Section 3 – External auditor report and certificate

In respect of:

Enter name of smaller authority here: STOKE BLISS, KYRE + BOCKLETON P.C.

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: 18/9/2017

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)

NAME OF SMALLER AUTHORITY: Stoke Bliss, Kyre & Berrington Parish Council

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
1. Date of announcement 22nd September 2017 (a)	(a) Insert date of placing of this Notice
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:** 19th September 2017 **(date) by grant Thornton UK LLP.**	(b) Parish Councils should publish information on a website.
The Annual governance statement, Accounting statements and the External auditor certificate and report (the Annual Return), have been published (b)(c).	(c) Parish meetings should display information in a conspicuous place in the area of the authority for at least 14 days.
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).	(d) See note 25.2 of the Local Audit and Accountability Act 2014 for further information.
3. Section 25 of the Local Audit and Accountability Act 2014 provides for the exercise of public rights to inspect the statement of accounts:	
• **Local Government Electors and their representatives have rights to make copies of:**	
• the accounting statements,	(e) Section 3 of Annual Return provides the external auditors certificate and report including any subsequent pages attached.
• the external auditor's opinion and certificate of completion (e),	
• any public interest report relating to the authority, and	
• any recommendation relating to the authority.	
For the year ended 31 March 2017 these documents will be available on reasonable notice on application to the person in paragraph 4 below.	
4. Person to which you can apply to inspect the accounts and availability (f)	(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.
Name: CAROLE HIRST	
Position: CLERK & Responsible Finance Officer	
Address: 27 Ryecroft Way	
Martley, Worcester. WR6 6BF.	
Tel no: 07903 377066	
Email: Stokeblissgraypclerk@gmail.com	
Days and times of availability: Mon - Fri 10AM to 4pm.	
5. Signature and name of person giving Notice on behalf of the authority	
CAROLE HIRST **Clerk and/or Responsible Financial Officer**	

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

https://www.nao.org.uk/code-audit-practice/wp-content/uploads/sites/29/2015/03/Council-accounts-a-guide-to-your-rights.pdf

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

Stoke Bliss, Kyre and Bockleton Parish Council

External Auditor Report for the year ended 31 March 2017

Matters reported

Risk management

The Authority needs to identify, assess and record risks associated with actions and decisions it has taken or considered taking during the year that could have financial or reputational consequences. The Authority then needs to address them by ensuring that appropriate measures are in place to mitigate and manage risk.

The Authority not carried out a Risk Assessment during the financial year. In our view, the response to Assertion 5 on the Annual Governance Statement should be 'No'. This is the response given by the Authority.

In future, the Authority needs to carry out, document and approve an assessment of risks and take appropriate steps to manage those risks in accordance with the Regulations and proper practices.

Gratuity Payment

The Internal Auditor has identified that HMRC were not notified of a payment which had been made to the previous Clerk following her departure from the Authority. This payment was therefore not subject to PAYE.

The Authority has not maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness. In our view, the response to Assertion 2 on the Annual Governance Statement should be 'No'. This is the response given by the Authority.

In future, the Authority needs to ensure that proper arrangements are made when safeguarding the public money and resources in its charge.

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

Stoke Bliss, Kyre and Bockleton Parish Council

External Auditor Report for the year ended 31 March 2017

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

Bank Reconciliation

We have noted the inclusion of a balancing figure described as "2.5% consol." on the submitted receipts and payments documents. This figure can be traced back to 2010 (and may date back further). As this gilt-edged security is now obsolete it should be written back into the accounts and omitted from next year's annual return.

Section 2, Annual Governance Statement – Assertion 4

The Authority has ticked "No" to Assertion 4 regarding opportunity for the exercise of electors' rights. The Authority has complied with this assertion as the period for the exercise of public rights in 2015/16 was in line with the Regulations and proper practices and the Authority met its statutory requirements. In our view, the response to Assertion 4 on the Annual Governance Statement should be "Yes".

Financial Regulations

The Authority has not adopted Financial Regulations. It is good practice for Authorities to have Financial Regulations in place. A model set of Financial Regulations is available from the National Association of Local Councils. Financial Regulations should be adopted and periodically reviewed.

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

Stoke Bliss, Kyre and Bockleton Parish Council

External Auditor Report for the year ended 31 March 2017

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

Internal Auditors Report, Objective D

The Internal Auditor ticked "No" in response to Objective D regarding adequate budgetary process being followed. The Authority responded "No" to Assertion 2 of the Annual Governance Statement in accordance with this.

The Authority needs to prepare and approve a budget in a timely manner before setting a precept or rates and prior to the commencement of the financial year. It needs to monitor actual performance against its budget during the year, taking corrective action where necessary. The Authority has not properly prepared and approved a budget in a timely manner before setting a precept or rates and prior to the commencement of the financial year.

In future, the Authority must ensure that the accounting statements in section 2 of the Annual Return are prepared in accordance with proper practices.

Internal Auditor's Report, Objective G

The Internal Auditor ticked "Not Covered" in response to Objective G regarding salaries to employees and allowances to members. The correct response is "No" since the Authority has not provided the relevant documentation in order for the PAYE scheme to be reviewed. The Authority has accordingly responded "No" to Assertion 3 on the Annual Governance Statement.

The Authority should ensure that the internal auditor's report is reviewed before sending the Annual return to the external auditors. The Authority should minute this process. If there are any errors in the internal auditors report it should either be amended by the Internal Auditor or the Authority should provide an explanation for the error.

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

Stoke Bliss, Kyre and Bockleton Parish Council

External Auditor Report for the year ended 31 March 2017

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

Internal Auditor's Report

The Internal Auditor reported that there was insufficient documentation to review the PAYE Scheme. In future the Authority must ensure that it keeps all evidence relating to salary and HMRC payments.

Section 2, Minute reference and date of approval

The minute reference and date of approval of Section 2, Accounting Statements has been left blank. The Authority has confirmed that these should read 5 June 2017 and 05/06/17/ 8A.

Compliance with Laws, Regulations and Proper Practices

The Authority has not taken all reasonable steps to assure themselves that there are no matters of actual or potential non-compliance with laws, regulations, and proper practices during the year 2016/17. Specifically minutes and agendas were not posted on the Authority's website and accounts were not maintained in accordance with proper practices.

The Authority needs to ensure that it complies with laws, regulations and proper practices when conducting its business and finances.

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

Stoke Bliss, Kyre and Bockleton Parish Council

External Auditor Report for the year ended 31 March 2017

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

Accounting for fixed assets

We have identified that Box 9 of Section 2 of the Annual return states that the Authority does not hold any fixed assets but other evidence to support Box 6, All other payments includes a purchase of a defibrillator.

The Authority should maintain a register of all assets purchased and disposed of, the value of which should be included in Box 9 of Section 2 of the Annual Return. The Authority should the restate the 2017 figure in the 2018 Annual Return and write 'restated' beneath the £ sign in the 2017 column.

Grant Thornton UK LLP.

Grant Thornton UK LLP
Date 19/9/2017.

Our ref WRC136