

# NOTICE OF CONCLUSION OF AUDIT

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

## FOR

### Old Denaby Parish Council

NOTICE is hereby given that the audit for the  
year ended 31 March 2016 was completed on

22 August 2016

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: 2nd September 2016

Signed: E. Rogas

(Responsible Financial Officer)

# Section 1 – Annual governance statement 2015/16

We acknowledge as the members of:

Enter name of  
smaller authority here:

OLD DENABY 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'<br>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:

8.6

dated 19.05.16

Signed by:

Chair C. Cockshull

dated 19.05.16

Signed by:

Clerk E. Rogers

dated 19.05.16

\*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:

OLD DENABY PARISH COUNCIL

|   | Year ending   |                         | Notes and guidance  |
|---|---|-------------------------|---|
|   | 31 March 2015<br>£  | 31 March 2016<br>£      |   |
|   | <i>re-stated EOP</i>  |                         |   |
|   | 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. |                         |   |
| 1. Balances brought forward   | 7813  | 7451                    | 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  | 1594  | 1594                    | Total amount of precept or (for IDBs) rates and levies received or receivable in the year. Exclude any grants received.   |
| 3. (+) Total other receipts   | 52  | 1190                    | 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  | 400   | 541                     | 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   | —   | —                       | Total expenditure or payments of capital and interest made during the year on the smaller authority's borrowings (if any).  |
| 6. (-) All other payments   | 1608  | 1852                    | 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   | 7451  | 7842                    | 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                                   | 7451  | 7842                    | 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                         | 2,151<br><del>604</del>   | 2,151<br><del>604</del> | 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  | N/A   | N/A                     | 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.<br>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

WR

Date 19/5/16

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

19.05.16

and recorded as minute reference:

8.6

Signed by Chair of the meeting approving these accounting statements.

C. Cooksedge

Date 19.05.16

# Annual internal audit report 2015/16 to

Enter name of smaller authority here:

OLD DENABY 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 2016.

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.   | ✓   |     |                     |
| B. This smaller authority met its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.  | ✓   |     |                     |
| C. This smaller 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.   | ✓   |     |                     |
| 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.  |   |     | ✓                   |
| 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)<br>Trust funds (including charitable) – The council met its responsibilities as a trustee.  |   |     | Not applicable<br>✓ |

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 LYNDEY JAYNE BODION

Signature of person who carried out the internal audit [Signature] Date 10/06/2016

\*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).

The following issue(s) have been raised to assist the council in improving its internal controls or working practices. The council is recommended to consider these but is under no statutory obligation to act upon them.

### Internal Audit Checks

#### *What is the issue?*

The Internal Auditor has entered 'Not Covered' to the following test(s) on Section 4 which we consider relevant to the smaller authority. We have raised these issue(s) as the Internal Auditor has not stated, or noted as required on Section 4 of the Annual Return, when the most recent internal audit work was undertaken and when it is next planned in respect of these test(s), or, if coverage is not required, explained why not.

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.

#### *Why has this issue been raised?*

Failure to undertake these tests result in an incomplete internal audit being undertaken and the smaller authority could be exposed to risks in these areas.

#### *What do we recommend you do?*

The above tests should be carried out in future years by the Internal Auditor. The smaller authority should ensure he/she provides a full report to the smaller authority to ensure all the activities are properly carried out and recorded.

Further guidance on this matter can be obtained from the following source(s):

Governance and Accountability in Local Councils in England - A Practitioners Guide, NALC/SLCC

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The following issue(s) have been raised as there are minor errors on the annual return which we wish to draw to the attention of the council so they do not occur again in future years.

#### **Minor issues**

##### *What is the issue?*

The following issues have been raised as minor issues or omissions have been identified in the current year's Annual Return:

The smaller authority has included grant monies received in box 2, rather than box 3, other receipts.

##### *Why has this issue been raised?*

This is to draw these minor errors to the attention of the smaller authority.

##### *What do we recommend you do?*

The smaller authority should ensure in future years that the above minor errors or omissions are not included in the Accounting Statements.

Further guidance on this matter can be obtained from the following source(s):

Governance and Accountability in Local Councils in England - A Practitioners Guide, NALC/SLCC

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The following issue(s) have been raised to assist the council. The council is recommended to take action on the following issue(s) to ensure that the council acts within its statutory and regulatory framework.

### **Budgetary process**

#### *What is the issue?*

Although a precept was set by the due date and a budget was prepared the smaller authority did not minute, as evidence, its review and acceptance of the budget.

#### *Why has this issue been raised?*

The smaller authority could be criticised as it may have contravened Para 50(1) of the Local Government Finance Act 1992 which states that every smaller authority must make calculations to decide upon a precept figure.

#### *What do we recommend you do?*

The smaller authority must ensure the review and acceptance of the budget is minuted. Minutes must clearly record the decisions of the smaller authority as they are the lawful record of the events of its meetings.

Further guidance on this matter can be obtained from the following source(s):

Governance and Accountability in Local Councils in England - A Practitioners' Guide, NALC/SLCC

### **Budgetary Process**

#### *What is the issue?*

Although a precept was set by the due date and a budget was prepared the smaller authority did not undertake adequate budget monitoring during the financial year.

#### *Why has this issue been raised?*

The smaller authority has potentially demonstrated a lack of financial control over the spending and receipt of public money and were exposed to the risk of overspending.

#### *What do we recommend you do?*

The smaller authority must regularly review, and ensure this review of the budget against the actual income and expenditure is minuted. We recommend that the smaller authority monitors the budget at least quarterly or more frequently if required. The amount of budget monitoring undertaken during the year will depend upon the size of the smaller authority and the complexity of its finances.

Further guidance on this matter can be obtained from the following source(s):

Governance and Accountability in Local Councils in England 2014 - A Practitioners Guide, NALC/SLCC

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