

Section 1 – Annual Governance Statement 2017/18

We acknowledge as the members of:

NORTHCHAPEL 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.	✓		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 authority to conduct its business or manage 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 authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		considered and documented the financial and other risks it faces and 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 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	N/A
			✓

*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:

MINUTE REFERENCE
41/18
dated 21/05/18

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

Chairman *[Signature]*
Clerk *[Signature]*

Other information required by the Transparency Codes (not part of Annual Governance Statement)
Authority web address

WWW.NORTHCHAPEL-PC.ORG.UK

Section 2 – Accounting Statements 2017/18 for

NORTHCHAMPEL PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2017 £	31 March 2018 £	
1. Balances brought forward	35,038	35,614	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	27,573	27,670	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	5,538	5,751	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	5,506	5,885	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	2,745	2,745	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	24,284	27,643	Total expenditure or payments as recorded in the cash-book less staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	35,614	32,762	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	35,614	32,762	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	58,949	63,955	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	31,201	29,916	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

Hal Crnkic **SIGNATURE REQUIRED**

Date

21/05/18

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

21/05/18

and recorded as minute reference:

MINUTE REFERENCE 41/18

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

J Lynne Bell **SIGNATURE REQUIRED**

Section 3 – External Auditor Report and Certificate 2017/18

In respect of

NORTHCHAMPEL PARISH COUNCIL

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

(Except for the matters reported below)* on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return, in our opinion the information in Sections 1 and 2 of the Annual Governance and Accountability Return 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. (*delete as appropriate).

(continue on a separate sheet if required)

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

(continue on a separate sheet if required)

3 External auditor certificate 2017/18

We certify/do not 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.

*We do not certify completion because:

External Auditor Name

ENTER NAME OF EXTERNAL AUDITOR

External Auditor Signature

SIGNATURE REQUIRED

Date

DD/MM/YY

*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)

NORTHCHAPEL PARISH COUNCIL

BANK RECONCILIATION as at 31st March 2018

FINANCIAL YEAR ENDING 31st MARCH 2018

Prepared by Helen Cruikshank, Parish Clerk and Responsible Financial Officer

	£	£
Balance per Current Account Bank Statement as at 31st March 2018		26,506.21
Balance per Reserve Account Bank Statement as at 5th February 2018		7,547.44
Less : unpresented cheques no's:		
Cheque no 695 - Chichester District Council (bin emptying charges 2017/18)	619.00	
Cheque no 696 - Mrs Helen Cruikshank (Clerk's Q3 and Q4 Expenses)	132.67	
Cheque no 697 - Function 28 Ltd (New website)	540.00	
		1,291.67
Add: Monies yet to be credited:-		-
		32,761.98
The net balances reconcile to the Cash Book for the year, as follows:		
CASH BOOK		
Opening Balance 1 st April 2017		35,613.69
Add : Receipts in the year		33,420.86
Less : Payments in the year		36,272.57
		32,761.98
Closing balance per cash book as at 31.03.18		32,761.98

NORTHCHAPEL PARISH COUNCIL

EXPLANATION OF VARIANCES – 2017/18

Section 1	2016/17	2017/18	Variance +/- £	Detailed explanation of variance
Box 2	27,573	27,670	97	
Box 3	5,538	5,751	213	
Box 4	5,506	5,885	379	
Box 5	2,745	2,745	0	
Box 6	24,284	27,643	3,359	Money spent on play area repairs as highlighted by the ROSPA report.
Box 7	35,614	32,762	2,852	
Box 9	58,949	63,955	5,006	Purchased two salt bins and new safety matting for play area
Box 10	31,201	29,916	-1,285	Public Works Loan capital balance

Prepared on 9th May 2018
Helen Cruikshank
Clerk & RFO

NORTHCHAPEL PARISH COUNCIL 2017/18

<u>2016/17</u>	<u>INCOME & EXPENDITURE</u>	<u>2017/18</u>
£		£
35,038	FUNDS BROUGHT FORWARD	35,614
£	INCOME	£
27,573	PRECEPT	27,670
2,427	CDC TAX GRANT	2,330
3	BANK INTEREST	1
225	ALLOTMENTS	285
250	GRANTS	0
500	SWIMMING POOL LOAN REPAYMENT	500
2,038	VAT RECOVERED	2,626
95	MISCELLANEOUS	8
33,111	TOTAL INCOME	33,421
68,149		69,035

GRANTS 2017/18 NO GRANTS

<u>2016/17</u>	<u>EXPENDITURE</u>	<u>2017/18</u>
£		£
8,254	GENERAL ADMIN * (Note 1)	8,597
2,745	PUBLIC WORKS LOAN REPAYMENT	2,745
1,065	LITTER BIN EMPTYING	516
10,104	GRASS CUTTING, TREES AND MAINTENANCE (Note 2)	11,058
421	ALLOTMENTS	846
211	PLAYGROUND	4,173
7,373	GRANTS AND DONATIONS * (Note 3)	5,270
2,362	VAT PAID	3,067
0	ELECTION COSTS	0
32,535	TOTAL EXPENDITURE	36,273
35,614	TOTAL FUNDS AT YEAR END	32,762

Note 1:	<u>GENERAL ADMINISTRATION</u>	£
	CLERKS SALARY	5,885
	INSURANCE	690
	AUDIT	300
	GENERAL EXPENSES	840
	TRAINING	16
	SUBS	221
	MISCELLANEOUS	645
	TOTAL	8,597

Note 2:	<u>GRASS CUTTING, TREES AND MAINTENANCE</u>	£
	GRASS CUTTING	7,900
	GRASS CUTTING - CHURCHYARD	1,215
	VILLAGE GREEN TREEWORCS	220
	FINGERBOARD REPAIR/REFURBISHMENT	1,175
	GENERAL MAINTENANCE	385
	WINTER PLAN (NEW GRIT BIN)	163
	TOTAL	11,058

Note 3:	<u>GRANTS AND DONATIONS</u>	£
	HASLEMERE COMMUNITY FIRST RESPONDERS	200
	NORTHCHAPEL VILLAGE HALL	500
	NORTHCHAPEL PRIMARY SCHOOL	300
	NORTHCHAPEL PRIMARYSCHOOL (LITTLE OAKS PRE-SCHOOL)	800
	NORTHCHAPEL FLOWER AND VEGETABLE SHOW 2017	250
	PETWORTH OVER 60'S CLUB	50
	PETWORTH COTTAGE NURSING HOME	100
	CITIZENS ADVICE BUREAU WAVERLEY	100
	ROTHER VALLEY TOGETHER	100
	WEST SUSSEX RURAL MOBILE YOUTH TRUST (PURPLE BUS)	1,000
	COMMUNITY MINBUS ASSOCIATION	100
	ST MICHAELS CHURCH (POPPY WREATH)	20
	KENT SURREY SUSSEX AIR AMBULANCE	250
	NORTHCHAPEL SPORTS CLUB	500
	HOME-START CHICHESTER	1,000
	TOTAL GRANTS AND DONATIONS	5,270

Annual Internal Audit Report 2017/18

NORTHCHAPEL 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.			✓ N/A
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.	✓		

K. (For local councils only)	Yes	No	Not applicable
Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

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

10/05/18

Name of person who carried out the internal audit

MRS JEAN HUGGETT AUDITOR

Signature of person who carried out the internal audit

SIGNATURE REQUIRED

Date

10/05/18

*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).