

**This page is part of Section 3 - External auditor certificate and opinion 2015/16**

**Wick Parish Council  
Audit Report for the year ended 31 March 2016**

**Other matters not affecting our opinion which we wish to draw to the attention  
of Wick Parish Council for the year ended 31 March 2016**

**Period for the exercise of public rights**

The Local Audit and Accountability Act 2014 (the Act), sections 26 and 27, and the Accounts and Audit Regulations 2015 (the Regulations), sections 14 and 15, set out the requirements for the period for the exercise of public rights of objection, inspection and questioning of the external auditor. In particular section 14(1) of the Regulations stipulates that any rights of objection, inspection and questioning of the external auditor conferred by sections 26 and 27 of the Act may only be exercised within a single period of 30 working days.

The Parish Council published its Notice indicating the period for the exercise of public rights commenced on 03/06/2016 and ended on 15/07/2016. This is more than the 30 working days as required by the Regulations. For any days over those 30 working days, a member of the public would have no formal rights in respect of objection, inspection and questioning of the external auditor.

*Grant Thornton UK LLP*

**Grant Thornton UK LLP**

**Date** *25/9/16.*

**Our ref** WRC154

# Section 1 – Annual governance statement 2015/16

We acknowledge as the members of:

Enter name of  
smaller authority here:

NICK 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 2016, 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 and recorded as minute reference:

1922 - Finance (a)

dated 18/05/2016

Signed by:

Chair

*[Signature]* REQUIRED

dated

18/05/2016

Signed by:

Clerk

*[Signature]* REQUIRED

dated

18/05/2016

\*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 2015/16 for

Enter name of smaller authority here:

WICK PARISH COUNCIL

	Year ending		Notes and guidance				
	31 March 2015 £	31 March 2016 £					
1. Balances brought forward	14278	17534	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	6656	6931	Total amount of precept or (for IDBs) rates and levies received or receivable in the year. Exclude any grants received.				
3. (+) Total other receipts	13794	4381	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	2686	2820	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	NIL	NIL	Total expenditure or payments of capital and interest made during the year on the smaller authority's borrowings (if any).				
6. (-) All other payments	14506	9598	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	17534	16428	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	17534	16428	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	36206	36206	The original Asset and Investment Register value of all fixed assets, plus other long term assets owned by the smaller authority as at 31 March				
10. Total borrowings	NIL	NIL	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)	<table border="1"> <tr> <td>Yes</td> <td>No</td> </tr> <tr> <td></td> <td>✓</td> </tr> </table>		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.
Yes	No						
	✓						

I certify that for the year ended 31 March 2016 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

*M. J. ...*

Date

18/05/2016

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

18/05/2016

and recorded as minute reference:

1922 FINANCE (b)

Signed by Chair of the meeting approving these accounting statements.

*[Signature]*

Date

18/05/2016

## Section 3 – External auditor certificate and report 2015/16 Certificate

We 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 2016 in respect of:

Enter name of  
smaller authority here:

*Nick Parish Council*

### 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 2016; 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.

### 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).

(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)

External auditor signature

*Grant Thornton UK LLP*

External auditor name

**Grant Thornton UK LLP**

Date

*25/9/16*

Note: The NAO issued guidance applicable to external auditors' work on 2015/16 accounts in Auditor Guidance Note AGN/02. The AGN is available from the NAO website ([www.nao.org.uk](http://www.nao.org.uk))

# Annual internal audit report 2015/16 to

Enter name of smaller authority here:

WICK PARISH COUNCIL

This smaller authority'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 2016.

Internal audit has been carried out in accordance with this smaller 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 smaller authority.

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. This smaller authority met its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This smaller authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	✓		
G. Salaries to employees and allowances to members were paid in accordance with this smaller authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic and year-end bank account reconciliations were properly carried out.	✓		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		

K. (For local councils only)	Yes	No	Not applicable
Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

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

Name of person who carried out the internal audit GARTH RAYMER

Signature of person who carried out the internal audit  Date 20/04/2016

\*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, internal audit must explain why not (add separate sheets if needed).

## Section 5

### c) Explanations of significant variances on the Accounting Statements

We require explanations for significant variances (increases or decreases) of more than 15% between 2015 and 2016 in Boxes 2, 3, 4, 5, 6 and 9. Variances of less than 15% or less than £250 need not be explained.

Your explanations must be quantified, i.e. state how much of the variance is covered by each specific explanation. Your explanations must ensure that the variances for each Box are explained and quantified to within 15%.

Guidance is available at paragraph 6 on the back of the 2016 Annual Return and in the *Practitioners' Guide* – available on line at the NALC website.

You can set out your explanations of variances in any way you wish, but they should be clear and complete and easy to follow.

Our suggested method of how to identify variances that require explanation, and suggested layout for providing explanations are set out below and on page 12.

#### Identifying which variances require explanation

Positive and negative variances must be explained

Box on Section 2	2015 £	2016 £	Variance Increase (+) or decrease (-) (2016 less 2015) £	% (Variance divided by 2015 figure multiplied by 100)	Explanation required? Less than £250? - NO Less than 15% - NO More than 15% - YES
Box 2 Precept or Rates or Levies	6656	6931	+ 275	4.13	NO
Box 3 Total other receipts	13794	4381	- 9413	68.23	YES
Box 4 Staff costs	2686	2820	- 134	4.98	NO
Box 5 Loan interest/ capital repayments	NIL	NIL	—	—	—
Box 6 All other payments	14506	9598	- 4908	33.8	YES
Box 9 Total fixed assets plus long term investments and assets	36206	36206			

**Section 5**
**c) Explanations of significant variances on the Accounting Statements - continued**
**Suggested layout for explanations**

One sheet to be prepared for **each variance** that requires explanation.

<b>BOX NO</b> .....3.....	£
Figure in 2016 column	4381
Figure in 2015 column	13,794
Variance (2016 figure less 2015 figure) A positive figure is an increase, a negative figure is a decrease	-9413

Reasons (as many as are applicable)	Amount £
Reason 1 2014/15 - Grants + donations - Defibrillator	6590
Reason 2 2014/15 - Grant for Petanque piste	2000
Reason 3 2014/15 - VAT refund - More than Prev.	850
Reason 4	
Unexplained	
Confirm unexplained amount is less than 15% of 2015 figure	

**Council Tax Support Grant (Applies only to Parish Councils and Meetings)**

The Council Tax Support Grant, if received, is paid over at the same time as the Precept. Please note that **only the Precept should be recorded in Box 2 (Precept or Rates and Levies)** on the Annual Return.

Council Tax Support Grant must be included in Box 3 (Total other receipts).

The Council Tax Support Grant, if paid, may be annotated separately on the documentation sent to the Council by the District/Borough Council when the payments are made. If it is not you will need to contact your District/Borough Council to find out how much Council Tax Support Grant has been paid for 2015/16.

### Section 5

#### c) Explanations of significant variances on the Accounting Statements - continued

Suggested layout for explanations

One sheet to be prepared for **each variance** that requires explanation.

<b>BOX NO</b> ..... 0 .....	£
Figure in 2016 column	9598
Figure in 2015 column	14506
Variance (2016 figure less 2015 figure) A positive figure is an increase, a negative figure is a decrease	- 4908

Reasons (as many as are applicable)	Amount £
2014/15 Reason 1 Defibrillators/ Installation + Training Costs	2996
2014/15 Reason 2 Purchase of Petanque Piste	4734
Reason 3 offset against 2015/16 - repayment of flood grant of £1500 / St. Marys church	
Reason 4	
Unexplained	
Confirm unexplained amount is less than 15% of 2015 figure	

Refurb.  
£495

#### Council Tax Support Grant (Applies only to Parish Councils and Meetings)

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**Section 5**
**BANK RECONCILIATION YEAR ENDED 31 MARCH 2016**
**LOCAL AUTHORITY NAME** Nick PARISH Council
**COUNTY** Worce

		£
A	Balance on the bank statement at 31 March 2016 (taken from bank statement) <i>ATC 01421101 / 30-93-11 (P/Council)</i> <i>02223451 / 30-93-11 (playground)</i> <i>07890154 / 30-93-11 (playground)</i>	10,164 4,034 2,445
	<b>Outstanding items</b>	
B	Less unpresented cheques (to agree with attached list) <i>lengthsman - cheque No:- 744</i>	228
C	Plus uncleared payments into bank (to agree with attached list)	
D	Petty cash <i>Parish Council 10.41</i> <i>playground 2.91</i> Plus any petty cash balance held at 31 March 2016 <span style="float: right;"><u>13 32</u></span>	13
E	Balance in the cash book (Authority's own records) at 31 March 2016 (Calculated as A-B+C+D=E and agrees with Box 8 on the Annual Return )	16,428