

Section 1 – Accounting statements 2014/15 for

Enter name of reporting body here: PACLESHAM PARISH


Council/~~Meeting~~

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

1	Balances brought forward	2974 3932	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	3764 4200	Total amount of precept received or receivable in the year. Excludes any grants received.
3	(+) Total other receipts	736 133	Total income or receipts as recorded in the cashbook less the precept received (line 2). Include any grants received here.
4	(-) Staff costs	500 654	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 council's borrowings (if any).
6	(-) All other payments	3042 5219	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	3932 2391	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	3932 2391	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 other long term investments and assets	12,680 19,680	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	0 0	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.

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


Date 11/06/15

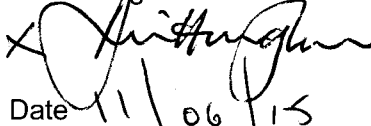
I confirm that these accounting statements were approved by the council on this date:

11/06/15

and recorded as minute reference:

49 15/16 ii/ii

Signed by Chair of the meeting approving these accounting statements


Date 11/06/15

Section 2 – Annual governance statement 2014/15

We acknowledge as the members of:

Raafiq Khan Raafiq

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:

- | | | | |
|---|---|---|--|
| 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

AA 15/16 ii/iii
dated *11/06/15*

Signed by:

Chair *[Signature]*
dated *11/06/15*

Signed by:

Clerk *[Signature]*
dated *11/06/15*

x

*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 3 – External auditor certificate and report 2014/15 Certificate

We certify that we have completed our review of the annual return, and discharged our responsibilities under the Audit Commission Act 1998 as transitionally saved, for the year ended 31 March 2015 in respect of:

Parish Council

Council/Meeting

Respective responsibilities of the body and the auditor

The body is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The body prepares an annual return in accordance with proper practices which:

- summarises the accounting records for the year ended 31 March 2015; and
- confirms and provides assurance on those matters that are important to our audit responsibilities.

Our responsibility is to review the annual return in accordance with guidance issued by the Audit Commission (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.

External auditor report

(Except for the matters reported below)* on the basis of our review of the annual return, in our opinion the information in the annual return is in accordance with proper practices and no 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 council:

(continue on a separate sheet if required)

External auditor signature

External auditor name Date

Note: The Audit Commission issued guidance in its Standing Guidance, which is applicable to external auditors' work on 2014/15 accounts.

Section 4 – Annual internal audit report 2014/15 to

Parisham Parish

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.

- | | | |
|---|---|-----|
| A | Appropriate accounting records have been kept properly throughout the year. | YES |
| B | The council's financial regulations have been met, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for. | YES |
| C | The council assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these. | YES |
| D | The annual precept requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate. | YES |
| E | Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for. | YES |
| F | Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for. | YES |
| G | Salaries to employees and allowances to members were paid in accordance with council approvals, and PAYE and NI requirements were properly applied. | YES |
| H | Asset and investments registers were complete and accurate and properly maintained. | YES |
| I | Periodic and year-end bank account reconciliations were properly carried out. | YES |
| 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. | YES |
| K | Trust funds (including charitable) The council met its responsibilities as a trustee. | |

N/A

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

Name of person who carried out the internal audit *Mrs Julie Hindley*

Signature of person who carried out the internal audit *[Signature]* Date *3.6.15*

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).

Guidance notes on completing the 2014/15 annual return

- 1 You must apply proper practices for preparing this annual return. Proper practices are found in the Practitioners' Guide* which is updated from time to time and contains everything you should need to prepare successfully for your financial year-end and the subsequent audit. Both NALC and SLCC have helplines if you want to talk through any problem you encounter.
- 2 Make sure that your annual return is complete (i.e. no empty green boxes), and is properly signed and dated. Avoid making any amendments to the completed return. But, if this is unavoidable, make sure the amendments are drawn to the attention of and approved by the council, properly initialled and an explanation is provided to the external auditor. Annual returns containing unapproved or unexplained amendments will be returned unaudited and may incur additional costs.
- 3 Use the checklist provided below. Use a second pair of eyes, perhaps a council member or the Chair, to review your annual return for completeness before sending it to the external auditor.
- 4 Do not send the external auditor any information not specifically asked for. Doing so is not helpful. However, you must notify the external auditor of any change of Clerk, Responsible Finance Officer or Chair.
- 5 Make sure that the copy of the bank reconciliation which you send to your external auditor with the annual return covers all your bank accounts. If your council holds any short-term investments, note their value on the bank reconciliation. The external auditor must be able to agree your bank reconciliation to Box 8 on the Accounting Statements (Section 1). You must provide an explanation for any difference between Box 7 and Box 8. More help on bank reconciliation is available in the Practitioners' Guide*.
- 6 Explain fully significant variances in the accounting statements on page 2. Do not just send in a copy of your detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include complete analysis to support your explanation. There are a number of examples provided in the Practitioners' Guide* to assist you.
- 7 If the external auditor has to review unsolicited information, or receives an incomplete bank reconciliation, or you do not fully explain variances, this may incur additional costs for which the auditor will make a charge.
- 8 Make sure that your accounting statements add up and the balance carried forward from the previous year (Box 7 of 2014) equals the balance brought forward in the current year (Box 1 of 2015).
- 9 Do not complete section 3. The external auditor will complete it at the conclusion of the audit.

	All green boxes have been completed?	✓
All sections	All information requested by the external auditor has been sent with this annual return? Please refer to your notice of audit.	✓
	Council approval confirmed by signature of Chair of meeting approving accounting statements?	✓
Section 1	An explanation of significant variations from last year to this year is provided?	✓
	Bank reconciliation as at 31 March 2015 agreed to Box 8?	✓
	An explanation of any difference between Box 7 and Box 8 is provided?	✓
Sections 1 and 2	Trust funds – all disclosures made if council is a sole managing trustee? NB: Do not send trust accounting statements unless requested.	✓
Section 2	For any statement to which the response is 'no', an explanation is provided?	✓
Section 4	All green boxes completed by internal audit and explanations provided?	✓

*Note: Governance and Accountability for Local Councils in England – A Practitioners' Guide is available from your local NALC and SLCC representatives or from www.nalc.gov.uk or www.slcc.co.uk

Paglesham Parish Council

Contact details

Please complete this form and send it back to us with the Annual Return

	Clerk	Chair
Name	BARRY SUMMERFIELD	DAVID WHITTINGHAM
Address	SUTTON HALL COTTAGE, SUTTON ROAD, ROCHFORD, SUSSEX LG. KESLIX	COBBLERS ROW, EAST END PAGLESHAM SUSSEX. SXT 2ER.
Daytime telephone number	01702 549308	01702 253616
Mobile telephone number	/	/
Email address	BSUMMIVINT@HOTMAIL.COM	COBBLERSROW@TISCALI.CO.UK

Bank reconciliation – pro forma

Paglesham Parish Council

Financial year ending 31 March 2015

Prepared by BARRY SUMMERTON (Name and role) Clerk / RFO.

Date 12/6/15

Balance per bank statements as at 31 March 2015:

£ £

2,391

Petty cash float (if applicable)

Less: any un-presented cheques at 31 March 2015

0

Add: any un-banked cash at 31 March 2015

0

Net balances as at 31 March 2015 (Box 8)

2,391

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

CASH BOOK:

Opening Balance 1 April 2014 (Prior year Box 8)

3931.28

Add: Receipts in the year

4333.00

Less: Payments in the year

5873.18

Closing balance per cash book [receipts and payments book] as at 31 March 2015 (must equal net balances above – Box 8)

2,391.10

Explanation of variances – pro forma for local councils

Paglesham 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 £)
Box 2 Precept	3764	4200	+436	12% APPROX	/
Box 3 Other receipts	736	133	-603	-604% APPROX	2013/14 INCLUDES £500 DONATION FROM PVT.
Box 4 Staff costs	500	654	+154	30% APPROX	CLERK SALARY = 400 OFFICE = 88 FUEL = 48 HMRC PAYE = 117 <u>653</u>
Box 5 Loan interest/ capital repayments	0	0	-	-	
Box 6 Other payments	3042	5219	+2,177	+71% APPROX	HEALTHFARM LTD £ 1,723 WEBSITE 150 PAYING RORA 339 <u>2,217</u>
Box 9 Fixed assets & long term assets	12,630	19,630	+7,000	55% APPROX	2 TELEPHONE BOXES @ £ 3,500 2 AED'S @ 2,400 2 SECURE AED BOXES @ 1,100 <u>INVESTMENT VALUE £ 7,000.</u>
Box 10 Borrowings	0	0	-	-	
Explanation for 'high' reserves	Box 7 is more than twice Box 2 because /				