ITEM 9.4

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Our Ref: MARK/STE005

Mr J Fullbrook
Steyning Parish Council
The Steyning Centre
Fletchers Croft
Steyning
West Sussex
BN44 3XZ

6th June 2018

Dear John

Re: Steyning Parish Council
Internal Audit Year Ended 31st March 2018

Following completion of our interim audit on the 3rd November and our final internal audit on the 6th June 2018 we enclose our report for your kind attention and presentation to the council. The audit was conducted in accordance with current practices and guidelines and testing was risk based. Whilst we have not tested all transactions, our samples have where appropriate covered the entire year to date. Where appropriate **recommendations for future action are shown in bold text.**

The Accounts and Audit Regulations 2015 require smaller authorities, each financial year, to conduct a review of the effectiveness of the system of internal control and prepare an annual governance statement in accordance with proper practices in relation to accounts. The internal audit reports should therefore be made available to all members to support and inform them when they considering the authority's approval of the annual governance statement.

Our Engagement Letter sets out our respective responsibilities and the scope of the internal audit; however, during the year under review we were in receipt of a letter from a member of the public in respect of proper practices, policies and governance requesting that we and the external auditor look into these areas. I have in the body of my report addressed these concerns, however I feel it important [for the avoidance of doubt] to address the scope the internal audit assignment.

According to Governance and Accountability for Smaller Authorities in England [March 2017] issued by the Joint Panel on Accounting Guidance (JPAG), and jointly published by the Society of Local Council Clerks, the National Association of Local Councils the scope of the internal audit is as follows, references to paragraph numbers are taken from the guide.

4.1 A smaller authority is required by Regulation 5(1)of the Accounts and Audit Regulations 2015 to 'undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.'

4.3. Internal auditing is an independent, objective assurance activity designed to improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.
4.4. The purpose of internal audit is to review and report to the authority on whether its systems of financial and other internal controls over its activities and operating procedures are effective.

4.5. The internal audit function must be independent from the management of the financial controls and procedures of the authority which are the subject of review. The person or persons carrying out internal audit must be competent to carry out the role in a way that meets the business needs of the authority. It is for each authority to decide, given its circumstances, what level of competency is appropriate, and to keep this issue under review.

4.6. Internal audit is an on-going function, undertaken regularly throughout the financial year, to test the continuing existence and adequacy of the authority's internal controls. It results in an annual assurance report to members designed to improve effectiveness and efficiency of the activities and operating procedures under the authority's control. Managing the authority's internal controls is a day-to-day function of the authority's staff and management, and not the responsibility of internal audit.

4.7. Internal audit does not involve the detailed inspection of all records and transactions of an authority in order to detect error or fraud.

4.15. The work of internal audit should be subject to an engagement letter on first appointment by the authority, setting out the terms of the appointment. Engagement terms may include:

- *roles and responsibilities;*
- *audit planning;*
- *reporting requirements;*
- *assurances around independence and competence;*
- *access to information, members and officers;*
- *period of engagement;*
- *remuneration; and*
- *any other matters required for the management of the engagement by the authority.*

4.18. The duties of internal audit relate to reporting on the adequacy and effectiveness of an authority's system of internal control. The minimum reporting requirement for internal audit to the smaller authority is met by completing the annual internal audit report on page 5 of the annual return. Internal audit may also report in greater detail to the authority as required.

4.19. The annual internal audit report focuses on ten internal control objectives covering an authority's key financial and accounting systems and concludes whether, in all significant respects, the internal control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the authority.

4.20. The annual internal report will inform the authority's response to assertions 2 and 6 in the annual governance statement.

Therefore, it is clear from the scope of the internal audit is to do with the financial controls, policies and procedures of the council and the adequacy of these and that our report is to aid the council in answering assertions 2 & 6 of the Annual Governance Statement.

- *We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.*

- *We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.*

Interim Audit – Summary Findings

At the interim visit we reviewed and performed tests on the flowing areas:

- Review of the Financial Regulations & Standing orders
- Review of the Risk Assessments
- Review of the Budgeting process
- Proper Bookkeeping – review of the use of the accounts package.

It is our opinion that the systems and internal procedures at Stening Parish Council are very well established, regulated and followed. It is clear the council takes policies and procedures very seriously and I am pleased to report that overall the systems and procedures you have in place are entirely fit for purpose.

I would like to thank the clerk for his hard work and whilst my report does contain some recommendations these are not indicative of any significant error or misstatement within the policies or procedures of the council but are merely to improve upon a well ordered system.

Final Audit – Summary Finding

At the final visit we reviewed and performed tests on the following areas:

- Review of annual accounts & AGAR
- Review of bank reconciliation
- Review of income
- Review of salaries
- Review of information for external auditor

I am of the opinion that the annual accounts and AGAR are ready to be signed off by council and the external auditor and that the AGAR is a true and fair reflection of the financial transaction of that of the council for the year ended 31st March 2018. Accordingly, I have signed off the AGAR.

A. BOOKS OF ACCOUNT (INTERIM AUDIT)

The council uses the RBS electronic system to record the day to day financial transactions of the council. This is a well-established industry specific package and I make no recommendation to change. In addition to this, the council uses word and excel as appropriate.

The systems are backed up to external drives and memory sticks as appropriate.

The system is tried and tested and appropriate for a council of this size.

Final Audit

The Clerk to the Council (Clerk) is responsible for the day-to day accounts functions. The accounts are balanced monthly and are up to date to the financial year end. Checks of the computerised accounting system confirmed that the cashbook and other accounts arithmetic were correct.

I am of the opinion that the control assertion of "Appropriate accounting records have been properly kept throughout the financial year" has been met.

B. FINANCIAL REGULATIONS, GOVERNANCE & PAYMENTS (INTERIM & FINAL AUDIT)

Interim Audit

Standing orders are based on the NALC model and the council has revised and adopted new standing orders in May 2017. IA has seen evidence in the signed minutes. These are current and I make no recommendation to change at this stage.

Financial regulations are based on the 2014 NALC model, the council reviewed and readopted these with no changes in May 2017 with notification to review again in February 2018. The regulations being based on the NALC model contain provisions for the approval of spending, setting of budgets, reconciliation of the bank and reporting to council.

The council is in general following the transparency code 2015; council is reminded that it is mandatory to follow this code. However, some information on the website needs to be updated. It is also noted; the current website has inherent limitations in respect of uploading information. The clerk has printed the fully copy of the code and **I would recommend using the table in the code as a checklist to update the web site content. I would also recommend looking at Crowborough Town Councils website for further reference.**

Each month the clerk prints off and files in hard copy, income and expenditure showing budgets, bank reconciliations for all accounts, together with committee reports. The bank reconciliations are signed. This is a clear and easy to follow system and I make no recommendation to change in this process.

Financial regulation 2.2 states that a regular bank reconciliation of all accounts must be performed, evidence is on file to show this is taking place. Whilst the minutes make reference to finance reports being discussed it was not clear from the body of the text that a reconciliation was discussed. I could also find no hard copy evidence of the face of the bank statement being signed in accordance with financial regulation 2.2. **Council is recommended to signed the face of the reconciliation and bank statements and evidence this activity in the minutes on a quarterly basis.** By the year end date this procedure has been updated.

In respect of payment authorisations the council has monthly reviews of income versus expenditure to ensure budgets are not overspent. The minutes contain evidence of council discussion where budgets will be exceeded or need to be reallocated. The agendas of the full council or finance committee contain a dated payments list and the corresponding minute does describe the attachment so that it can be identified. In reviewing consecutive payments lists no cut off errors were found. However, regulation 5.2 states that the payments list should be signed and the signed copy entered into the minutes as evidence; this activity is not currently being followed. **I recommend council review regulation 5.2 and amend practice or regulation as necessary. Council may want to consider putting the payments list not as part of the minutes but rather on the transparency page.**

Invoices are authorised and a random sample of payments was selected from the September 2017 meeting. There were no errors and all agreed to the payments list. We did find locating some of the invoices tricky.

Final Audit

All Other Payments £215,683 (2017: £224,460).

I have reviewed the expenditure list which is broadly similar to the prior year, a consequence of which is that no further reporting on the report of significant variances is required.

I also reviewed the nominal ledger for evidence of netting off and significant journal entries, the individual entries were in accordance with the heading under which they were posted and corrections/transfers where evident were bonafide.

The de-minimis limit recorded in the Financial Regulations for the competitive purchase of items and services is as listed below.

- £60,000 + Tender Process
- £3,000-£60,000 3 quotations are required.
- £100 - £3,000 – strive to get 3 estimates

There is no formal purchase order system, but all orders placed are confirmed in writing to the supplier.

We found no evidence of breaches of financial regulations in the sample testing completed, invoices are approved by council and there is regular reporting to council. I am of the opinion that the control assertion "This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for", has been met.

C. RISK MANAGEMENT & INSURANCE (INTERIM & FINAL AUDIT)

Interim Audit

The council is insured with Aviva on a standard local authority package. Assets are listed and money cover appears adequate.

The council has risk policy statements and procedures to cover operational and financial risks, these are taken to council as necessary for approval. The council also has a number of policies in place covering amongst others use and access to systems and working practices.

It is noted the council does not have commonality of email/domain name. The Association for which Steyning is a member of, recommends that councillors and staff all have separate identifiable email in the name of the council. This ring fences council business from personal, ensures FOI requests are focussed on council and do not open the door to personal email and computers being interrogated and also provides for greater clarity, transparency and control.

Final Audit

Minutes are prepared for all meetings of the Council and its committees i.e.

- Full Council; meets monthly
- Finance & General Purposes; meets monthly
- Planning; meets monthly
- Amenities; meets monthly
- Premises; meets month

There are also a number of working parties and groups which meets as and when necessary to cover specific tasks only the full Council has spending powers.

No unusual financial activity was found in the minutes reviewed; however, our attention was drawn by a member of the public to the Amenities meeting of April 24th 2018, which was ended due to unruly elements. We discussed this with the clerk at the time of our final visit. The meeting was adjourned and then closed in accordance with proper practices.

Minutes are uploaded to the council website. Whilst we have not tested every single committee and council meeting there was no evidence of non-compliance in giving three clear days' notice of the meeting, with reference to when agenda were issued. **We would however, recommend that the agenda contain a publication date in future.**

It has been brought to our attention that the council is in discussion with its insurers and the information commissioner's office, over a number of ongoing issues. These are well documented and council is fully aware of assertion 8 of the annual governance statement.

"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."

At this time there is no reliable estimate of any future costs (if any), nor any assertion of any outcome of any claims (if any). As such, no reliable provision can be made in the financial accounts and it is on this basis that no provision is required for the 2017/18 council year. As a result, I do not believe the council is not following correct procedure

I am of the opinion that the control objective of "This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.", has been met

D. BUDGET, PRECEPT & RESERVES (INTERIM & FINAL AUDIT)

Interim Audit

The 2018/19 budgets are in the process of being put together. It is envisaged this will be completed by January 2018. This is in accordance with regulations. It is noted that there is a tremendous body of work carried out on excel that augments the financials held within the RBS package, but I would recommend that where possible budget information should be reported using the RBS system to maintain consistency of information and data and to prevent duplication or work.

The council has both earmarked and general reserves of circa £250k. Earmarked reserves as at the audit date stand at circa £140k. The largest portion is allocated to street lights and highways. The council is aware that it does not have the power to accumulate general or generalised reserves.

Final Audit

Reserves Carried Forward £196,618 (2017: £180,095)

The council has £62,313 of earmarked reserves and £134,368 of general reserves. In respect of general reserves, rule of thumb calculations would suggest that 50% of precept as adjusted for local conditions would be reasonable being circa £123k.

I am of the opinion that general reserves are reasonable. **I would recommend that council draw up a reserves working to show how reserves are to be used in the future together with timescales.**

All significant variances to budget were explained satisfactorily. The Council's on-going strategy is to reduce general reserves and maintain these at a level of roughly 50% of precept. This strategy is aimed at funding (either part or in whole) future projects in the village as well as giving consideration to subsidising services within the parish which are being cut by the County Council.

I am of the opinion that the control objective of "The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.", has been met.

E. INCOME (INTERIM & FINAL AUDIT)

Interim Audi

Both tranches of the precept have been received by bacs and agreed to the remittance advice issued by district council.

The council is aware that it must review charges on an annual basis.

Final Audit
Precept income £244,523 (2017: £238,794)
Other income £98,250 (2017: £117,098)

The precept income was tested to remittance advice notes and application for payment. The local tax support grant has been correctly shown in box 3 of the AGAR. There are no errors to report.

Other income and other debtors were tested to remittance advice notes, and after date payment, together with a nominal ledger analysis. There is no evidence of netting off, nor were there significant numbers of journal corrections. The VAT debtor of was agreed to underlying documentation and after date receipt from HMRC.

In total, other income has decreased by £18,848 this is due in the main to Town Centre Income, Big Lottery and & CITB Grant all received in 2016/17 and not repeated in 2017/18. This has been reported on the report of significant variances. I am of the opinion that income is properly recorded.

I am of the opinion that the control objective of "Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.", has been met

F. Petty cash
The council has a float of £15 in petty cash, this was tested at the interim audit date, there were no errors. The petty cash float at the year-end was an immaterial amount of £32.

The petty cash float is used for small value expenditure transactions. The Clerk is the designated, approved float holder. Approved petty cash requisitions and VAT receipts are required for all petty cash expenditure and is authorised by the Clerk. The cash float is kept in a locked tin in a locked safe in the parish office, within an alarmed building. The Clerk and the Admin Officer are the only key holders for the safe.

Petty cash expenditure is presented monthly to a Council meeting for approval.

I am of the opinion the control objective of "Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.", has been met.

G. PAYROLL (INTERIM & FINAL AUDIT)
Interim Audit
The council uses an external firm to calculate and process the monthly payroll. The tax deductions for two employees was tested – there were no errors. The council has fulfilled its obligations in respect of auto-enrolment.

Employees are paid with reference with NJC scales for consistency purposes; however, the council is undergoing an exercise to review job profiles and wage scales.

The signed minutes show that council approves changes to wages.

Final Audit
Salaries £110,567 (2017: £101,449)

The amounts shown on the AGAR, were reconcilable to the payroll records, there were no errors.

The Clerk is responsible for preparing the payroll deductions and submitting the monthly returns to HMRC. Monthly and year-end PAYE and NI deductions and returns have been submitted online, on time to HMRC. There were no errors recorded or late payments to HMRC during the financial year under review. The PAYE and NI liability for March 2018 was paid on the 26th March 2018 and is one of the outstanding cheques that cleared in April.

The year on year movement of £9,118 is less than 15% and as such does not need further explanation on the report of significant variances.

All Council employees are paid through the payroll for all Council work undertaken. No employees are paid separately for any other Council work undertaken.
Pay increases are either performance related based on an annual appraisal or a fixed % e.g. an annual cost of living increase and an incremental scale increase, where applicable.

I am of the opinion that salaries are correctly stated on the AGAR and that the control object of "Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.", has been met.

H. ASSETS AND INVESTMENTS (INTERIM & FINAL AUDIT)

Interim Audit

The council has a detailed fixed asset register in place and there have been no significant changes since the year end. The register contains details of historic cost and is reconcilable to the insurance schedule. Assets are correctly stated at historic or proxy cost.

Final Audit

Fixed Assets and Investments £2,649,115 (2017: £2,649,115)

The Council does not hold any long term investments i.e. over 1 year. Any addition to the asset register is normally with a cost value greater than £200.

The fixed asset register has been maintained in an Excel spreadsheet and agreed to the AGAR. The asset register was up to date with all relevant assets as at the current financial year end.

I am of the opinion that the control objective of "Asset and investments registers were complete and accurate and properly maintained.", has been met.

I. BANK RECONCILIATIONS (INTERIM & FINAL AUDIT)

Interim Audit

The bank reconciliations at June & September 2017 were reviewed in full. The RBS system prints are neatly and logically presented, there were no errors on any of the reconciliations and there was evidence of internal review.

Final Audit

Bank & Cash Balances £247,336 (2017: £233,362)

At the year-end date the council had a reconciled bank position which has been signed in accordance with financial regulations and will be reported to F&GP committee in June 2018. I have reviewed the reconciliation there were £23,410.48 of outstanding payments and £1,979.70 lodgements. These were tested to after date bank statements, there were no errors. I also tested the cut off and can confirm the payments are shown in the correct year.

The council has three bank accounts, together with petty cash. None of the accounts are long term investments and as such do not need to be disclosed in box 9 of the AGAR.

The movement year on year in bank and cash balances is less than 15% and as such does not need further explanation on the report of significant variances.

I am of the opinion that bank and cash balances are properly shown on the AGAR and that the control objective of "Periodic and year-end bank account reconciliations were properly carried out.", has been met.

J. YEAR END ACCOUNTS

The year-end accounts have been correctly prepared on the income & expenditure basis with the box 7 & 8 reconciliation properly completed.

The AGAR correctly casts and cross casts and the comparatives have been correctly copied over from the 2016/17 AGAR.

The variance analysis is required for boxes 3 only as there is a variance greater than 15% and £500. This has been properly explained.

The council has made provision within its schedule of meetings to sign off the annual governance statement and accounts in time to display the notice of electors rights.

I am of the opinion the AGAR will be ready for submission to the external auditor within statutory time scales and that the control objective of "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.", has been met.

K. Trusteeship

No trusts.

Should you have any queries please do not hesitate to contact me, finally I enclose a fee note for your kind attention.

Kind regards

Yours sincerely

M Mulberry

Mark Mulberry

Summary Income & Expenditure by Budget Heading 31/03/2018

Month No: 12

Committee Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent
Finance & General Purposes Ctt						
Income	246,100	246,346	246			99.9%
Expenditure	167,328	170,431	3,103	0	3,103	98.2%
Net Income over Expenditure	78,772					
plus Transfer from EMR	0					
Movement to/(from) Gen Reserve	78,772					
Amenities Cttee						
Income	23,248	23,280	32			99.9%
Expenditure	45,972	41,801	(4,171)	0	(4,171)	110.0%
Movement to/(from) Gen Reserve	(22,725)					
Premises & Steyning Centre Ctt						
Income	73,426	75,425	1,999			97.3%
Expenditure	112,950	132,819	19,869	0	19,869	85.0%
Movement to/(from) Gen Reserve	(39,525)					
Ear Marked Reserves						
Income	0	0	0			0.0%
Expenditure	0	0	0	0	0	0.0%
Movement to/(from) Gen Reserve	0					
Grand Totals:- Income	342,774	345,051	2,278			99.3%
Expenditure	326,250	345,051	18,801	0	18,801	94.6%
Net Income over Expenditure	16,523	0	(16,523)			
plus Transfer from EMR	0					
Movement to/(from) Gen Reserve	16,523					

		Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent
Finance & General Purposes Ctt							
101	Administration						
1000	Donations Received	219	500	281			43.8%
1004	Reimbursed Charges & donations	0	200	200			0.0%
1026	Showcase income	514	250	(264)			205.5%
1076	Precept Received	244,523	244,523	0			100.0%
1077	CTB Grant	748	748	0			100.0%
1090	Bank Interest Received	96	125	29			77.1%
	Administration :- Income	**246,100**	**246,346**	**246**			**99.9%**
4000	Salaries	55,456	44,808	(10,648)		(10,648)	123.8%
4002	Printing, stationery, postage	2,977	3,250	273		273	91.6%
4003	Staff Ill Health Insurance	711	600	(111)		(111)	118.5%
4004	Telephones and Alarm	4,160	4,360	200		200	95.4%
4005	Insurance	7,918	8,100	182		182	97.8%
4006	Salaries Outsourcing	2,314	1,548	(766)		(766)	149.5%
4010	Audit Fees	2,468	1,340	(1,128)		(1,128)	184.2%
4016	Legal Fees/Elections	1,268	11,300	10,032		10,032	11.2%
4021	General Grants	650	1,000	350		350	65.0%
4025	CCTV Maintenance	506	1,000	494		494	50.6%
4030	Steyning in Bloom	1,000	1,000	0		0	100.0%
4032	Royal British Legion	0	375	375		375	0.0%
4033	Christmas Lights Grant	1,000	1,000	0		0	100.0%
4036	SALC NALC Subs	1,967	1,750	(217)		(217)	112.4%
4040	Town Clock	511	350	(161)		(161)	145.9%
4045	Misc & Petty Cash	583	350	(233)		(233)	166.5%
4047	Training	421	1,500	1,079		1,079	28.1%
4049	Showcase	0	250	250		250	0.0%
4060	Chairman's Function	268	750	482		482	35.7%
4061	Councillors' Allowances	172	750	578		578	22.9%
4063	Legionnaires	1,273	1,600	327		327	79.5%
4070	Software Packages	2,219	1,500	(719)		(719)	147.9%
4071	ICT Equipment	344	1,000	656		656	34.4%
4072	Website Development	672	750	78		78	89.6%
4310	Grounds Maintenance	263	0	(263)		(263)	0.0%
	Administration :- Indirect Expenditure	**89,122**	**90,231**	**1,109**	**0**	**1,109**	**98.8%**
	Movement to/(from) Gen Reserve	**156,978**					

Continued over page

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent
102 Finance & Community Appendix						
4100 Neighbourhood Wardens	41,106	41,000	(106)		(106)	100.3%
4101 Swimming Pool	14,992	14,500	(492)		(492)	103.4%
Finance & Community Appendix :- Indirect Expenditure	**56,098**	**55,500**	**(598)**	**0**	**(598)**	**101.1%**
Movement to/(from) Gen Reserve	**(56,098)**					
103 Youth Provision						
4023 Youth Service	22,108	24,700	2,592		2,592	89.5%
Youth Provision :- Indirect Expenditure	**22,108**	**24,700**	**2,592**	**0**	**2,592**	**89.5%**
Movement to/(from) Gen Reserve	**(22,108)**					
Finance & General Purposes Ctt :- Income	**246,100**	**246,346**	**246**			**99.9%**
Expenditure	**167,328**	**170,431**	**3,103**	**0**	**3,103**	**98.2%**
Movement to/(from) Gen Reserve	**78,772**					

Amenities Cttee

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent
201 Highways & Lighting						
1001 HDC Cleaning Grant	19,199	19,180	(19)			100.1%
1004 Reimbursed Charges & donations	458	0	(458)			0.0%
Highways & Lighting :- Income	**19,657**	**19,180**	**(477)**			**102.5%**
4200 Street Light Energy	558	530	(28)		(28)	105.3%
4201 Street Light Maintenance	1,662	1,750	88		88	95.0%
4202 Lamp Post Testing	0	100	100		100	0.0%
4210 Road Sweeping	16,465	16,528	63		63	99.6%
4211 Town Improvements	0	1,000	1,000		1,000	0.0%
4259 Grit	0	600	600		600	0.0%
4260 Pressure wash High St	1,254	700	(554)		(554)	179.1%
Highways & Lighting :- Indirect Expenditure	**19,939**	**21,208**	**1,269**	**0**	**1,269**	**94.0%**
Movement to/(from) Gen Reserve	**(282)**					
301 Playing Fields						
1004 Reimbursed Charges & donations	0	500	500			0.0%
Playing Fields :- Income	**0**	**500**	**500**			**0.0%**
4000 Salaries	270	0	(270)		(270)	0.0%
4310 Grounds Maintenance	15,823	10,000	(5,823)		(5,823)	158.2%
4312 Waste Removal	1,219	850	(369)		(369)	143.5%
4320 Play Equipment Inspections	871	970	99		99	89.8%

Continued over page

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent
4341 Repairs & Tree works	3,796	2,000	(1,796)		(1,796)	189.8%
4352 Litter and Bins	2,581	3,023	443		443	85.4%
4360 Allotment Maintenance	910	3,200	2,290		2,290	28.4%
Playing Fields :- Indirect Expenditure	**25,470**	**20,043**	**(5,427)**	**0**	**(5,427)**	**127.1%**
Movement to/(from) Gen Reserve	**(25,470)**					
302 Allotments						
1005 Allotment Rents	3,590	3,600	10			99.7%
Allotments :- Income	**3,590**	**3,600**	**10**			**99.7%**
4253 Water Charges	564	550	(14)		(14)	102.5%
Allotments :- Indirect Expenditure	**564**	**550**	**(14)**	**0**	**(14)**	**102.5%**
Movement to/(from) Gen Reserve	**3,027**					
Amenities Cttee :- Income	**23,248**	**23,280**	**32**			**99.9%**
Expenditure	**45,972**	**41,801**	**(4,171)**	**0**	**(4,171)**	**110.0%**
Movement to/(from) Gen Reserve	**(22,725)**					

Premises & Steyning Centre Ctt

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent
202 Public Toilets						
4000 Salaries	9,020	9,820	800		800	91.8%
4005 Insurance	0	100	100		100	0.0%
4250 Public Toilets - opening/clsng	1,188	1,200	13		13	99.0%
4252 Electricity	447	550	103		103	81.2%
4253 Water Charges	420	1,000	580		580	42.0%
4254 Rates	324	350	26		26	92.6%
4256 Repairs, pdh, consumables	659	1,000	341		341	65.9%
Public Toilets :- Indirect Expenditure	**12,056**	**14,020**	**1,964**	**0**	**1,964**	**86.0%**
Movement to/(from) Gen Reserve	**(12,056)**					
303 Playing Field Costs						
4000 Salaries	2,094	5,678	3,584		3,584	36.9%
4253 Water Charges	201	850	649		649	23.6%
Playing Field Costs :- Indirect Expenditure	**2,295**	**6,528**	**4,233**	**0**	**4,233**	**35.1%**
Movement to/(from) Gen Reserve	**(2,295)**					

Continued over page

Detailed Income & Expenditure by Budget Heading 31/03/2018

Month No: 12

Committee Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent
401 Steyning Centre						
1003 Clubs Lease Rentals	2,486	3,075	589			80.8%
1007 Room Hire	62,886	65,000	2,114			96.7%
1010 Miscellaneous income	395	250	(145)			158.1%
1015 Coffee Machine Income	324	300	(24)			108.0%
1017 Income Film Night	6,560	6,000	(560)			109.3%
1020 FITS Receipts	763	800	37			95.3%
1021 Elec recharge income	13	0	(13)			0.0%
Steyning Centre :- Income	**73,426**	**75,425**	**1,999**			**97.3%**
4000 Salaries	41,639	42,998	1,359		1,359	96.8%
4001 Salaries Cleaning	2,089	6,873	4,784		4,784	30.4%
4039 Publicity and Advertising	214	250	37		37	85.4%
4053 Entertainment Licence	180	2,000	1,820		1,820	9.0%
4071 ICT Equipment	0	400	400		400	0.0%
4252 Electricity	5,135	5,650	515		515	90.9%
4253 Water Charges	1,666	3,150	1,484		1,484	52.9%
4254 Rates	8,164	10,200	2,036		2,036	80.0%
4257 Gas	1,874	6,400	4,526		4,526	29.3%
4310 Grounds Maintenance	2,378	3,500	1,122		1,122	68.0%
4341 Repairs & Tree works	0	200	200		200	0.0%
4342 Repairs/Mtce/Renewals	16,456	9,500	(6,956)		(6,956)	173.2%
4401 Trade Waste	2,369	2,750	381		381	86.1%
4402 Annual Maintenance Contracts	8,354	12,000	3,646		3,646	69.6%
4404 Alarm System	157	500	343		343	31.5%
4406 Cleaning and Consumables	2,111	2,000	(111)		(111)	105.6%
4407 Coffee Machine Expenditure	2,098	300	(1,798)		(1,798)	699.2%
4408 Film Night	3,365	3,600	235		235	93.5%
4409 Refund room booking fees	351	0	(351)		(351)	0.0%
Steyning Centre :- Indirect Expenditure	**98,599**	**112,271**	**13,672**	**0**	**13,672**	**87.8%**
Movement to/(from) Gen Reserve	**(25,174)**					
Premises & Steyning Centre Ctt :- Income	**73,426**	**75,425**	**1,999**			**97.3%**
Expenditure	**112,950**	**132,819**	**19,869**	**0**	**19,869**	**85.0%**
Movement to/(from) Gen Reserve	**(39,525)**					
Grand Totals:- Income	**342,774**	**345,051**	**2,278**			**99.3%**
Expenditure	**326,250**	**345,051**	**18,801**	**0**	**18,801**	**94.6%**
Net Income over Expenditure	**16,523**	**0**	**(16,523)**			
Movement to/(from) Gen Reserve	**16,523**					

Steyning Parish Council

Bank - Cash and Investment Reconciliation as at 31 March 2018

			Account Description	Balance	
Bank Statement Balances					
	1	29/03/2018	HSBC Current Account	53,550.10	
	2	31/03/2018	Money Manager Account	135,184.94	
	3	30/03/2018	Petty Cash	32.19	
	4	31/03/2018	Barclays Emergency A/c	80,000.00	
					268,767.23
Other Cash & Bank Balances					
			Cash Book Suspense A/c	0.00	
			Cash in Hand	0.00	
					0.00
					268,767.23
Unpresented Payments					
	1	27/11/2017	310385	100.00	
	1	13/03/2018	310489	33.58	
	1	19/03/2018	310496	395.45	
	1	19/03/2018	310498	340.20	
	1	19/03/2018	310500	382.02	
	1	19/03/2018	310501	89.40	
	1	26/03/2018	310502	145.00	
	1	26/03/2018	310503	2,880.00	
	1	26/03/2018	310504	1,410.57	
	1	26/03/2018	310505	1,261.12	
	1	26/03/2018	310506	351.09	
	1	26/03/2018	310507	116.36	
	1	26/03/2018	310508	149.57	
	1	26/03/2018	310509	321.34	
	1	26/03/2018	310510	142.20	
	1	26/03/2018	310511	300.32	
	1	26/03/2018	310512	14,992.26	
					23,410.48
					245,356.75
Receipts not on Bank Statement					
	1	29/03/2018	18/135	1,979.70	
					1,979.70
Closing Balance					**247,336.45**
All Cash & Bank Accounts					
			Barclays Emergency acoount		80,000.00
			Current Account		32,119.32
			Money Market Account		135,184.94
			Petty Cash Account		32.19
			Other Cash & Bank Balances		0.00
			Total Cash & Bank Balances		**247,336.45**

ITEM 9.6

Section 1 – Annual Governance Statement 2017/18

We acknowledge as the members of:

STEYNING 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	Agreed No*	N/A	'Yes' means that this authority:
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 authority to conduct its business or manage 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 authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✔			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.	✔			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 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.			✔	has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts.

*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:

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

ITEM 9.5

Section 2 – Accounting Statements 2017/18 for

STEYNING PARISH COUNCIL

	Year ending 31 March 2017 £	Year ending 31 March 2018 £	Notes and guidance: *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	150,112	180,095	*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	238,794	244,523	*Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.*
3. (+) Total other receipts	117,098	98,250	*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	101,449	110,567	*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	224,460	215,683	*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	180,095	196,618	*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	233,362	247,336	*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	2,649,115	2,649,115	*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).*

	Yes	No	
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)		✔	*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

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

and recorded as minute reference:

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

Steyning Parish Council

Working Detail for Reserves Reconciliation for ANNUAL RETURN 31 March 2018

Explains the difference between boxes 7 & 8 on the Annual Return

Code	Description	Last Year £	This Year £
	Total Reserves	**180,095.16**	**196,618.41**
100	Debtors	0.00	4,499.75
105	Vat Control	4,564.84	272.75
	Less Total Debtors	**4,564.84**	**4,772.50**
510	Accruals	57,832.00	55,490.54
	Plus Total Creditors	**57,832.00**	**55,490.54**
	Equals Total Cash and Bank Accounts	**233,362.32**	**247,336.45**
200	Current Account	23,241.95	32,119.32
201	Money Market Account	210,088.18	135,184.94
202	Petty Cash Account	32.19	32.19
220	Barclays Emergency acoount	0.00	80,000.00
	Total Cash and Bank Accounts	**233,362.32**	**247,336.45**

ITEM 9.8.

Smaller authority name: **Steyning 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 : __Tuesday 19th 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) **The Clerk** **Steyning Parish Council** **Fletchers Croft, Steyning, BN 44 3XZ**	(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 25th 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 3rd August 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: **Moore Stephens, (Ref SW/cc)** **Rutland House, Minerva Business Park, Lynch Wood, Peterborough** **PE2 6PZ**	
5. This announcement is made by (e) John Fullbrook, Steyning Parish Clerk	(e) Insert name and position of person placing the notice – this person must be the responsible financial officer for the smaller authority

Item 11.2

New Councillor Email addresses

Reason for Council to consider this proposal

1. Greater security of emails – to avoid access from Third parties
2. SALC have suggested all Councils consider doing this for their Councillors
3. Council's Data protection officer has recommended we do this as has the Council's IT expert
4. Protection of both individual Councillors and also Council from Data protection violations

Monthly charges by Microsoft:

Business essentials: £3.80 per user per month

We can upgrade any users at any time.

Annual Charge to Council - £684.00

ITEM 15.1

Hazel Roxby

From:
Sent: 13 May 2018 13:36
To: Hazel Roxby
Cc: 'Roger'
Subject: Steyning Round Hill Romp Wednesday 4th July

Dear Hazel,

I am not sure if you have the run written down in your diary. If this is not the case, please could you reserve the first Wednesday in July for future years,

Please could you include the note below for inclusion at the next meeting of the amenities committee.

Steyning Athletic Club request permission to use the Memorial Field on Wednesday evening 4th July for the annual running of the 'Steyning Round Hill Romp'. This non-profit making race has been held for more than 27 years and is part of the West Sussex Fun Run League. The 6 mile race starts at the Town Clock and has a fantastic downhill finish into the Memorial field. A 1 mile junior race is held for safety reasons around the inside perimeter of the field. It is considered by many to be their race of the year and the Athletic Club are proud to be able to promote such a wonderful event in a superb setting. Upwards of 700 competitors are expected to take part. As in previous years the Club would like to have use of the pavilion for changing and toilet facilities. The normal safety and risk assessments aspects will be adhered to and the event is covered by the insurance scheme operated by the WSFRL. On completion of the event the 'clean up' operation will make sure that the field is left in a spotless condition.

Are any changes required to the *Health and Safety Policy – risk assessment for the Memorial Playing Field* we prepared for last year's event? If so please could you let Roger Flynn know (cc'd in this email)

We have had confirmation from Wiston House that we will be able to use the normal course that passes to the south of the house. We have informed the Police that the event is being held and their reference serial number is: SXP-20180501-0406.

Lets just hope that we now get weather again like last year.

Kind regards

Steyning Athletic Club.