

NAME OF SMALLER AUTHORITY: \_\_\_\_\_

## NOTICE OF CONCLUSION OF AUDIT

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

**The Accounts and Audit Regulations 2015 (SI 2015 No.234)  
The Local Audit and Accountability Act 2014**

NOTICE	NOTES
<p>1. Date of announcement <u>26th SEPTEMBER 2017</u> (a)</p> <p>2. Notice of conclusion of audit and publication of accounts. The audit of the authority's accounts for the above year has been concluded on: <u>22nd SEPTEMBER 2017</u> (date) by grant Thornton UK LLP.</p> <p>The Annual governance statement, Accounting statements and the External auditor certificate and report (the Annual Return), have been published (b)(c).</p> <p>Copies of documents are available for purchase by any person on payment of a reasonable sum. Documents will remain available for public access for a period of not less than 5 years from the date of this notice (d).</p> <p>3. Section 25 of the Local Audit and Accountability Act 2014 provides for the exercise of public rights to inspect the statement of accounts:</p> <ul style="list-style-type: none"> <li>• Local Government Electors and their representatives have rights to make copies of: <ul style="list-style-type: none"> <li>• the accounting statements,</li> <li>• the external auditor's opinion and certificate of completion (e),</li> <li>• any public interest report relating to the authority, and</li> <li>• any recommendation relating to the authority.</li> </ul> </li> </ul> <p>For the year ended 31 March 2017 these documents will be available on reasonable notice on application to the person in paragraph 4 below.</p> <p>4. Person to which you can apply to inspect the accounts and availability (f)</p> <p>Name: <u>SHIRLEY O'MARA</u></p> <p>Position: <u>CLERK TO THE PARISH COUNCIL, RFC.</u></p> <p>Address: <u>SHENSTONE PARISH COUNCIL, 25C MAIN STREET,</u> <u>SHENSTONE, STAFFORDSHIRE WS14 0LZ</u></p> <p>Tel no: <u>01543 481 947</u></p> <p>Email: <u>admin@shenstone-staffs.gov.uk.</u></p> <p>Days and times of availability: <u>Tuesday - Thursday 09.30 - 16.00.</u> <u>Also accounts available on www.shenstone-staffs.gov.uk</u></p> <p>5. Signature and name of person giving Notice on behalf of the authority</p> <p><u>G. Hall</u> Clerk and/or Responsible Financial Officer</p>	<p>(a) Insert date of placing of this Notice</p> <p>(b) Parish Councils should publish information on a website.</p> <p>(c) Parish meetings should display information in a conspicuous place in the area of the authority for at least 14 days.</p> <p>(d) See note 25.2 of the Local Audit and Accountability Act 2014 for further information.</p> <p>(e) Section 3 of Annual Return provides the external auditors certificate and report including any subsequent pages attached.</p> <p>(f) Insert name, position, address and contact details such as telephone and email of the Clerk or other person to which any person may apply to inspect the above documents, and the details of the manner in which notice should be given of an intention to inspect the accounting records and other documents.</p>
<p>For more detailed guidance on electors' rights and the special powers of auditors, copies of the publication Council Accounts – A Guide to Your Rights are available from the National Audit Office website</p> <p><a href="https://www.nao.org.uk/code-audit-practice/wp-content/uploads/sites/29/2015/03/Council-accounts-a-guide-to-your-rights.pdf">https://www.nao.org.uk/code-audit-practice/wp-content/uploads/sites/29/2015/03/Council-accounts-a-guide-to-your-rights.pdf</a></p>	

## Section 1 – Annual governance statement 2016/17

We acknowledge as the members of:

Enter name of  
smaller authority here:

SHENSTONE PARISH COUNCIL

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 2017, that:

	Agreed		'Yes' means that this smaller 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.	✓		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.	✓		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 smaller authority to conduct its business or on its finances.	✓		has only done what it has the legal power to do and has complied with proper practices in doing so.
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	✓		during the year 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 smaller authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		considered the financial and other risks it faces and has dealt with them properly.
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	✓		arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.
7. We took appropriate action on all matters raised in reports from internal and external audit.	✓		responded to matters brought to its attention by internal and external audit.
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this smaller authority and, where appropriate have included them in the accounting statements.	✓		disclosed everything it should have about its business activity during the year including events taking place after the year-end if relevant.
9. (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	NA
			✓
			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 this smaller authority on:

June 13th 2017

and recorded as minute reference:

Min 42 June 13th 2017

Signed by Chair at meeting where approval is given:

Rita Blacklocks

Clerk:

Min 42 June 13th 2017

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



## Section 2 – Accounting statements 2016/17 for

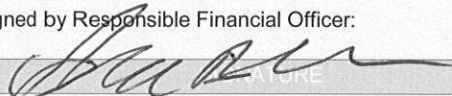
Enter name of  
smaller authority here:

SHENSTONE PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2016 £	31 March 2017 £	
1. Balances brought forward	93298	112160	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	145000	150000	Total amount of precept (or for IDBs, rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	3684	14606	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	33484	35789	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	—	—	Total expenditure or payments of capital and interest made during the year on the smaller authority's borrowings (if any).
6. (-) All other payments	86486	125533	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	122012	115444	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	112160	115444	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	79012	79012	This cell shows the value of all the property the authority owns. It is made up of its fixed assets and long-term investments.
10. Total borrowings	—	—	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 2017 the accounting statements in this annual return present fairly the financial position of this smaller authority and its income and expenditure, or properly present receipts and payments, as the case may be.

Signed by Responsible Financial Officer:



Date

13/06/2017

I confirm that these accounting statements were approved by this smaller authority on:

13th June 2017

and recorded as minute reference:

Min Ref 42

Signed by Chair at meeting where approval is given:

Rita Warecks.

## Section 3 – External auditor report and certificate

In respect of:

Enter name of  
smaller authority here:

SHEWSTONE PARISH COUNCIL

### 1. Respective responsibilities of the body and the auditor

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

- summarises the accounting records for the year ended 31 March 2017; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

Our responsibility is to review the annual 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. 2016/17 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 other matters have come to our attention giving cause for concern that relevant legislative and regulatory requirements have not been met. (\*delete as appropriate).

See attached

(continue on a separate sheet if required)

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

See attached

(continue on a separate sheet if required)

### 3. 2016/17 External auditor certificate

We certify/~~do not certify~~\* that we have completed our review of the annual return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2017.

\* We do not certify completion because:

External auditor signature

Grant Thornton UK LLP

External auditor name

Grant Thornton UK LLP

Date

22 September 2017

Note: The NAO issued guidance applicable to external auditors' work on 2016/17 accounts in Auditor Guidance Note AGN/02. The AGN is available from the NAO website ([www.nao.org.uk](http://www.nao.org.uk))

**This page is part of Section 3 - External auditor certificate and opinion 2016/17**

**Shenstone Parish Council**

**External Auditor Report for the year ended 31 March 2017**

## **Matters reported**

### **Public Rights 2015/16**

We reported in last year's External Auditor Certificate and Report that the period for the exercise of public rights for 2015/16 was not in line with the Regulations and proper practices and the Authority had failed to meet its statutory requirements. In our view, the response to Assertion 4 on the Annual Governance Statement should be 'No'.

In future, the Authority must ensure that the Annual Return is approved and published to allow for the exercise of public rights in accordance with the Regulations and proper practices.

### **Public Rights 2016/17**

The Authority must provide for the exercise of public rights as set out in Sections 26 and 27 of the Local Audit and Accountability Act 2014 and the Accounts and Audit Regulations 2015. The Regulations require the Authority to approve and publish the Annual Governance Statement and the Accounting Statement alongside a Notice of commencement and a Declaration of status of accounts to allow it to commence the period for the exercise of public rights so that it includes the first ten working days of July.

The Authority commenced the period of Public Rights on 1 July 2017, which was a non-working day. In addition the period ended on Tuesday 11 July therefore, did not include the first 10 working days of July and covering less than a 30 day period. The Authority is therefore unable to demonstrate that it made proper provision for the exercise of public rights in 2016/2017. This represents a significant governance weakness. In our view, the response to Assertion 4 on the Annual Governance Statement should be 'No'. In our view the response to Assertion 7 should also be 'No' because we reported an issue in relation to public rights in 2015/16.

In future, the Authority must ensure that the Annual Return is approved and published to allow for the proper provision for the exercise of public rights in accordance with the Regulations and proper practices.



**This page is part of Section 3 - External auditor certificate and opinion 2016/17  
Shenstone Parish Council  
External Auditor Report for the year ended 31 March 2017**

**Continued**

**Matters Reported**

**Accounting Statements**

The Accounting Statements in Section 2 of the Annual Return were prepared on an income and expenditure basis in 2016 and on a receipts and payments basis in 2017. The Accounting Statements for 2016 should have been restated to a receipts and payments basis so that they are on the same basis as 2017. As a result of this the balance brought forward in box 1 in 2017 does not agree to the balance carried forward from box 7 in 2016. We have been advised that the difference is in relation to a reclaim of VAT.

The Authority needs to ensure the Accounting Statements are prepared on a consistent basis.

In addition, we reported in 2015/16 that boxes 2 and 3 were incorrect because Council Tax Support grant had been incorrectly included in box 2 instead of being included in box 3. Boxes 2 and 3 should have been restated to the correct figure in this year's return. The correct figure for 2016 for box 2 should state £134,269 and for box 3 should state £33,484.

The figures for boxes 2 and 3 are also incorrect for 2017 as again the Council Tax Support Grant has been incorrectly included in box 2 instead of box 3. Box 2 should state £139,971 and box 3 should state £24,635. The Authority should restate the 2017 figures on next year's Annual Return and write 'Restated' beneath the £ sign on the 2017 column.

**Other matters not affecting our opinion which we wish to draw to the attention of the authority**

**Section 1 Approval**

The signature of the clerk in Section 1 of the Annual Return is confirmation that the Annual Governance Statement was approved by the Authority.

There is no signature by the clerk to confirm that the Annual Governance Statement has been properly approved. A review of the minutes of the meeting on 13 June 2017 shows the Annual Return was approved.

In future, the Authority must ensure that the Annual Governance Statement in section 1 of the Annual Return is approved in accordance with the Regulations and proper practices.

*Grant Thornton UK LLP*

**Grant Thornton UK LLP**

**Date** *22 September 2017*

**STF153**