

Local Councils, Internal Drainage Boards and other Smaller Authorities in England Annual return for the year ended 31 March 2017

Every smaller authority in England with an annual turnover of £6.5 million or less must complete an annual return at the end of each financial year in accordance with proper practices summarising its activities. In this annual return the term 'smaller authority'* includes a Parish Meeting, a Parish Council, a Town Council and an Internal Drainage Board.

The annual return on pages 2 to 4 is made up of three sections:

Sections 1 and 2 are completed by the smaller authority. **Smaller authorities must approve Section 1 before Section 2.**

Section 3 is completed by the external auditor.

In addition, the **internal audit report** is completed by the smaller authority's internal audit provider.

Each smaller authority must approve Section 1 and Section 2 in order and in accordance with the requirements of the Accounts and Audit Regulations 2015.

Completing your annual return

Guidance notes, including a completion checklist, are provided on page 6 and at relevant points in the annual return.

Complete all highlighted sections. Do not leave any highlighted box blank. Incomplete or incorrect returns require additional external auditor work and may incur additional costs.

Send the annual return, together with the bank reconciliation as at 31 March 2017, an explanation of any significant year on year variances in the accounting statements, **your notification of the commencement date of the period for the exercise of public rights** and any additional information requested, to your external auditor by the due date.

Your external auditor will ask for any additional documents needed for their work. Unless requested, do not send any original financial records to the external auditor.

Once the external auditor has completed their work, certified annual returns will be returned to the smaller authority for publication and public display of Sections 1, 2 and 3. You must publish and display the annual return, including the external auditor's report, by 30 September 2017.

It should not be necessary for you to contact the external auditor for guidance.

More guidance on completing this annual return is available in the Practitioners' Guide that can be downloaded from www.nalc.gov.uk or from www.slcc.co.uk or from www.ada.org.uk

*for a complete list of bodies that may be smaller authorities refer to schedule 2 to Local Audit and Accountability Act 2014

Section 1 – Annual governance statement 2016/17

We acknowledge as the members of:

Enter name of smaller authority here:

MAWGAM-IN-MENEAGE 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.	✓		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 on:

17/05/2017

Signed by Chair at meeting where approval is given:

X K36-R [Signature]

and recorded as minute reference:

9.3 para 8

Clerk:

G. Hatton

*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:

MAWGAN IN MENEAGE PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2016 £	31 March 2017 £	
1. Balances brought forward	11756	18598	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	22500	22500	Total amount of precept (or for IDBs, rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	3797	4932	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	5902	5877	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 smaller authority's borrowings (if any).
6. (-) All other payments	13553	14447	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	18598	27706	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	18598	27706	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	298120	298120	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	0	0	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:

G. Hatton

Date

17/05/2017

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

17/05/2017

and recorded as minute reference:

913 para 9

Signed by Chair at meeting where approval is given:

X KCB-Rdot

Annual internal audit report 2016/17 to

Enter name of smaller authority here:

MAWGAN IN MEHEAGE 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 objective	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.	Yes		
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 ✓

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 ANDREW ROBERT CROOKES

Signature of person who carried out the internal audit A.R. Crookes

Date 03/03/2017

*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).

Schedules for submission to external auditor

Key contact details

Schedule A

Please complete this form and send it back to us with the Annual Return to ensure we have the correct details for your authority – please print to ensure we can read it clearly

Authority name and reference	MAWGAN-IN-MENEAGE PARISH COUNCIL CWL 027
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	Clerk
Name	MRS. E. HATTON
Address	TRENOWETH MILL ST. KEVERNE, HELSTON CORNWALL, TR12 6QN
Telephone no.	01326 280777
Email address	Lsc.mullion@btinternet.com

	Responsible Financial Officer (RFO) – if different to Clerk
Name	/
Address	
Telephone no.	
Email address	

	Chair
Name	MR. K. ROBERTS
Address	CHYGARKIE GARRAS, HELSTON CORNWALL, TR12 6LJ
Telephone no.	01326 221591
Email address	Kevinjfr5@gmail.com

Please complete all shaded boxes and send this form with your Annual Return to:
Mrs Jo Farr, Grant Thornton UK LLP, Hartwell House, 55-61 Victoria Street, Bristol, BS1 6FT
or email to Jo.farr@uk.gt.com

Schedules for submission to external auditor

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Key contact details (continued)

Schedule A

Authority name and reference	MAWGAN IN MENEAGE PARISH COUNCIL CWL 087
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	Person carrying out the independent internal audit
Name	MR A.R. CROOKES
Address	54 COINAGEHALL STREET HELSTON CORNWALL TR13 8EL
Telephone no.	01326 572422
Email address	accountsmt@bcconnect.com

If there are any subsequent changes to the above please send us an updated form or e-mail the new details to jofarr@uk.gt.com

Please complete all shaded boxes and send this form with your Annual Return to:
Mrs Jo Farr, Grant Thornton UK LLP, Hartwell House, 55-61 Victoria Street, Bristol, BS1 6FT
or email to Jo.farr@uk.gt.com

Schedules for submission to external auditor

Bank reconciliation template

Schedule B

The model can be applied for reconciliations carried out at any time of the year. Please complete all green cells.

BANK RECONCILIATION		FINANCIAL YEAR ENDING 31 MARCH 2017	
Authority name and reference	MAWGAN IN MENEAGE PARISH COUNCIL CWL 087		
Prepared by: Name	MRS G Hutton	Date:	3rd May 2017
Role (Clerk/RFO etc)	Clerk		
Approved by: Name	A.R. Crook	Date:	3rd May 2017
Role (RFO/Chair etc)	Subsidiary Audit		
Balance per bank statements as at 31 March 2017		£	TOTAL £
List balances on all bank accounts plus petty cash floats at 31 March 2017:			
Barclays Acc no 10589187			28225.47
Less: any un-presented cheques at 31 March 2017: (normally only current account. List date, cheque number & value. Use separate list if needed)			
chq no 040 15.3.17	171.42		
036 15.3.17	348.00		
	—————		(519.02)
Add any unbanked cash at 31 March 2017: (List date & amount received)			
TOTAL - NET BANK BALANCES AS AT 31 MARCH 2017			27706.05

<i>The net balances reconcile to the Cash Book for the year, as follows:</i>	
CASH BOOK (receipts and payments/income & expenditure schedules)	£
Opening Balance:	18597.73
Add: Receipts in the year:	29431.50
Less: Payments in the year:	(20323.18)
CLOSING BALANCE PER CASH BOOK @ 31 MARCH 2017	27706.05
Must equal total net bank balances above and Section 2, Box 8	

Please complete all shaded boxes and send this form with your Annual Return to:
Mrs Jo Farr, Grant Thornton UK LLP, Hartwell House, 55-61 Victoria Street, Bristol, BS1 6FT
or email to Jo.farr@uk.gt.com

Schedules for submission to external auditor

Schedule C1

Identifying which variances require explanation

Positive and negative variances must be explained

Authority name and reference	MAWGAN-IN-MENEAGE PARISH COUNCIL CWL 087				
Box on Section 2 Accounting Statements	(a) 2016 £	(b) 2017 £	(c) Variance Increase(+) or decrease(-) (b - a) £	(d) Variance divided by 2016 figure times 100 (c / a * 100) %	Explanation required? Less than £250 and 15%? - NO More than 15%? - YES
Box 2 -Precept or Rates and Levies	22500	24500	2000	8.87%	NO
Box 3 -Total other receipts	3797	4932	1135	29.9%	Yes
Box 4 -Staff costs	5902	5877	(25)	.42%	NO
Box 5 -Loan interest/ capital repayments	0	0	0	0	NO
Box 6 -All other payments	13553	14447	894	6.59%	No
Box 9 -Total fixed assets plus long-term investments and assets	298120	298120	0	0	No
Box 10 - Total borrowings	0	0	0	0	No

Please complete all shaded boxes and send this form with your Annual Return to:
Mrs Jo Farr, Grant Thornton UK LLP, Hartwell House, 55-61 Victoria Street, Bristol, BS1 6FT
or email to Jo.farr@uk.gt.com



Suggested layout for explanations of individual variances

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

Authority name and reference	MAUGAN INMENEAGE PARISH COUNCIL CWK 087	
BOX NO	3	£
(b) Figure in 2017 column		4932
(a) Figure in 2016 column		3797
(d) Total variance: 2017 figure less 2016 figure: (b - a) A positive figure is an increase (+) a negative figure is a decrease (-)		1135

Reasons (as many as are applicable)	Amount £
Reason 1 VAT recovered in 2017 1125 " " in 2016 290	835
Reason 2	
Reason 3	
(e) TOTAL AMOUNT £ EXPLAINED (total of reasons above)	835
(f) Unexplained amount £ of total variance at (d - e)	300
Unexplained as % of 2016 figure (f / a *100) (must be below 15%)	7.9%
Confirm unexplained amount is less than 15% of 2016 figure YES – satisfactorily explained NO – provide further explanations	Yes

Schedules for submission to external auditor

Schedule F1

Notification of the date for the commencement of public rights

Authority name and reference	MAWGAN-IN-MENEAGE PARISH COUNCIL CWL 087
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I confirm that the dates set for the period of exercise of public rights are as follows:

	Date
Announcement	04 / 06 / 2017
Commencement	05 / 06 / 2017
Ending on	14 / 07 / 2017

Signed by Clerk/RFO	G. Halton
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OR – send us a copy of your completed ‘Notice’ (Schedule F2 enclosed as public rights pack)

DECLARATION OF STATUS OF PUBLISHED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2017

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

1. The statement of accounts for MAWGAN-IN-MENEAGE PARISH COUNCIL *
published today is unaudited and may be subject to change.

* insert name of Smaller Authority

2. Signed by: G. HATTON

Signature: G. Hatton

Date: 05/06/ 2017

RESPONSIBLE FINANCIAL OFFICER

MAWGAN-IN-MENEAGE PARISH COUNCIL

CWL 027

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

NOTICE	NOTES
<p>1. Date of announcement <u>04/06/2017</u> (a)</p> <p>2. Sections 26 and 27 of the Local Audit and Accountability Act 2014 provide for:</p> <ul style="list-style-type: none"> • Inspection: Any persons 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 31 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. • Questions and objections to the external auditor: Local Government electors and their representatives have rights to: <ul style="list-style-type: none"> • 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. <p>The auditor can be contacted at the address in paragraph 5 below for this purpose.</p> <p>3. Person to which you can apply to inspect the accounts (b)</p> <p>Name: <u>MRS. G. HATTON</u></p> <p>Position: <u>CLERK</u></p> <p>Address: <u>TRENOWETH MILL, ST. KEVERNE</u></p> <p>Tel no: <u>280777 (01326)</u></p> <p>Email: <u>Lsc.mullion@btinternet.com</u></p> <p>4. Any rights of inspection, objection, and questioning of the auditor may only be exercised within a single period of 30 <u>working</u> days: (Accounts and Audit Regulations 2015, Regulation 15(1))</p> <p>commencing on (c) <u>05/06/2017</u></p> <p>and ending on (d) <u>14/07/2017</u></p> <p>5. Your appointed auditor is:</p> <p>Grant Thornton UK LLP (for the attention of Barrie Morris) Hartwell House, 55 – 61 Victoria Street, Bristol BS1 6FT Tel: 0117 305 7600</p> <p><i>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.</i></p>	<p>(a) Insert date of publishing of this Notice</p> <p>Sections 26 and 27 of the Local Audit and Accountability Act 2014 must be published with this Notice.</p> <p>Other documents must also be published with this Notice:</p> <ul style="list-style-type: none"> ○ approved Annual Governance Statement ○ approved Accounting Statements ○ Declaration of status of accounts <p>(b) 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 accounts, and the details of the manner in which notice should be given of an intention to inspect the accounting records and other documents</p> <p>Publics rights are set out in the Accounts and Audit Regulations 2015</p> <p>(c) The commencement date is treated as being the day following the publication of this notice and other documents as noted at (a) above. (Regulation 15(3))</p> <p>(d) The period for exercise of public rights between (c) and (d) must be a single period of 30 working days (Regulation 14(1)) and must include the first 10 working days of July. Exclude weekends and public holidays. (Reg. 15(1)(b))</p>

Local Audit and Accountability Act 2014 (c. 2) – to be displayed with Notice of date of commencement

26 Inspection of documents etc

- (1) At each audit of accounts under this Act, other than an audit of accounts of a health service body, any persons interested may—
- a) inspect 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, and
 - b) make copies of all or any part of those records or documents.
- (2) At the request of a local government elector for any area to which the accounts relate, the local auditor must give the elector, or any representative of the elector, an opportunity to question the auditor about the accounting records.
- (3) The local auditor's reasonable costs of complying with subsection (2) are recoverable from the relevant authority to which the accounts relate.
- (4) This section does not entitle a person—
- a) to inspect or copy any part of any record or document containing information which is protected on the grounds of commercial confidentiality, or
 - b) to require any such information to be disclosed in answer to any question.
- (5) Information is protected on the grounds of commercial confidentiality if—
- a) its disclosure would prejudice commercial confidentiality, and
 - b) there is no overriding public interest in favour of its disclosure.
- (6) This section does not entitle a person—
- a) to inspect or copy any part of any record or document containing personal information, or
 - b) to require any personal information to be disclosed in answer to any question.
- (7) Information is personal information if it identifies a particular individual or enables a particular individual to be identified (but see subsection (8)).
- (8) Information is not personal information merely because it relates to a business carried on by an individual as a sole trader.
- (9) Information is personal information if it is information about an officer of the relevant authority which relates specifically to a particular individual and is available to the authority because—
- a) the individual holds or has held an office or employment with that authority, or
 - b) payments or other benefits in respect of an office or employment under any other person are or have been made or provided to that individual by that authority.
- (10) For the purposes of subsection (9)—
- a) “the relevant authority” means the relevant authority whose accounts are being audited, and
 - b) payments made or benefits provided to an individual in respect of an office or employment include any payment made or benefit provided in respect of the individual ceasing to hold the office or employment.

27 Right to make objections at audit

- (1) This section applies if, at an audit of accounts under this Act other than an audit of accounts of a health service body, a local government elector for an area to which the accounts relate makes an objection to the local auditor which meets the requirements in subsection (2) and which—
- a) concerns a matter in respect of which the auditor could make a public interest report, or
 - b) concerns a matter in respect of which the auditor could apply for a declaration under section 28.
- (2) The requirements are that—
- a) the objection is made in writing, and
 - b) a copy of the objection is sent to the relevant authority whose accounts are being audited.
- (3) The local auditor must decide—
- a) whether to consider the objection, and
 - b) if the auditor does so, whether to take action within paragraph (a) or (b) of subsection (1) in response.
- (4) The local auditor may decide not to consider the objection if, in particular, the auditor thinks that—
- a) the objection is frivolous or vexatious,
 - b) the cost of the auditor considering the objection would be disproportionate to the sums to which the objection relates, or
 - c) the objection repeats an objection already considered—
 - i) under this section by a local auditor of the authority's accounts, or
 - ii) under section 16 of the Audit Commission Act 1998 by an auditor appointed under that Act in relation to those accounts.
- (5) Subsection (4)(b) does not entitle the local auditor to refuse to consider an objection which the auditor thinks might disclose serious concerns about how the relevant authority is managed or led.
- (6) If the local auditor decides not to take action within paragraph (a) or (b) of subsection (1), the auditor may recommend that the relevant authority should instead take action in response to the objection.
- (7) The local auditor's reasonable costs of exercising functions under this section are recoverable from the relevant authority.