

Committee	Bursledon Windmill JMC
Date of meeting	17 June 2015
Title of report	Annual small bodies return 2014/15
Author	Rob Sarfas
Purpose of report: To present the annual small bodies return for 2014/15 for approval by the JMC and submission to external audit	

1. Introduction

1.1. Bursledon Windmill JMC is required to submit an annual return by 30 June 2015 summarising its financial activities for the financial year 1 April 2014 to 31 March 2015. This return comprises four sections:

- accounting statements
- annual governance statement
- external auditor's certificate and opinion
- internal auditor's report

2. Annual governance statement

2.1. Members of the JMC are asked to confirm, to the best of their knowledge and belief, whether they agree with eight statements in respect of the accounting statements for the year ended 31 March 2015.

2.2. A copy of the annual governance statement for 2014/15 is attached at Appendix B. Committee is requested to consider and approve the annual governance statement, so it can be signed by the Chair and the Committee Clerk and submitted for audit.

2.3. The hard copy of the return for completion will be brought to the meeting.

2.4. Appendix A contains some notes to aid discussion of the annual governance statement, split to reflect the periods before and after transfer to the Hampshire Cultural Trust.

3. Accounting statements 2014/15

3.1. The accounting statements provide a high level summary of the 2014/15 financial activity of Bursledon Windmill JMC and are attached at Appendix C.

- 3.2. The Committee is requested to approve the accounting statements, so they can be signed by the Chair and submitted for audit.

4. External auditor's certificate and opinion

- 4.1. BDO LLP are the appointed external auditors for Bursledon Windmill JMC and will complete this section of the return following the conclusion of their audit.

5. Internal auditor's report

- 5.1. An internal audit of Bursledon Windmill JMC is carried out once every three years as part of a risk assessed cyclical programme. Under this programme, the last audit was carried out in 2013/14.
- 5.2. Where appropriate, reliance is placed on assurance work carried out on HCC corporate systems used by the museum to avoid duplication and additional cost to the body.
- 5.3. The internal auditor's report is attached to the hard copy of the annual return.

6. Recommendations

- 6.1. That the annual governance statement for 2014/15 is agreed by the Committee and signed by the Chair and Clerk.
- 6.2. That the accounting statement for 2014/15 is approved by the Committee and signed by the Chair.
- 6.3. That the internal audit report is noted and any action agreed as appropriate (internal audit report to be tabled on the day of the meeting).

Appendix A

Bursledon Windmill JMC – Annual Governance Statement

For the period 1 April 2014 to 31 October 2014:

1. The Bursledon Windmill JMC budgets are governed by the financial standing orders and procedures of Hampshire County Council (HCC), with accounts prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom.
2. HCC's financial systems and procedures ensure segregation of duties, including financial limits of responsibility.

Fraud and irregularity prevention, detection and investigation is covered by HCC's internal auditors, including the assessment of the effectiveness of controls and detection processes.

3. The accounts are prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom.
4. A "Notice of Public Rights" is displayed at the museum each year, inviting anyone to arrange a time to inspect the accounts between specific dates (20 working days).
5. The museum is not owned by the Joint Management Committee and therefore all associated risks and liabilities arising from the land and built assets remain with the owners. The JMC is therefore only responsible for the financial risks associated with the running of Bursledon Windmill JMC.

Funding is provided to cover all costs on an annual basis by Eastleigh Borough Council, Bursledon Parish Council, HCC and income generation. The museum does not therefore carry deficits or accrue reserves.

Risk is covered through reporting to the JMC, including the regular reports of the Curator.

The Bursledon Windmill staff are currently employed by Hampshire County Council. The staff work under the operational procedures, including financial and health and safety, of Hampshire County Council.

Budgets and updates are produced for the Joint Management Committee by officers from HCC's Arts & Museums Service. Financial support is provided by Hampshire County Council, as is the internal audit service.

6. Bursledon Windmill uses HCC's financial systems and procedures.

Internal audit of Bursledon Windmill is carried out on a cyclical basis (currently once every three years) with reliance placed on assurance work carried out on HCC's corporate systems to avoid duplication and additional costs for the JMC. This is considered an appropriate, proportionate and risk based approach to the internal audit requirements of the museum.

7. Officers have responded to matters brought to their attention via internal and external audits.
8. The annual financial accounts take into account everything relating to each financial year regardless of when the activity took place.

For the period 1 November 2014 to 31 March 2015:

1. The Bursledon Windmill JMC budgets are governed by the financial standing orders and procedures of Hampshire Cultural Trust (HCT), whose accounts are prepared in accordance with the Charity Commission Statement of Recommended Practice.
2. HCT's financial systems and procedures ensure segregation of duties, including financial limits of responsibility.

Fraud and irregularity prevention, detection and investigation is covered by Hampshire County Council's internal auditors, including the assessment of the effectiveness of controls and detection processes.

3. The accounts are prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom.
4. A "Notice of Public Rights" is displayed at the museum each year, inviting anyone to arrange a time to inspect the accounts between specific dates (20 working days).
5. The museum is not owned by the Joint Management Committee and therefore all associated risks and liabilities arising from the land and built assets remain with the owners. The JMC is therefore only responsible for the financial risks associated with the running of Bursledon Windmill JMC.

Funding is provided to cover all costs on an annual basis by Eastleigh Borough Council, Bursledon Parish Council, HCC and income generation. The museum does not therefore carry deficits or accrue reserves.

Risk is covered through reporting to the JMC, including the regular reports of the Curator.

The Bursledon Windmill staff are currently employed by Hampshire Cultural Trust. The staff work under the operational procedures, including financial and health and safety, of HCT.

Budgets and updates are produced for the Joint Management Committee by officers from HCT. Financial support is provided by Hampshire County Council, as is the internal audit service.

6. Bursledon Windmill uses HCT's financial systems and procedures, which are operated through HCC.

Internal audit of Bursledon Windmill is carried out on a cyclical basis (currently once every three years) with reliance placed on assurance work carried out on HCC's corporate systems to avoid duplication and additional costs for the JMC. This is considered an appropriate, proportionate and risk based approach to the internal audit requirements of the museum.

7. Officers have responded to matters brought to their attention via internal and external audits.
8. The annual financial accounts take into account everything relating to each financial year regardless of when the activity took place.