the handling of correspondence, circulation, responses, filing and retention
  - Procedure documented re dealing with responses to Consultation Requests
  - Procedure documented re dealing with Complaints/Enquiries
  - Procedure (documentation not needed) for monitoring Grants/Loans made or received
  
2. Code of Conduct for Employees. The GALCP Guide Page 50 requires the adoption of such a Code. Very large Local Authorities publish their particular Codes of Conduct, but there is currently very little information available as to what is expected from smaller Councils. A draft Template has been passed to the Clerk.
  
4. Local Government Transparency Code for Councils with a) Turnover below £25k pa and b) Turnover above £200k pa – these were brought into force from 1/04/2015. There may be some instructions for Councils with a Turnover between £25k & £200k pa, but at the moment it appears that there are not any new Publishing Procedures that will apply to Westham Council



Peter Frost  
Peter J Consultants  
7/05/2015