

Section 1 – Annual Governance Statement 2017/18

We acknowledge as the members of:

DEDDINGTON 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* means that this 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.	/		<i>prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i>	
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	/		<i>made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.</i>	
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.	/		<i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i>	
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.	/		<i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.</i>	
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.	/		<i>considered and documented the financial and other risks it faces and dealt with them properly.</i>	
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	/		<i>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.</i>	
7. We took appropriate action on all matters raised in reports from internal and external audit.	/		<i>responded to matters brought to its attention by internal and external audit.</i>	
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.	/		<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>	
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	<i>has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts.</i>
	/			

*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:

108/18

dated

16/05/2018

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

Chairman

Clerk

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

Authority web address

www.deddingtonparishcouncil.org

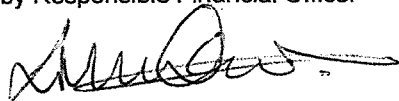
Section 2 – Accounting Statements 2017/18 for

DEDDINGTON PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2017 £	31 March 2018 £	
1. Balances brought forward	528,197	522,892	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	37,055	39,055	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	32,663	392,505	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	17,192	18,747	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	N/A	N/A	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	58,141	102,468	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	522,582	833,017	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	537,453	877,910	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	469,875	465,151	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	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.
	/		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



Date

16/05/18

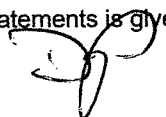
I confirm that these Accounting Statements were approved by this authority on this date:

16/05/18.

and recorded as minute reference:

108/18.

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



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.	YES		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	YES		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	YES		
D. The precept or rates 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 this authority's 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, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	YES		

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

02/05/18

Name of person who carried out the internal audit

PATRICIA ANN INGHAM

Signature of person who carried out the internal audit

P.A. Ingham

Date

02/05/18

*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).

Internal Audit Service Report

Deddington Parish Council

Statement and matters arising 2017/2018

The Internal Audit was carried out at all times within the guidelines of the Governance and Accountability for Local Councils – A Practitioners Guide 2017.

The following functions of the Council were examined carefully and evidence found that these functions were performed satisfactorily on behalf of Deddington Parish Council :

- proper book keeping
- budgetary controls
- payment controls
- income controls
- payroll controls
- bank reconciliations
- year-end procedures
- administrative procedures

In addition it was found that the Risk Management Report was reviewed and approved in April 2017. The Risk Assessment report is comprehensive and fit for purpose.

All account data is processed by an excellent, comprehensive spreadsheet, which was easily understood. The spreadsheet is accurate and adequate for this Council. All accounting processes are performed well (including the excellent balance sheet report for the members, public and external auditor) and I have no further comments or recommendations on the finance side to add within this audit.

Deddington Parish Council had a precept of £39,055 this year, which is used with a well thought out budget. This year they have been in the good position to have received a good sum of money from the sale of the Royal British Legion building. As this building did not originally belong to the Parish Council they do not have to use it as capital spending, which is good news for the Council as they have many projects within the parish that will benefit from this..

Deddington Parish Council appears to be a very pro- active Council, very supportive of village activities and commitments and involved with many projects. I commend this Council for the work they do in this parish.

I would also like to commend the Clerk on her excellent reporting, organisational and minute writing skills.

Six audit trails were performed with no problems uncovered within this sample.

I will first of all comment on my report recommendations from last year and any actions taken or outstanding.

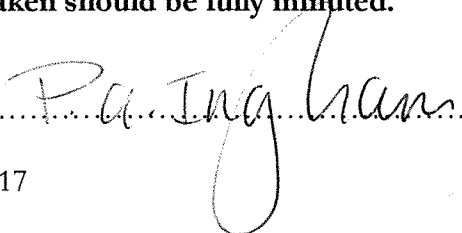
Matters arising from the 2016/2017 Audit

	Matters Arising	Actions taken or outstanding
1	Minutes	
(1)	Use of AOB	The Council do not now use this terminology and instead use “any other points – no decisions to be taken”.
2	Power to spend	For new projects or spending I would recommend that you add the statutory power to spend at the end of that “minute”.
3	Grant Awarding Policy	I note that this was agreed to be advertised on the Parish Council website
4	Counterfoils of cheques	I note that all the cheque counterfoils are now initialled by the Councillors signing the cheques.
5	Accounting System	I understand that the advantages of using the RBS Alpha accounting system was discussed and although the present spreadsheet system is still to be used, the issue will be discussed again in the future.

For the year 2017/2018 I have only one comment to make.

	Matters Arising	Recommendations
1	GPC	<p>I am sure the Council has discussed this before as you do have a CiLCA qualified Clerk.</p> <p>I note whilst reading the minutes that there is often discussion on the use of S137 and that you used this power up to your maximum. And although the actual power is not quoted in the minutes I can see that you discuss the powers needed to spend as there needs to be a large amount of expenditure within your parish at the moment.</p> <p>The General Power of Competence is the Power of First Resource and gives much greater freedom for spending without worrying about the limitations. You would need to have two thirds of your Councillors elected (not co-opted) so you may wish to consider this after the election next year.</p>

These matters above should be reported at the next available meeting of the Parish Council and any decision taken should be fully minuted.

Signed..........Patricia Ingham

5th May 2017

Internal Audit Service for Deddington Parish Council

Audit Service Programme 2017

I certify that I have carried out the tests detailed below in accordance with the suggested approach contained in the 2017 edition of "Governance and Accountability in Local Councils in England and Wales - A Practitioners Guide".

Signed.....*P. a. Ingham*.....Date *3/5/2018*

1 Internal Control	2 Tests	3 Yes/No	4 Reference	5 Comments
Previous Internal Audit Report	Do the minutes record that Council has considered the internal Audit Report for the previous year & the matters arising addressed?	Yes		
Governance Arrangements	Are the Standing Orders and Financial Regulations current & approved by full Council?	Yes		SO to be reviewed in May 2018 to reflect new legislation.
	Do all Cllrs have a copy?	Yes		
	When is next review?	May 2018		
	Are there Terms of Reference for each committee?	NO		No committees, just working groups
Council meetings	Are all minutes approved, signed & decisions recorded	Yes		
	Is there public participation?	Yes		
Anti -Fraud	Is there an anti- fraud policy?	No		Accounted for in Risk Assessment and Financial Regs
	Have all Cllrs a copy of Code of Conduct?	Yes		
	Have all Cllrs recorded their Interests for the register?	Yes		
	Is there a record of disclosable interest from meetings?	Yes		
	Is there a gifts & hospitality register	No		N/A
Appropriate Accounting Records and bookkeeping	What system is used? How is it kept up to date? Who has access to passwords	Spreadsheet Data input by Clerk. Computer password protected		
	Is the cash book/ accounting system maintained and up to date?	Yes		
	Is the cashbook/accounting system regularly balanced with the bank statement?	Yes		
Financial Regulations	Has a Responsible Officer been appointed?	Yes		
	Are Financial Regulations supported by working	Yes		

	procedures?			
	Are authorisation protocols clearly defined and adhered to?	Yes		
	Are officers & Cllrs trained? Is there a training register?	Yes		CILCA qualified Clerk Members attend many training courses.
	Are there any loan commitments? Is the schedule up to date?	No		
	Have items or services above a de minimis amount been competitively purchased?	Yes		
	Are payments in the cashbook supported by invoices and have they been authorised and minuted?	Yes		
	Has vat on payments been identified, recorded & claimed?	Yes		
	Is section 137 expenditure separately recorded & within statutory limits?	Yes		
Risk Management Arrangements	Does a scan of the minutes identify any unusual activity?	No		
	Do the minutes record the Council carrying out the annual risk assessment?	Yes		
	Is insurance cover appropriate & adequate?	Yes		
Internal Control	Are internal financial controls documented & regularly reviewed?	Yes		
Budgetary Controls	Has the Council prepared an annual budget in support of its precept?	Yes		
	Is actual expenditure against the budget regularly reported to Council?	Yes		
	Are there any significant unexplained variances from budget?	No		
Income Controls	Is income properly recorded & promptly banked?	Yes		
	Does the precept recorded in the cashbook agree to the District Council's notification?	Yes		
	Are security controls over cash adequate & effective?	Yes		
Petty Cash Procedures	Is all petty cash spent recorded & supported by vat invoices/receipts?	Yes		No petty "cash" system but Clerk uses "imprest" account for small items of expenditure

	Is petty cash expenditure reported to the Council?	Yes		
	Is petty cash reimbursement carried out regularly?	Yes		Clerk expenses regularly reimbursed
Payroll Controls	Do salaries paid agree with those approved by the Council?	Yes		
	Are other payments to the Clerk reasonable & approved by the Council?	Yes		
	Has PAYE/NIC been properly operated by the Council as an employer?	Yes		
	Are there pension records in place?	Yes		
Assets Control	Does the Council keep an assets register of all material assets owned?	Yes		
	Is the register up to date?	Yes		
	Do asset valuations agree with those in the register?	Yes		
Bank Reconciliation	Is there a bank reconciliation for each bank account?	Yes		
	Is the bank reconciliation carried out regularly on receipt of the statements?	Yes		
	Are there any unexplained balancing entries in the reconciliation?	No		
Year End Procedure	Are year end accounts prepared on the correct accounting basis?	Yes		
	Do accounts agree with the cashbook?	Yes		
	Is there an audit trail; from underlying financial records to the accounts?	Yes		
	Where appropriate have debtors & creditors been properly recorded?	Yes		

Smaller authority name: **Deddington Parish Council**

**NOTICE OF PUBLIC RIGHTS AND PUBLICATION
OF UNAUDITED ANNUAL GOVERNANCE &
ACCOUNTABILITY RETURN**

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

**Local Audit and Accountability Act 2014 Sections 26 and 27
The Accounts and Audit Regulations 2015 (SI 2015/234)**

NOTICE	NOTES
<p>1. Date of announcement _____ 20/06/18 _____ (a)</p> <p>2. Each year the smaller authority's Annual Governance and Accountability Return (AGAR) needs to be reviewed by an external auditor appointed by Smaller Authorities' Audit Appointments Ltd. The unaudited AGAR has been published with this notice. As it has yet to be reviewed by the appointed auditor, it is subject to change as a result of that review. Any person interested has the right to inspect and make copies of the accounting records for the financial year to which the audit relates and all books, deeds, contracts, bills, vouchers, receipts and other documents relating to those records must be made available for inspection by any person interested. For the year ended 31 March 2018, these documents will be available on reasonable notice by application to:</p> <p>(b) Lorraine Watling, Parish Clerk/RFO The Windmill Community Centre, Hempton Road, Deddington. OX15_0QH</p> <p>_____</p> <p>commencing on (c) _Thursday 21st June 2018 _____</p> <p>and ending on (d) _Wednesday 1 August 2018 _____</p> <p>3. Local government electors and their representatives also have:</p> <ul style="list-style-type: none"> • The opportunity to question the appointed auditor about the accounting records; and • The right to make an objection which concerns a matter in respect of which the appointed auditor could either make a public interest report or apply to the court for a declaration that an item of account is unlawful. Written notice of an objection must first be given to the auditor and a copy sent to the smaller authority. <p>The appointed auditor can be contacted at the address in paragraph 4 below for this purpose between the above dates only.</p> <p>4. The smaller authority's AGAR is subject to review by the appointed auditor under the provisions of the Local Audit and Accountability Act 2014, the Accounts and Audit Regulations 2015 and the NAO's Code of Audit Practice 2015. The appointed auditor is:</p> <p>Moore Stephens, (Ref SW/cc) Rutland House, Minerva Business Park, Lynch Wood, Peterborough PE2 6PZ</p> <p>5. This announcement is made by (e) Lorraine Watling Clerk/RFO</p>	<p>(a) Insert date of placing of the notice which must be not less than 1 day before the date in (c) below</p> <p>(b) Insert name, position and address/telephone number/ email address, as appropriate, of the Clerk or other person to which any person may apply to inspect the accounts</p> <p>(c) Insert date, which must be at least 1 day after the date of announcement in (a) above and at least 30 working days before the date appointed in (d) below</p> <p>(d) The inspection period between (c) and (d) must be 30 working days inclusive and must include the first 10 working days of July.</p> <p>(e) Insert name and position of person placing the notice – this person must be the responsible financial officer for the smaller authority</p>