

SONNING COMMON PARISH COUNCIL
SOUTH OXFORDSHIRE

Parish Office

VILLAGE HALL, WOOD LANE
SONNING COMMON, OXON, RG4 9SL

Parish Clerk – Philip Collings

Tel 0118 972 3616

Email clerk@sonningcommonparishcouncil.org.uk

Moore Stephens
Rutland House
Minerva Business Park
Lynch Wood
Peterborough
PE2 6PZ

17 May 2018

Dear Sirs

AGAR 2017/18

Please find herewith:

1. Pages 3 to 6 of the return duly completed. You will note that initially we indicated N/A in regard to Trust Funds etc and then changed the response to Yes. This is because, until a couple of days ago, we hoped that we would be relieved of responsibilities by the Charities Commission but have now been advised that we are lumbered with them.
2. Explanation of variances in accordance with requirements. If you wish I can send you the spreadsheet from which this was produced.
3. Copy of your checklist.
4. Bank reconciliations for the three accounts included in our return.

Yours faithfully



P Collings
Parish Clerk

Annual Internal Audit Report 2017/18

SOMERSET COMMUNITY 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.	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.		YES		

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

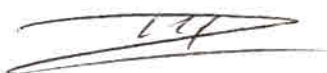
Date(s) internal audit undertaken

26/04/2018

Name of person who carried out the internal audit

PHILIP HOOD F.M.A.T

Signature of person who carried out the internal audit



Date

26/04/2018

*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).

We acknowledge as the members of:

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:

*Please provide explanations to the external auditor on a separate sheet for each 'No' response. Describe how the authority will address the weaknesses identified.

dated

Clerk

www.sonningcommonparishcouncil.org.uk

Section 2 – Accounting Statements 2017/18 for

SOMERSET COMMON PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2017 £	31 March 2018 £	
1. Balances brought forward	27,068	501,018	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	103,504	103,504	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	514,342	128,006	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	32,840	63,168	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 authority's borrowings (if any).
6. (-) All other payments	111,056	193,742	Total expenditure or payments as recorded in the cash-book less staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	501,018	475,618	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	501,018	475,618	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	518,948	572,948	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	0	0	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.
	Yes	No	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

27/04/2018

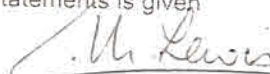
I confirm that these Accounting Statements were approved by this authority on this date:

14/05/18

and recorded as minute reference:

19/025

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



Section 3 – External Auditor Report and Certificate 2017/18

In respect of

SOMMERS COMMON PARISH COUNCIL

1 Respective responsibilities of the body and the auditor

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2018; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

Our responsibility is to review Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with guidance issued by the National Audit Office (NAO) on behalf of the Comptroller and Auditor General (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.

2 External auditor report 2017/18

(Except for the matters reported below)* on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return, in our opinion the information in Sections 1 and 2 of the Annual Governance and Accountability Return is in accordance with *Proper Practices* and no other 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 authority:

(continue on a separate sheet if required)

3 External auditor certificate 2017/18

We certify/do not certify* that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2018.

*We do not certify completion because:

External Auditor Name

External Auditor Signature

Date

*Note: the NAO issued guidance applicable to external auditors' work on limited assurance reviews for 2017/18 in Auditor Guidance Note AGN/02. The AGN is available from the NAO website (www.nao.org.uk)

SONNING COMMON PARISH COUNCIL

AGAR Explanation of Variances 2017/18

This last year has been the first of many in which there will be significant changes in our expenditures as the council takes on additional activities.

A detailed breakdown of the changes is in the tables below. In summary they are:

Box 3 Total other receipts: Change from 514,342 to 128,006. Primary reason for change of 386,336 (- 75%) is that there was a significant one off increase in 2016/17 due to the sale of a plot of land for £500,000 which did not happen again in 2017/18. See tables for rest.

Box 4 Staff costs: Change from 32,840 to 63,168. Primary reason for change of 30,328 (+92%) is that during the year our staffing increased by six, all part time, made up of:

Street cleaner; Office Assistant; Cleaner for Village Hall; Bookings Clerk for Village Hall; Senior Youth Leader for Youth Club; Youth Leader Youth Club. See tables for rest.

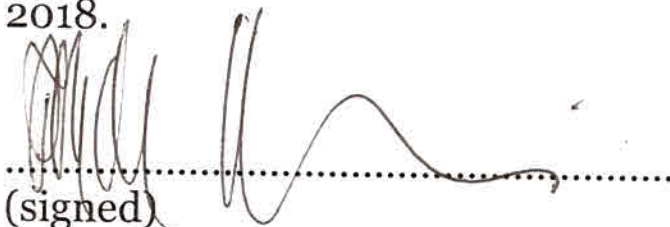
Box 6 All other payments: Change from 111,056 to 193,742. There is no single reason for the change of 82,686 (+74.45%) which is due to a significant increase in activities being carried out for the village. See tables for details.

The tables only include line items that individually meet the 15% criteria.

Box	2016/17	2017/18	Variance	Var%	Item	Explanation
3	1,466	8,826	7,360	6.02	VAT Refunds	Change in reclaim timing
3	0	4,707	4,707	4,707.00	Club SC Grant	Transfer to us of ClubSC Funds
3	11,757	8,057	-3,700	0.69	Miscellaneous Grants	Various small grants
3	498,195	33,106	-465,089	0.07	Land Sale	No sale of land
Total	514,432	128,006	-386,426	25%		
4	3,676	5,845	2,169	1.59	PAYE/NI expenses	Staff changes
4	3,800	3,130	-670	0.82	Pension Contributions	One less member
4	209	1,155	946	5.53	Street Cleaning - Wages	Change of coding see below
4	0	11,650	11,650	11,650.00	Club SC Salaries	Change from grant to direct control
Total	32,840	63,168	30,328	192%		
6	8,842	11,232	2,390	1.27	VAT on Payments	Change in reclaim timing
6	816	82	-734	0.10	Printer Consumables	Change of purchase date
6	4,726	3,115	-1,611	0.66	Office/Meeting/Rent	Taking office ownership in house
6	2,315	1,270	-1,045	0.55	Legal Fees	Land sale and purchase
6	1,507	2,199	692	1.46	Insurance	Increased premium
6	292	1,559	1,267	5.34	Memberships/Subscriptions	Increase in number of subs
6	1,359	403	-956	0.30	Office Equipment/Expenses	Timing
6	0	800	800	800.00	Allotment Projects	Projects
6	3,986	2,009	-1,977	0.50	NDP Costs	Lower activity in transition year
6	15,811	6,710	-9,101	0.42	Street Cleaning - Contract	Change of coding see above
6	5,200	2,375	-2,825	0.46	Grass Cutting	Change of contractor
6	0	56,115	56,115	56,115.00	Trees	Purchase of woodland
6	0	839	839	839.00	Horticulture	New work in village centre

6	4,414	7,450	3,036	1.69	Footpaths Maintenance	Additional costs
6	466	5,867	5,401	12.59	Graffiti & Vandalism	Damage to skatepark
6	2,845	1,190	-1,655	0.42	Arboricultural Work Maint.	Change in coding
6	0	1,535	1,535	1,535.00	Hazel Gdns trees	Change in coding
6	5,374	3,368	-2,006	0.63	Miscellaneous Grants	Reduced grant making
6	6,441	5,018	-1,423	0.78	Play Area Equipment	Reduced replacements
6	10,511	4,869	-5,642	0.46	Play Area Maintenance	Reduced replacements
6	1,204	3,997	2,793	3.32	Skatepark Maintenance	Increased workload
6	0	19,082	19,082	19,082.00	Skate Park Building	Additional construction
6	1,483	2,664	1,181	1.80	Widmore Pond Costs	Taking on pond management
6	2,240	8,110	5,870	3.62	VH Repairs & Maintenance	Village Hall costs
6	1,030	164	-866	0.16	Traffic Calming	No repairs to SIDs
6	1,166	2,668	1,502	2.29	Winter Works	Increased activity
6	0	2,024	2,024	2,024.00	Project Management	Works for MH Field
6	6,856	13,921	7,065	2.03	Planning & Architects Fees	Works for MH Field
6	2,013	50	-1,963	0.02	Events Costs	Reduced costs
6	2,498	578	-1,920	0.23	Miscellaneous Expenses	Reduced costs
Total	111,056	193,742	78,921	174.70		

Analysis prepared by Philip Collings, Parish Clerk and RFO on 30 April 2018.


 (signed)

SONNING Common Pardon Council.

Information to be submitted with Part 3 AGAR

Basic and Intermediate levels

Item required.	Included Y/N or response
1. State the basis of accounts – Income and Expenditure (I&E) or Receipts and Payments (R&P)	R&P
2. Bank reconciliation (note a pro-forma is available on our website).	YES
3. Explanations of significant Variances: <i>For boxes 2 – 10 in the Accounting Statements, where the 2018 figure is 15% greater than, or 15% less than, the 2017 figure unless the variance is less than £500</i>	YES
4. A Reconciliation between boxes 7 and 8 – this must be quantified.	N/A
5. An explanation of any 'No' answers in Section 1 (Annual Governance Statement)	N/A
6. An explanation of any 'No' answers in the Annual Internal Audit Report.	N/A
7. An explanation of the level of reserves held if more than twice the total income of the Authority.	N/A
8. Whether you use the general power of competence.	YES
9. The dates for the period for the exercise of public rights.	YES
10. This sheet, duly completed	YES

Intermediate level only

The additional information required for Intermediate Level Reviews	Included Y/N or response
11. If last year's limited assurance review was qualified to any degree or contained other matters, please advise on what action has been taken AND supply the relevant minute references.	
12. Provide a copy of the terms and scope of engagement of the Internal Auditor and dates of any reports provided by him (other than the completion of the AGAR). If none, state 'NONE'.	
13. If the greater of Gross Income and Expenditure exceeded £1M:	
a. outline the budget setting process.	
b. provide the minute approving the budget and the precept.	

Date: 04/04/2018

Sonning Common Parish Council Current Year

Page 1

Time: 14:18

**Bank Reconciliation Statement as at 04/04/2018
for Cashbook 1 - Unity Trust Current Account**

User: PMMC

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Unity Trust Current Account	04/04/2018	66	276,327.85
			<u>276,327.85</u>
<u>Unpresented Cheques (Minus)</u>		<u>Amount</u>	
		0.00	
			<u>0.00</u>
			276,327.85
<u>Receipts not Banked/Cleared (Plus)</u>			
		0.00	
			<u>0.00</u>
			276,327.85
		Balance per Cash Book is :-	276,327.85
		Difference is :-	0.00

Date: 04/04/2018

Sonning Common Parish Council Current Year

Page 1

Time: 15:27

Bank Reconciliation Statement as at 04/04/2018
for Cashbook 2 - Natwest Account

User: PMMC

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Natwest Account	04/04/2018		199,223.56
			199,223.56
<u>Unpresented Cheques (Minus)</u>		<u>Amount</u>	
		0.00	0.00
			199,223.56
<u>Receipts not Banked/Cleared (Plus)</u>			
		0.00	0.00
			199,223.56
		Balance per Cash Book is :-	199,223.56
		Difference is :-	0.00

Date: 22/04/2018

Time: 20:36

Sonning Common Parish Council Current Year

Page 1

Bank Reconciliation Statement as at 30/04/2018
for Cashbook 3 - Petty Cash

User: PMMC

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Petty Cash	31/03/2018		66.68
			66.68
<u>Unpresented Cheques (Minus)</u>		<u>Amount</u>	
		0.00	0.00
			66.68
<u>Receipts not Banked/Cleared (Plus)</u>			
		0.00	0.00
			66.68
		Balance per Cash Book is :-	66.68
		Difference is :-	0.00