

Report by the Clerk

AUDIT OF ACCOUNTS 2015/16 INCLUDING DRAFT ANNUAL RETURN AND DRAFT ANNUAL GOVERNANCE STATEMENT

1. Introduction

- 1.1 The external auditors PKF Littlejohn LLP have indicated that the audit packs for the 2015/16 audit will be sent out sometime in March 2016 and that the Annual Return will have to be submitted before 13th June 2016. The Annual Return will need to be approved at the Annual Meeting of the Council in May 2016. To facilitate this it is intended to forward the accounts to the Internal Auditor as soon as possible (prior to the next meeting). Attached is a copy of the information set out below relating to the accounts for 2015/16 as projected to 31st March 2016 for Members' approval:

A – Income (Receipts) Account

B – Payments Account

C – Draft Summary Receipts and Payments Account statement

D – Draft Receipts and Payments Statement

E – Bank Reconciliation Statements (draft 31st March 2016)

F – Section 1 - Annual Governance Statement

G – Section 2 - Draft Annual Return

H – Statement of Variances

(The above information all take account of income and expenditure on the Agenda for this meeting).

2. Overall Position

- 2.1 Overall, the draft accounts indicate that Council will make a surplus of £220.61 in the year. Details are set out in the draft Summary Receipts and Payments Account statement enclosed (Appendix D).
- 2.2 Details of Income and Expenditure are attached (Appendices A and B respectively)
- 2.3 The Council operates a receipts and payments accounting system and therefore any income or expenditure after 31st March 2016 is regarded as taking place in the following year. A draft Receipts and Payments statement is also attached (Appendix D)

3. Balances at 31st March 2016

- 3.1 A draft bank reconciliation statement as at 31st March 2016 is attached (Appendix E) showing an anticipated balance of £1589.11. This sum will be offset by any payments which the Council might approve that are not included in the accounts now submitted.

4. Annual Return and Annual Governance Statement

- 4.1 The opportunity is taken to submit a draft Annual Governance Statement for information (Appendix F) together with a draft of the Annual Return (Appendix G) prior to being submitted formally to the meeting to be held in May 2016.

5. Decision Required

- 5.1 To approve, subject to any amendments at the meeting, the draft accounts for 2015/16 for submission to Internal Audit.

Judith Roberts
Clerk to the Council

Receipts

Date	Details	Precept	Interest	Rents	Allotments	Grants	Vat	Amount
8/4/15	Yorkshire water			£25.00				£25.00
30/4/15	ERYC Precept	£1998.00						£1998.00
30/6/15	Bus Saver Interest		£0.11					£0.11
27/7/15	Vat Repayment						£118.82	£118.82
30/9/15	Bus Saver Interest		£0.10					£0.10
18/11/15	Allotment Fees				£48.67			£48.67
7/12/15	Bus Saver Interest		£0.10					£0.10
8/1/16	Transparency Code Grant (electronically transferred by ERNLLCA)					£925.00		£925.00
2/3/16	Bus Saver Interest		£0.10					£0.10
Total		£1998.00	£0.41	£25.00	£48.67	£925.00	£118.82	£3115.90

Payments

Dates	Cheque No	Details	Salary	Admin	Facilities	Property	Amount (excl VAT)	Vat	Total	Cleared	Comment
7/4/15	100514	Pat Traile (Internal Audit Fees)		£25.00			£25.00		£25.00	Yes	
7/4/15	100515	Millington Village Hall Hire		£30.00			£30.00		£30.00	Yes	
7/4/15	100516	Clerk's Salary	£317.28				£317.28		£317.28	Yes	
7/4/15	100517	Clerk's Expenses		£34.13			£34.13		£34.13	Yes	
7/4/15	100518	HMRC	£79.20				£79.20		£79.20		
28/5/15	100520	AON Insurance		£388.27			£388.27		£388.27	Yes	
7/7/15	100521	ERNLLCA		£225.92			£225.92		£225.92	Yes	
7/7/15	100522	Millington Village Hall Hire		£50.00			£50.00		£50.00	Yes	
13/10/15	100523	Millington Village Hall Hire		£40.00			£40.00		£40.00	Yes	
5/1/15	100524	Millington Village Hall Hire		£20.00			£20.00		£20.00	Yes	
5/1/16	100525	ERVAS		£10.00			£10.00		£10.00	Yes	Replacement cheque see 100519
16/2/16	100526	Chainsaw Accessories (R Willoughby)				£58.81	£58.81		£58.81		
29/3/16	100527	Clerk's Expenses		£64.16			£64.16		£64.16		
29/3/16	100528	Clerk's Salary	£707.75				£707.75		£707.75		
29/3/16	100529	HRMC	£248.39				£248.39		£248.39		
29/3/16	100530	PC World (Laptop) - Judith Roberts				£341.65	£341.65	£68.33	£409.98		
29/3/16	100531	Travis Perkins (Rock Salt)- Judith Roberts			£90.00		£90.00	£18.00	£108.00		
29/3/16	100552	Amazon (Wifi Booster & Laptop Case) - Judith Roberts				£47.67	£47.67	£9.53	£57.20		
29/3/16	100553	East Riding Council (Open Electoral Role) - Judith Roberts		£21.20			£21.20		£21.20		
Totals			£1352.62	£908.68	£90.00	£448.13	£2799.43	£95.86	£2895.29		

Year Ending	Current
31 Mar 2015	Year Ending
£	31st Mar 2016
£	£
Receipts	
£2400.00 Precept	£1998.00
£25.00 Rents	£25.00
£42.82 Allotments	£48.67
£0.00 Grants	£925.00
£35.00 Other Receipts	£0.00
£0.31 Interest	£0.41
£216.77 VAT	£118.82
£2719.90	£3115.90
Payments	
£792.96 Staff Salaries	£1352.62
£607.95 General Administration	£908.68
£20.67 S137 Payments	£0.00
£420.00 Facilities	£90.00
£0.00 Property	£448.13
£355.36 Other Payments	£0.00
£92.92 VAT	£95.86
£2289.86	£2895.29

Receipts & Payments Accounts

Year Ending 31/03/2015		Current Year Ending 31st Mar 2016
£		£
Receipts		
£2400.00	Precept	£1998.00
£25.00	Rents	£25.00
£43.75	Allotments	£48.67
£0.00	Grants	£925.00
£35.00	Other Receipts	0
£0.31	Interest	£0.41
£216.77	VAT	£118.82
£2720.83		£3115.90
Payments		
£792.96	Staff Salaries	£1352.62
£607.95	General Administration	£908.68
£20.67	S137 Payments	£0.00
£420.00	Facilities	£90.00
£0.00	Property	£448.13
£355.36	Other Payments	£0.00
£92.92	VAT	£95.86
£2289.86		£2895.29
RECEIPTS & PAYMENTS SUMMARY		
£937.53	General Fund brought forward 1st April 2015	£1368.50
£430.97	Net income/expenditure as shown above	£220.61
£1368.50	Fund balance carried forward st 31st March 2016	£1589.11
These cumulative funds are represented by :-		
£583.25	Business Current Account 31/3/16	£882.65
£0.00	less unrepresented cheques	£79.20
£785.25	Business Savings Account	£785.66
£1368.50		£1589.11
£968.50	General Reserve	£1189.11
£400.00	Neighbourhood Plan Fund	£400.00
£1368.50		£1589.11

Bank Reconciliation at 31st March 2016

	£
Balance brought Forward	£1368.50
Add Receipts to 31st March	£3115.90
	£4484.40
Deduct Payments for year (per bank a/c)	£2895.29
Balances at 31st March 2016	£1589.11
Balances as per Statements	
Business Current Account as at 31st March	£882.65
Business Saving Account as at 31st March	£785.66
Uncleared Cheques	£79.20
	£1589.11

Bank reconciliation - pro forma**Millington cum Givendale Parish Council**

Financial year ending 31 March 2016

Prepared by Judith Roberts, Clerk to the Council/Responsible Financial Officer (Name and role)

Date 29th March 2016

Balance per bank statements as at 31 March 2016

	£	£
a/c business current account	882.65	
a/c business saver account	785.66	
		1,668.31
Petty cash float (if applicable)		-
Less: any unpresented cheques at 31 March 2016		
cheque no. 100518	79.20	
		79.20
Add: any unbanked cash at 31 March 2016	0.00	
		0.00
Net balances as at 31 March 2016		1,589.11

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

CASH BOOK:

Opening balance 1 April 2015	1,368.50
Add: receipts in the year	3,115.90
Less: Payments in the year	2,895.29
Closing balance per cash book [receipts and payments book] as at 31 March 2016 (must equal net balances above) at	1,589.11

F

Section 1 – Annual governance statement 2015/16

We acknowledge as the members of:

MILLINGTON COM GIVENDALE 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 2016, 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 and recorded as minute reference:

MINUTE REFERENCE
dated DD/MM/YY

Signed by:

Chair

SIGNATURE REQUIRED

dated

DD/MM/YY

Signed by:

Clerk

SIGNATURE REQUIRED

dated

DD/MM/YY

*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 2015/16 for

Enter name of
smaller authority here:

MILLINGTON CUM GIVENDALE PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2015 £	31 March 2016 £	
1. Balances brought forward	938	1,369	Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to underlying financial records. 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	2,400	1,998	Total amount of precept or (for IDBs) rates and levies received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	321	1,118	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	793	1,353	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	1,497	1,543	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	1,369	1,589	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	1,369	1,589	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	1,306	2,044	The original Asset and Investment Register value of all fixed assets, plus other long term assets owned by the smaller authority 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 2016 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

SIGNATURE REQUIRED

Date

DD/MM/YYYY

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

DD/MM/YYYY

and recorded as minute reference:

MINUTE REFERENCE

Signed by Chair of the meeting approving these accounting statements.

SIGNATURE REQUIRED

Date

DD/MM/YYYY

Explanation of variances - pro forma for local councils

Millington cum Givendale Parish Council

The NALC/SLCC 'Practitioners' Guide 2010' (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 variations of less than £200);
- any changes where there is movement to or from zero; and
- if the total reserves (Box 7) figure is more than twice the annual precept value (Box 2)

Section 1	2014/15 £	2015/16 £	Variance £	Variance %	Detailed explanation of variance (with amounts £)
Box 1 Balances brought forward	938	1,369	431	45.97	
Box 2 Precept	2,400	1,998	-402	-16.75	Precept was higher to 2014/15 to raise funding for a Neighbourhood Plan
Box 3 Other receipts	321	1,118	797	248.44	This year council was awarded £925 grant to comply with Transparency Code.
Box 4 Staff costs	793	1,353	560	70.58	This years salary costs include:- 6 months salary for retiring clerk for Oct '14-Mar '15. 450.48 11 months salary for new clerk May '15 to Mar '16 956.14
Box 5 Loan interest/ capital repayments	0	0	0	0.00	
Box 6 Other Payments	1,497	1,543	46	3.06	
Box 7 Balances carried forward	1,369	1,589	221	16.12	
Box 8 Cash and short term investments	1,369	1,589	221	16.12	Funding for compliance with Transparency code not completely spent at Mar 31st '16
Box 9 Fixed assets & long term assets	1,306	2,044	738	56.51	Purchase of laptop & Wifi booster £540 540 Gift from East Rlding Council of a projector £ 250
Box 10 Borrowings	0	0	0	0	