

## LOCAL AUTHORITY ACCOUNTS: A SUMMARY OF YOUR RIGHTS

Please note that this summary applies to all relevant smaller authorities, including local councils, internal drainage boards and 'other' smaller authorities.

### The basic position

The Local Audit and Accountability Act 2014 (the Act) governs the work of auditors appointed to smaller authorities. This summary explains the provisions contained in Sections 26 and 27 of the Act. The Act and the Accounts and Audit Regulations 2015 also cover the duties, responsibilities and rights of smaller authorities, other organisations and the public concerning the accounts being audited.

As a local elector, or an interested person, you have certain legal rights in respect of the accounting records of smaller authorities. As an interested person you can inspect accounting records and related documents. If you are a local government elector for the area to which the accounts relate you can also ask questions about the accounts and object to them. You do not have to pay directly for exercising your rights. However, any resulting costs incurred by the smaller authority form part of its running costs. Therefore, indirectly, local residents pay for the cost of you exercising your rights through their council tax.

### The right to inspect the accounting records

Any interested person can inspect the accounting records, which includes but is not limited to local electors. You can inspect 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. You can copy all, or part, of these records or documents. Your inspection must be about the accounts, or relate to an item in the accounts. You cannot, for example, inspect or copy documents unrelated to the accounts, or that include personal information (Section 26 (6) – (10) of the Act explains what is meant by personal information). You cannot inspect information which is protected by commercial confidentiality. This is information which would prejudice commercial confidentiality if it was released to the public and there is not, set against this, a very strong reason in the public interest why it should nevertheless be disclosed.

When smaller authorities have finished preparing accounts for the financial year and approved them, they must publish them (including on a website). There must be a 30 working day period, called the 'period for the exercise of public rights', during which you can exercise your statutory right to inspect the accounting records. Smaller authorities must tell the public, including advertising this on their website, that the accounting records and related documents are available to inspect. By arrangement you will then have 30 working days to inspect and make copies of the accounting records. You may have to pay a copying charge. The 30 working day period must include a common period of inspection during which all smaller authorities' accounting records are available to inspect. This will be 2-13 July 2018 for 2017/18 accounts. The advertisement must set out the dates of the period for the exercise of public rights, how you can communicate to the smaller authority that you wish to inspect the accounting records and related documents, the name and address of the auditor, and the relevant legislation that governs the inspection of accounts and objections.

### The right to ask the auditor questions about the accounting records

You should first ask your smaller authority about the accounting records, since they hold all the details. If you are a local elector, your right to ask questions of the external auditor is enshrined in law. However, while the auditor will answer your questions where possible, they are not always obliged to do so. For example, the question might be better answered by another organisation, require investigation beyond the auditor's remit, or involve disproportionate cost (which is borne by the local taxpayer). Give your smaller authority the opportunity first to explain anything in the accounting records that you are unsure about. If you are not satisfied with their explanation, you can question the external auditor about the accounting records.

The law limits the time available for you formally to ask questions. This must be done in the period for the exercise of public rights, so let the external auditor know your concern as soon as possible. The

advertisement or notice that tells you the accounting records are available to inspect will also give the period for the exercise of public rights during which you may ask the auditor questions, which here means formally asking questions under the Act. You can ask someone to represent you when asking the external auditor questions.

Before you ask the external auditor any questions, inspect the accounting records fully, so you know what they contain. Please remember that you cannot formally ask questions, under the Act, after the end of the period for the exercise of public rights. You may ask your smaller authority other questions about their accounts for any year, at any time. But these are not questions under the Act.

You can ask the external auditor questions about an item in the accounting records for the financial year being audited. However, your right to ask the external auditor questions is limited. The external auditor can only answer 'what' questions, not 'why' questions. The external auditor cannot answer questions about policies, finances, procedures or anything else unless it is directly relevant to an item in the accounting records. Remember that your questions must always be about facts, not opinions. To avoid misunderstanding, we recommend that you always put your questions in writing.

### **The right to make objections at audit**

You have inspected the accounting records and asked your questions of the smaller authority. Now you may wish to object to the accounts on the basis that an item in them is in your view unlawful or there are matters of wider concern arising from the smaller authority's finances. A local government elector can ask the external auditor to apply to the High Court for a declaration that an item of account is unlawful, or to issue a report on matters which are in the public interest. You must tell the external auditor which specific item in the accounts you object to and why you think the item is unlawful, or why you think that a public interest report should be made about it. You must provide the external auditor with the evidence you have to support your objection. Disagreeing with income or spending does not make it unlawful. To object to the accounts you must write to the external auditor stating you want to make an objection, including the information and evidence below and you must send a copy to the smaller authority. The notice must include:

- confirmation that you are an elector in the smaller authority's area;
- why you are objecting to the accounts and the facts on which you rely;
- details of any item in the accounts that you think is unlawful; and
- details of any matter about which you think the external auditor should make a public interest report.

Other than it must be in writing, there is no set format for objecting. You can only ask the external auditor to act within the powers available under the Local Audit and Accountability Act 2014.

### **A final word**

You may not use this 'right to object' to make a personal complaint or claim against your smaller authority. You should take such complaints to your local Citizens' Advice Bureau, local Law Centre or to your solicitor. Smaller authorities, and so local taxpayers, meet the costs of dealing with questions and objections. In deciding whether to take your objection forward, one of a series of factors the auditor must take into account is the cost that will be involved, they will only continue with the objection if it is in the public interest to do so. They may also decide not to consider an objection if they think that it is frivolous or vexatious, or if it repeats an objection already considered. If you appeal to the courts against an auditor's decision not to apply to the courts for a declaration that an item of account is unlawful, you will have to pay for the action yourself.

For more detailed guidance on public rights and the special powers of auditors, copies of the publication Local authority accounts: A guide to your rights are available from the NAO website.

If you wish to contact your authority's appointed external auditor please write to the address in paragraph 4 of the *Notice of Public Rights and Publication of Unaudited Annual Governance & Accountability Return*.

Smaller authority name: PINXTON 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**

1. Date of announcement 1<sup>st</sup> JUNE 2018 (a)

(a) Insert date of placing of the notice which must be not less than 1 day before the date in (c) below

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:

(b) JOHN RITCHIE CLERK & RFO VILLAGE HALL  
KIRKSTEAD ROAD PINXTON NG16 6NA  
07468498875, info@pinxtonparishcouncil.co.uk

(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

commencing on (c) Monday 4 June 2018

(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

and ending on (d) Friday 13 July 2018

(d) The inspection period between (c) and (d) must be 30 working days inclusive and must include the first 10 working days of July.

3. Local government electors and their representatives also have:

- 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.

The appointed auditor can be contacted at the address in paragraph 4 below for this purpose between the above dates only.

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:

PKF Littlejohn LLP (Ref: SBA Team)  
1 Westferry Circus  
Canary Wharf  
London E14 4HD  
([sba@pkf-littlejohn.com](mailto:sba@pkf-littlejohn.com))

5. This announcement is made by (e) MALCOLM JOHN RITCHIE

(e) Insert name and position of person placing the notice – this person must be the responsible financial officer for the smaller authority

**CONFIRMATION OF THE DATES OF THE PERIOD FOR THE  
EXERCISE OF PUBLIC RIGHTS**

Name of smaller authority: PINXTON PARISH COUNCIL

County Area (local councils and parish meetings only): DERBYSHIRE

**On behalf of the smaller authority, I confirm that the dates set for the period for the  
exercise of public rights are as follows:**

Commencing on MONDAY 4<sup>th</sup> JUNE 2018

and ending on FRIDAY 13<sup>th</sup> JULY 2018

(Please enter the dates set by the smaller authority as appropriate which must be 30 working days inclusive and must include the first 10 working days of July 2018.  
We have suggested the following dates: Monday 4 June – Friday 13 July 2018.  
The latest possible dates that comply with the statutory requirements are Monday 2 July – Friday 10 August 2018.)

Signed: 

Role: CLERK & RFO

**PLEASE SUBMIT THIS FORM TO PKF LITTLEJOHN LLP WITH  
THE AGAR AND OTHER REQUESTED DOCUMENTATION**

# Annual Internal Audit Report 2017/18

## PINXTON 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.	✓		
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.	✓		
<b>K. (For local councils only)</b>			
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

04/05/18

Name of person who carried out the internal audit

JOANNE TAYLOR

Signature of person who carried out the internal audit

*Joanne Taylor*

Date

04/05/18

\*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).

# Section 1 – Annual Governance Statement 2017/18

We acknowledge as the members of:

PINXTON 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.	YES		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.	YES		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.	YES		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.	YES		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.		NO	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.	YES		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.	YES		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.	YES		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
			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:

18/011.2 ii

23/05/18

dated

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.pinxtonparishcouncil.co.uk  
 Accounts published on Bolsover DC website - PINXTON PAGE

# Section 2 – Accounting Statements 2017/18 for

## PINXTON PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2017 £	31 March 2018 £	
1. Balances brought forward	116246	139823	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	157910	162917	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	51437	62496	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	84414	81419	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	23775	23775	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	77581	109644	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	139823	150398	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	138553	142819	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	1325782	1334794	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	87888	71022	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

23/05/18

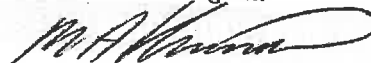
I confirm that these Accounting Statements were approved by this authority on this date:

23/05/18

and recorded as minute reference:

18/011-3

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



**PINXTON PARISH COUNCIL**

**INCOME AND EXPENDITURE ACCOUNT 1st APRIL 2017 TO 31st MARCH 2018**

**Year ended  
31st March 2017**

**Year Ended  
31st March 2018**

£	<b>INCOME</b>	£
174,300.00	Precept (inc Council Tax S/Grant)	177,668.40
290.60	Interest on Investments	254.30
14,218.60	Village Hall Lettings	9,940.80
0.00	Village Hall Live and Local	0.00
3,348.64	Rents	6,145.43
10,143.00	Cemetery	11,223.00
5,229.23	Recreation Ground Lettings	6,762.69
34.17	Miscellaneous	12,169.40
1,000.00	Donations re Fireworks	0.00
385.00	DCC Maintenance	385.00
397.34	Charity Shop	864.49
<b>209,346.58</b>	<b>TOTAL INCOME</b>	<b>225,413.51</b>
	 <b>EXPENDITURE</b>	
12,220.96	General Administration	19,469.73
84,414.24	Salaries and Wages	81,418.89
600.00	Section 137 Payments	4,667.00
23,775.48	Loan Interest and Principle	23,775.48
17,837.94	Village Hall Running Costs	22,010.59
19,273.61	Recreation	36,130.40
7,611.19	Cemetery	11,970.95
65.00	Properties Repairs/Renewals	0.00
1,536.00	Village Hall Events	1,155.24
4,095.00	Community Projects, Fireworks etc	1,600.00
3,761.42	Charity Shop	1,145.90
10,070.85	Christmas lights	11,321.91
0.00	Fencing - Allotment site	0.00
507.94	World War One Committee	172.44
0.00	Extreme Wheels & Street Sports	0.00
<b>185,769.63</b>	<b>TOTAL EXPENDITURE</b>	<b>214,838.53</b>
	 <b>GENERAL FUND</b>	
116,246.43	Balance brought forward	139,823.38
209,346.58	Income	225,413.51
185,769.63	Expenditure	214,838.53
23,576.95	Surplus or Deficit[-] in year	10,574.98
<b>139,823.38</b>	<b>BALANCE</b>	<b>150,398.36</b>



**PINXTON PARISH COUNCIL  
BALANCE SHEET AS AT 31ST MARCH 2018**

**Year ended  
31st March 2017**

**Actual to  
31st March 2018**

**CURRENT ASSETS**

£		£
0.00	Debtors	0.00
0.00	Payments in Advance	0.00
1,270.26	V.A.T. recoverable	7,579.16
49,658.87	Investments	58,528.87
88,894.25	Cash at Bank	84,290.33
<b>139,823.38</b>	<b>TOTAL ASSETS</b>	<b>150,398.36</b>

**CURRENT LIABILITIES**

	Creditors	0.00
	Receipts in Advance	0.00
<b>0.00</b>	<b>TOTAL LIABILITIES</b>	<b>0.00</b>
<b>139,823.38</b>	<b>NET ASSETS</b>	<b>150,398.36</b>

Represented by:-

<b>139,823.38</b>	General Fund	<b>150,398.36</b>
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# Explanation of variances – pro forma

Name of smaller authority: PINXTON PARISH COUNCIL

County area (local councils and parish meetings only): DERBYSHIRE

Please provide **full explanations, including numerical values**, for the following:

- variances of more than 15% between totals for individual boxes (except variances of less than £200);
- a breakdown of approved reserves if the total reserves (Box 7) figure is more than twice the annual precept/rates & levies value (Box 2).

Section 2	2016/17 £	2017/18 £	Variance £	Variance %	Detailed explanation of variance (with amounts £)
Box 2 Precept or Rates and Levies	157910	162917	5,007	3%	
Box 3 Total other receipts	51437	62496	11,059	21%	HOLDING A DEFIBRILLATOR FUND IN OUR ACCOUNTS INCOME FOR YEAR £12058-80
Box 4 Staff costs	84414	81419	-2995	3.5%	
Box 5 Loan interest/ capital repayments	23775	23775	—	—	
Box 6 All other payments	77581	109644	32063	41%	GEN ADMIN UP £7,000 VILLAGE HALL W £3,000 CEMETERY W £4,300 NEW MOWER £8,000 S137 GRANTS W £4,000 DEFIB EXPEND £6,000
Box 9 Total fixed assets & long term investments & assets	1325782	1334794	9012	—	
Box 10 Total borrowings	87888	71022	16866	19.1%	REDUCING DEBT ON PWLB LOAN FROM 1996 OVER 25 YEARS
Explanation for 'high' reserves	Box 7 is more than twice Box 2 because the authority held the following breakdown of reserves at the year end:				

# Bank reconciliation – pro forma

Name of smaller authority: PINXTON PARISH COUNCIL

County area (local councils and parish meetings only): DERBYSHIRE

Financial year ending **31 March 2018**

Prepared by MALCOLM JOHN RITCHIE – CLERK & RFO (Name and role)

Date 9/5/18

Balance per bank statements as at 31 March 2018:

INSTANT ACCESS A/C  
DIRECTPLUS A/C

£                    £  
100,102.00  
1,472.00

Petty cash float (if applicable)

50.00

Less: any un-presented cheques at 31 March 2018

– 17,371.00

84,290.00

Add: any un-banked cash at 31 March 2018

INVESTMENT WITH BDC

58,529.00

Net balances as at 31 March 2018 (Box 8)

142,819.00

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

## CASH BOOK:

Opening Balance 1 April 2017 (Prior year Box 8)

138,553.00

Add: Receipts in the year

231,918.00

Less: Payments in the year

227,652.00

Closing balance per cash book [receipts and payments book] as at 31 March 2018 (must equal net balances above – Box 8)

142,819.00

(See example for guidance if required)



Date/Time: 09/05/2018 13:31:09

## Statements-0890056116003150

BRANCH : DERBY

0890056116003150

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BIC : IBAN :

TYPE : INSTANT PINKTON PARISH COUNCIL.

29 MAR 18

DATE	DESCRIPTION	WITHDRAWALS	DEPOSITS	BALANCE
28 FEB 18	BROUGHT FORWARD			96,486.31
2 MAR 18	T/FFER-61160031 00		12,000.00	108,486.31
5 MAR 18	T/FFER-61160031 00	1,479.22		107,007.09
6 MAR 18	T/FFER-61160031 00	250.00		106,757.09
7 MAR 18	T/FFER-61160031 00	86.73		106,670.36
8 MAR 18	T/FFER-61160031 00		435.00	107,105.36
13 MAR 18	T/FFER-61160031 00		125.00	107,230.36
14 MAR 18	T/FFER-61160031 00	177.07		107,053.29
16 MAR 18	T/FFER-61160031 00	19.40		107,033.89
19 MAR 18	T/FFER-61160031 00	497.45		106,536.44
20 MAR 18	T/FFER-61160031 00		375.25	106,911.69
21 MAR 18	T/FFER-61160031 00	510.82		105,400.87
21 MAR 18	TFR 90056116003100	1,000.00		104,400.87
23 MAR 18	TFR 90056116003100	6,000.00		98,400.87
23 MAR 18	T/FFER-61160031 00		654.35	99,055.22
27 MAR 18	T/FFER-61160031 00	164.51		98,890.71
28 MAR 18	PINKTON PARISH COU M3R280318	10,000.00		88,890.71
28 MAR 18	T/FFER-61160031 00		9,692.10	98,582.81
29 MAR 18	T/FFER-61160031 00		519.38	99,102.19



# Statements-0890056116003100

BRANCH : DERBY 0890056116003100

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BIC : CPBKGB22 IBAN : GB37CPBK08900561160031

TYPE : COMMUNITY DIR PINXTON PARISH COUNCIL.

29 MAR 18

DATE	DESCRIPTION	WITHDRAMALS	DEPOSITS	BALANCE
28 MAR 18	BROUGHT FORWARD			
28 MAR 18	T/FER-61160031 50	9,692.10		692.10
28 MAR 18	PINXTON PARISH COU MDR280318			
29 MAR 18	T/FER-61160031 50	519.38		
29 MAR 18	PO CREDIT		10,000.00	1,000.00
29 MAR 18	CREDIT		191.75	
29 MAR 18	CREDIT		121.25	
29 MAR 18	ST JOHN AMBULANCE		351.00	
29 MAR 18	BOLSOVER DISTRICT INVEST INTEREST		112.00	
			215.63	
				1,472.25

# Reconciliation between Box 7 and Box 8 in Section 2 – pro forma

(applies to Accounting Statements prepared on an income and expenditure basis only)

Name of smaller authority: PINXTON PARISH COUNCIL

County area (local councils and parish meetings only): DERBYSHIRE

There should only be a difference between Box 7 and Box 8 where the Accounting Statements (Section 2 of the AGAR) have been prepared on an income and expenditure basis and there have been adjustments for debtors/prepayments and creditors/receipts in advance at the year end. Please provide details of the year end adjustments, showing how the net difference between them is equal to the difference between Boxes 7 and 8.

<b>Box 7: Balances carried forward</b>		£	£
			150,398
Deduct:	Debtors		
	•		
	•		
	•		
	VAT refund	7519	
Deduct:	Payments made in advance (prepayments)		
	•		
	•		
<b>Total deductions</b>		7519	142,819
Add:	Creditors (must not include community infrastructure levy (CIL) receipts)		
	•		
	•		
		—	
Add:	Receipts in advance (must not include deferred grants/loans received)		
	•		
	•		
<b>Total additions</b>		—	—
<b>Box 8: Total cash and short term investments</b>			142,819

PINXTON PARISH COUNCIL

NOTE FOR EXTERNAL AUDITORS

On the Section 1 Annual Governance Statement the Parish Council have recorded A "No" to question 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...."

The reason for this is the change of Clerk in the September of 2017 following a period of having a Locum Clerk in place, following a period of having three different Clerks, and at one time, no Clerk.

The new Clerk has taken the Financial Regulations, Standing Orders, Internal Audit and Internal Control Reviews to Council in April 2018 and will next take the Risk assessments once the Audit work is out of the way.

The Internal auditor will be back in 6 months time to check this has been completed.

**M. J. Ritchie**



Clerk and RFO

24<sup>th</sup> May 2018

## Pinxton Parish Council

### Independent Internal Auditors Report for 31<sup>st</sup> March 2018

#### Introduction

The internal audit took place on the 4<sup>th</sup> May 2018. I have carried out an internal audit of the Council's records in accordance with the Council's requirements and under the guidelines of Governance and Accountability for Local Councils 2015.

This work has been carried out on a sample basis so as to provide an assessment of compliance with the relevant policy and controls that are expected to be in operation during the above financial year. The audit has covered the work carried out by the Clerk to the Council in the execution of his duties ensuring that all relevant regulations have been met and the Council's resolutions have been carried out in a proper and timely manner.

#### Audit

The following areas were subject to inspection;

- Observance of Financial Regulations
- Observance of Standing Orders
- Operation and Reconciliation of Bank Accounts
- Cash Book Receipts and Payments
- Invoices received
- Value Added Tax Refunded
- Preparation of Receipts and Payments Account
- Council Minutes, Resolutions and Authorised Payments
- Fixed Assets
- Risk Assessment
- Adequacy of Insurance Cover
- Payroll Records and Clerks Expenses
- Precept requirement and Budget
- Adequacy of Council Reserves
- Annual Return this year
- Annual Return last year with Internal Auditors Report

#### Outcome

My inspection of the Council's records for the year ended 31<sup>st</sup> March 2018 found the following areas for concern;

**Financial Regulations** - I have observed the Financial Regulations however they have not been presented to Council in the financial year.

**Standing Orders** - I have observed the Standing Orders however they have not been presented to Council in the financial year.

**Council Minutes** – On observation of the Council minutes, several items had been presented to Council for resolution as a late item without being tabled on the agenda. This happened when a new Clerk came into post. The Clerk has since attended training and has a better understanding of the processes.

4th May 2018



Ain Moor House  
Main Road  
Stretton  
Derbyshire  
DE55 6EW

4<sup>th</sup> May 2018

Pinxton Parish Council  
FAO Chair and Clerk  
3 Kirkstead Road  
Pinxton  
Nottingham  
NG16 6NA

Dear John

Thank you for accommodating me yesterday and patiently sitting through all my questions. I enclose the independent audit report, copy of response to Cllr Watson and my invoice.

Your audit raises the issues we spoke about including the following;

- Financial Regulations must be reviewed by Council at least annually and recorded in the minutes.
- Standing Orders have been updated but weren't presented to Council in the financial year.
- After reading your Council Minutes there were a few discrepancies (detailed in the internal audit) from when you first became a Clerk. After your CiLCA training and the knowledge gained in the past few months I don't see this happening again.
- Risk Assessments must be reviewed by the Council at least on an annual basis and recorded in the minutes.

The following issues although not reported in your audit require attention;

- To ensure that no other item than what is on the agenda is discussed in the Council meeting. Late items of information are admissible, but if a decision is to be resolved it must have first been an item on the agenda.
- Each page of the minutes must be signed by the Chair.
- I have observed that you do a regular bank reconciliation, however it is good practice to record the balances in the minutes on a quarterly basis or as often as your Financial Regulations state.
- We had discussed the need for budget monitoring, ie spend against budget. This should be implemented as soon as possible.
- Ensure all risk assessments, including financial are reviewed and where necessary updated on a regular basis. These must be reviewed by Council on an annual basis and recorded in the minutes.
- Ensure any contractor provides you with a copy of their public liability insurance and risk assessments, eg grave digger or grounds maintenance contractor.
- I understand your bar is operated independently of the Council by the Chairman. The Council must raise an invoice for the letting and ensure the issue of a receipt. The Council will require copies of insurance, licence and risk assessments to comply with their insurance. Clerk must ensure a defined split of expenses and that the Council do not pay invoices relating to the bar.

- To ensure that the Chair declare an interest on decisions involving the bar, or any item indirectly concerning the bar.
- It is highly recommended that Parish Council has a website. The most basic websites publish agendas, minutes, financial information and policies.

The email I received from Cllr Watson raises several issues. The majority of these issues relate to late items brought to Council. Can I please reiterate that an item can't have a decision made on it unless it was an item on the agenda, this includes questions raised in public speaking.

If you have any questions please do not hesitate to contact me.

Yours sincerely

Joanne Taylor