

Section 1 – Annual governance statement 2016/17

We acknowledge as the members of:

Enter name of
smaller authority here:

MORVAL 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	has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts.
		NA	

This annual governance statement is approved by this smaller authority on:

05-04-2017

and recorded as minute reference:

9.4.8

Signed by Chair at meeting where approval is given:

[Signature]

Clerk:

[Signature]

*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:

MORVAL PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2016 £	31 March 2017 £	
1. Balances brought forward	58,078	61,029	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	10,877	11,039	Total amount of precept (or for IDBs, rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	3,978	5,036	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	7,795	7,389	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	4,109	8,505	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	61,029	61,210	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	61,029	61,210	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	11,742	17,474	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	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)	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: 12-04-2017

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

03-05-17

and recorded as minute reference:

9-4-3

Signed by Chair at meeting where approval is given:



Enter name of smaller authority here:

MORVAL 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 2017.

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 objectives	Agreed? Please choose only one of the following		
	Yes	No	Not covered
A. Appropriate accounting records have been kept properly throughout the year.	Yes		
B. This smaller authority met its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	Yes		
C. This smaller authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	Yes		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	Yes		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	Yes		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	N/A	N/A	No PETTY CASH
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.	Yes		
H. Asset and investments registers were complete and accurate and properly maintained.	Yes		
I. Periodic and year-end bank account reconciliations were properly carried out.	Yes		
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.	Yes		

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

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 LINDA COLES

Signature of person who carried out the internal audit [Signature] Date 14/05/2017

*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).



LC Bookkeeping Services

The Firs

Lower Metherell, Callington

Cornwall PL17 8BJ

Tel no: 01579 350962

14th May 2017

INTERNAL AUDIT REPORT 2016/17 – MORVAL PARISH COUNCIL

I have completed the internal audit for March 2017 and signed the Annual Report in accordance with my findings. Testing was carried out as appropriate in line with the Financial Risk Assessment and is reported below:

- **Precept, Budgets and Reserves**
The precept was set at £11,039 after consideration of a budget and the level of free reserves. The receipt of precept is recorded in the ledger and on the bank statements. **No issues**
- **Other Income**
Other income was tested against supporting documentation and traced to bank and ledger. **No issues**
- **Staff Costs**
The Clerk's salary was tested to agree with the minutes approving the Clerk's pay scale and salary. PAYE is not applicable. **No issues**
- **Payments**
Payments were supported by invoice and receipts and VAT has been properly recorded and reclaimed appropriately for 2015/16. All payments are correctly Minuted. **No issues**
- **Bank Reconciliations**
The bank reconciliation was re-performed and was found to be correct. Regular bank reconciliations and ledger checks are carried out. **No issues**
- **Insurances**
The insurance cover in place was reviewed and appeared adequate. Fidelity guarantee cover is adequate based on Audit Commission guidance. **No issues**

The Clerk's presentation of the accounts and supporting documents was excellent. No additional information was required.

Linda Coles
Internal Auditor

Schedule A: Key Contact Details:

Please refer to template provided by Grant Thornton – separate sheet

Schedule B: Bank Reconciliation:

	£
Accounts record balance as at 31 st March 2017	31,209.89
Held in Scottish Widows 7 Day notice account	30,000.00
	<u>61,209.89</u>
Balance shown on bank statement as at 31 st March	31,229.89
Minus cheques still to be presented: 100883	20.00
Held in Scottish Widows 7 Day Notice account	30,000.00
Total funds held	<u>61,209.89</u>

List of cheques still to be presented to the bank:

Date:	Cheque Number:	Made Payable To:	Amount:
01-03-2017	100883	Widegates Reading Room	20.00
Total amount:			£408.40

Schedule C1: Variances Chart:

less than £250 and 15% - no. more than 15% - yes

Box Details	2016	2017	Variance	Explanation Required
Box 2 – Precept	10,877	11,039	+162	Less than 15% and less than £250, no explanation required
Box 3 – Other Receipts	3,978	5,036	+1,058	Greater than 15% and more than £250 so explanation required
Box 4 – Staff Costs	7,795	7,389	-406	Less than 15% but more than £250 so explanation required
Box 5 – Loan interest/capital repayments	Nil	Nil	Nil	No explanation required
Box 6 – All other payments	4,109	8,505	+4,396	Greater than 15% and more than £250 so explanation required
Box 9 – Total Fixed Assets	11,742	17,474	+5,732	More than 15% and more than £250, so explanation required

Schedule C2: Variances Explained:

Box 3 – Other Receipts:

2016	2017	Variance	Explanation Required?
3,978	5,036	+1,058	Yes

Variation: Increase of **£1,058** due to the following:

Plus	£
Grant received from Cornwall Council for bus shelter	3,000
Interest received for Scottish Widows account increased by	15
Unexplained – less than £250 and 15%	11
	<hr/>
Minus	3,026
Vat refund decreased by	16
Council tax grant reduced by	143
Rental income for Trenode Field reduced by	175
Grant received from the Transparency Fund reduced by	437
No payment received from Cornwall Council for Village Green	497
No paperless planning grant received	700
	<hr/>
	1,968

Morval Parish Council

Cornwall

Variances Explained:

Box 4 – Staff Costs:

2016	2017	Variance	Explanation Required?
7,795	7,389	-406	Yes

Variation: Reduction of **£406** due to the following:

Plus	£
Salary increase	228
	<hr/>
Minus:	228
13 payments were invoiced by Cornwall Council to cover the clerk's salary and monthly telephone and internet allowance, which it pays on behalf of the parish council during the financial year '15/'16 whereas only 11 invoices were received at the time of audit preparation for this audit year	600
Mileage less than last year	34
	<hr/>
	634

DRAFT

Box 6 – All Other Payments:

2016	2017	Variance	Explanation Required?
4,109	8,505	-2,471	Yes

Variation: Increase of **£4,396** due to the following:

Plus	£
Increase to postage costs	34
Increase for annual professional organisations subscription costs	10
Training costs	20
Increase for audit costs	55
Increase for hall hire costs for additional meeting	5
Chair allowance authorised and used	41
Bank fees charged for lost cancelled cheque	10
Maintenance agreements increased by	3
Annual Parish Meeting costs increased	3
Purchase of a bus shelter for Nomansland	6,028
Hall hire for Parish Play Area project	20
Unexpected costs for War Memorial	46
Unexplained - less than 15% and £250	38
	<hr/>
Minus	6,313
Savings made on stationary	176
No confidential shredding costs during this year	55
Decrease in advertising costs with Council having its own website	714
Decrease to annual insurance premium	15
Cornwall Council admin fee being charged appropriately now	105
No purchase of equipment	324
Cost for Widgeates Green reduced	358
No councillor allowances claimed	10
	<hr/>
Non Section 137 grants made reduced	150
No delivery charges during this year	10
	<hr/>
	1,917

Morval Parish Council

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Box 9 – Total Fixed Assets:

2016	2017	Variance	Explanation Required?
11,742	17,474	+5,732	Yes

Variation: Increase of **£5,732** due to the following:

Plus:	£
Purchase of bus shelter for Nomansland	6,033
Minus:	
Disposal of old A4 printer	200
Unexplained - less than 15% and £250	101
	301

Schedule E: Analysis of earmarked reserves held by the Council at 31st March 2017:

Purpose and Nature of Reserve	Short/Long Term	£
Potential community projects	Short-term	22,700
Unforeseen general costs for elections, legal costs or any further costs associated with the War Memorial	Short-term	4,750
Contingency fund for costs associated with devolution of services from Cornwall Council	Short-term	2,000
General reserve fund	Short-term	20,077
(a) Total:		49,527

	£
(b) Precept rates and levies – Accounting Statement Box 2	11,039
(c) Balance carried forward (Accounting Statement Box 7)	61,210
(d) Amount of balances less total earmarked reserves (c – a)	11,683
Ratio of balances less earmarked reserves to precept/rates and levies (d/b)	1.058

The general reserves are less than 3 times the precept figure and more than 0.1 so no explanation required.

Schedule F1: Notification of date of commencement of public rights:

Copy of completed Notice enclosed as separate document

Schedule G1: Explanation of “No” on Annual Governance Statement:

Not applicable as no “No’s” recorded.

Schedule G2: “No” or “Not Covered” on Annual Internal Audit Report:

To be included as separate document.

9.4.5

Morval Parish Council

23rd May 2017

Councillors Allowances:

In accordance with regulations the following is the yearly statement of the amounts claimed by Councillors as at the 31st March 2017.

No expenses were claimed by any Parish Councillor from Morval Parish Council for the year 1st April 2016 to 31st March 2017.

Lynnette Sutton

Clerk to Morval Parish Council

01579 326152

morvalparish@aol.com

MORVAL PARISH COUNCIL

DECLARATION OF STATUS OF PUBLISHED ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2017

The Accounts and Audit Regulations 2015 (SI 2015 No. 234)

1. The statement of accounts for Morval Parish Council, published today is unaudited and may be subject to change.

2. Signed by: Lynnette Sutton

Signature: *LSS*

Date: 23rd June 2017

Responsible Financial Officer

MORVAL PARISH COUNCIL

NOTICE OF DATE OF COMMENCEMENT OF PERIOD FOR THE EXERCISE OF PUBLIC RIGHTS ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

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

1. Date of announcement: 23rd June 2017

2. Sections 26 and 27 of the Local Audit and Accountability Act 2014 provide for:

- **Inspection:** Any person interested may inspect and make copies of the Annual Return and all books, deeds, contracts, bills, vouchers and receipts etc. relating to them. For the year ended 31st March 2017 these documents will be available during the period specified in paragraph 4 on reasonable notice on application to the person in paragraph 3 below.
- **Question and objections** to the external auditor: about the accounts; Local government electors and their representatives have rights to:
 - Question the auditor about the accounting records: and
 - Object to the accounts or any item in them. Written notice of an objection must be given to the external auditor and a copy sent to the Authority. Objections must concern a matter of which the external auditor could make a public interest report or apply for a declaration that an item of account is unlawful.

The auditor can be contacted at the address in paragraph 5 below for this purpose

3. Person to which you can apply to inspect the accounts

Lynnette Sutton
Parish Clerk
Elnor, Tremabe Lane, Dobwalls, Cornwall, PL14 6JT
01579 326152
morvalparish@aol.com

Please note that inspection of the accounts will be by prior arrangement with the clerk.

4. Any rights of inspection, objection, and questioning of the auditor may only be exercised within a single period of 30 working days: (Accounts and Audit Regulations 2015, Regulation 15(1))

Commencing on: 26th June 2017 And ending: on 4th August 2017 inclusive

5. Your appointed auditor is:

Grant Thornton UK LLP, (for the attention of Barrie Morris)
Hartwell House,
55 – 61 Victoria Street,
Bristol,
BS1 6FT
Tel: 0117 305 7600

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.