

## Section 1 – Accounting statements 2014/15 for

Enter name of reporting body here:

CROWHURST PARISH

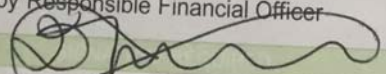
Council/Meeting

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

	Year ending		Notes and guidance
	31 March 2014	31 March 2015	
	£	£	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	36331 2008	3396 1771	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	3450	4250	Total amount of precept received or receivable in the year. Excludes any grants received.
3 (+) Total other receipts	1804	3714	Total income or receipts as recorded in the cashbook less the precept received (line 2). Include any grants received here.
4 (-) Staff costs	2103	3358	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	3388	768	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	3396 1771	7234 5609	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	3396 1771	7234 5609	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 other long term investments and assets	3409	3409	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)	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.
	N/A	N/A	

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 19/05/2015

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

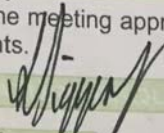
19/05/2015

and recorded as minute reference:

15 (ii)

Signed by Chair of the meeting approving these accounting statements.

SIGNATURE REQUIRED



## Section 2 – Annual governance statement 2014/15

We acknowledge as the members of:

**CROWHURST PARISH COUNCIL**

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:

	Agreed –		'Yes' means that the council:
	Yes	No*	
1 We approved the accounting statements prepared in accordance with the requirements of the Accounts and Audit Regulations and proper practices.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	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

15 (ii)

dated 19/05/2015

Signed by:

Chair

dated

Signed by:

Clerk

dated

\*Note: Please provide explanations to the external auditor on a separate sheet for each 'No' response.

## 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:

CRAWHURST 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~~).

An appropriate risk assessment has not been minuted during the year as evidence that the Council has assessed and taken appropriate steps to manage all the risks it faces. This is contrary to Regulation 4(2) of the Accounts and Audit (England) Regulations 2011.

BDO LLP Southampton  
United Kingdom

(continue on a separate sheet if required)

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

Please see enclosed report

BDO LLP Southampton  
United Kingdom

(continue on a separate sheet if required)

External auditor signature

BDO LLP

External auditor name

BDO LLP Southampton  
United Kingdom

Date

21/9/15

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# Section 4 – Annual internal audit report 2014/15 to

CROWNEST 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.

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 The council's financial regulations have been met, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C The council assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D The annual precept 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.			NA
G Salaries to employees and allowances to members were paid in accordance with council 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, were supported by an adequate audit trail from underlying records, and where appropriate debtors and creditors were properly recorded.	✓		
K Trust funds (including charitable) The council met its responsibilities as a trustee.			✓

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

SEE REPORT

Name of person who carried out the internal audit Debra Bellman

Signature of person who carried out the internal audit Debra Bellman Date 4.6.15

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 and when it is next planned, or if coverage is not required, internal audit must not be carried out.

**ALISON HILLMAN**  
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Tel 01323 460007 or 07501 676 569  
e-mail [alison.hillman@aol.com](mailto:alison.hillman@aol.com)

CROWHURST PARISH COUNCIL, SURREY

Internal Audit – 31<sup>st</sup> March 2015

Introduction:

1: In accordance with my Internal Audit Plan, Controls and Procedures have been tested, with Fraud and Risk Issues reviewed - these are now well managed, and will be in line with the Governance and Accountability for Local Councils Practitioners' Guide (GALCP) and meet the needs of the Council. I confirm that I do not have any role within the Council and will carry out my duties without bias. I would only comment by exception – the points listed below need further attention:

Audit:

2: End of Year Accounts 2013/2014 – Last year's Annual Return did not meet the requirements of audit and the accounts have had to be restated in 2014/2015. £1625.41 was in a savings account but not included in the accounts. There is also a bank account addressed to the Parish Council which appears to relate to a memorial account set up by a previous Chairman. The Clerk confirmed it is not a Parish Council account, the only signatory is the wife of the previous Chairman. The balance held in this account is £2107.08 and is not included in the Parish Council's accounts.

3: End of Year Accounts 2014/2015 – The Parish Council appointed a new Clerk in March 2015 and the accounts are now accurately presented and easy to understand. Receipts and Payments are properly recorded and it was noted that the previous Clerk has underpaid some suppliers by nominal amounts but there is no evidence of fraud. An end of year bank reconciliation has taken place, was checked against the supporting documents and was found to be correct. Figures in the end of year return are now supported by the accounts.

4: Standing Orders/Financial Regulations – Standing Orders and Financial Regulations were adopted in May 2015.

5: Risk Assessment – A Risk Assessment exercise of the Parish Council's assets is needed and a Financial Risk Assessment is also required.

6: Insurance – The Parish Council's Insurance has been renewed recently and is with Came and Company who specialise in Parish Council policies.

7: Asset Register – An asset register is required and will need to show the location of the assets and the deeds, and cost and insurance values.

8: Budgetary Control – Annual reports are prepared in support of the precept, actual expenditure is compared with the budget and any significant variances are explained. Reserves are high but the money is to be earmarked for specific purposes such as a Neighbourhood Plan.

9: Income – Income is properly recorded and banked and is as expected. The precept is £4250. The income received includes £1800 from the Fishing Club which relates to the financial year 2015-2016.

10: Petty Cash – There is no petty cash system and one is not required.

11: Staff Wages – It was noted the Clerk is contracted for 5 hours a week on a temporary contract and has been in the role since March 2015. The Parish Council has not previously registered with HMRC but the new Clerk is addressing this.

12: VAT – The VAT is properly recorded and does not appear to have been reclaimed from Customs and Excise. The new Clerk is also to address this.

13: Effectiveness of the Internal Audit – An annual review of the effectiveness of Internal Audit is recommended.

14: Internal Checks and Audits - A system of internal checks and audits is in place. Two councillors now sign cheques and invoices. Councillors are presented with the accounts at each meeting.

15: Transparency Code – Updates are available from SALC on the Transparency Code and how it will change audit requirements for Parish Councils with turnovers of less than £25000. These changes will need to be in place by 1<sup>st</sup> July 2015.

16: Minutes and agendas – Agendas are sent out in time and are well presented. Minutes were only available from January 2015 but are signed and dated.

17: An Annual Review of the Effectiveness of the Internal Audit needs to be completed.

18: It is worth noting that the new Clerk has only been in the post since March 2015, and is working more than her contracted hours to implement the changes required. Figures produced by the new Clerk are in accordance with the requirements and all supporting documents the Council has, have been produced for the Internal Auditor. The Clerk's co-operation aided considerably the work of this internal audit. Thank you.

Alison Hillman, MILCM  
Internal Auditor  
5th June 2015

