

Section 1 – Annual governance statement 2016/17

We acknowledge as the members of:

Enter name of
smaller authority here:

KEMPSFORD 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	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 on:

25/04/2017

Signed by Chair at meeting where approval is given:

[Signature]

and recorded as minute reference:

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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:

KEMPSFORD PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2016 £	31 March 2017 £	
1. Balances brought forward	36,016	73,097	Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to underlying financial records. 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	19,697	20,902	Total amount of precept (or for IDBs, rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	34,355	9,903	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	5,255	6,239	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	11,716	34,857	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	73,097	62,806	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	72,931	60,951	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	36,060	44,060	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 property present receipts and payments, as the case may be.

Signed by Responsible Financial Officer:

T. Grant

Date: 25/04/2017

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

25/04/2017

and recorded as minute reference:

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Signed by Chair at meeting where approval is given:

[Signature]

Annual internal audit report 2016/17 to

Enter name of smaller authority here:

KEMSFORD 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.	<input checked="" type="checkbox"/>		
B. This smaller authority met its financial regulations; payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	<input checked="" type="checkbox"/>		
C. This smaller authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	<input checked="" type="checkbox"/>		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	<input checked="" type="checkbox"/>		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	<input checked="" type="checkbox"/>		
F. Petty cash payments were properly supported by receipts; all petty cash expenditure was approved and VAT appropriately accounted for.	<input checked="" type="checkbox"/>		
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.	<input checked="" type="checkbox"/>		
H. Asset and investments registers were complete and accurate and properly maintained.	<input checked="" type="checkbox"/>		
I. Periodic and year-end bank account reconciliations were properly carried out.	<input checked="" type="checkbox"/>		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments of 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.	<input checked="" type="checkbox"/>		
K. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.			<input checked="" type="checkbox"/>

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

KIM BEDFORD

Signature of person who carried out the internal audit

KBdfw

Date

03.05.17

*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).

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	KEMPSFORD PARISH COUNCIL
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Clerk	
Name	MRS TERESA GRIFFIN
Address	WINTERWOOD WHELFORD FAIRFORD GLOS. GL74EB
Telephone no.	01285 713691 OR 0781 8626158
Email address	CLERK@KEMPSFORDPARISHCOUNCIL.NET

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

Chair	
Name	MR TONY WILLIAMS
Address	10 JOHN OF GAUNT ROAD KEMPSFORD GLOS.
Telephone no.	01285 810628
Email address	TONYWILLIAMS@KEMPSFORDPARISHCOUNCIL.NET

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



Key contact details (continued)

Schedule A

Authority name and reference	KEMPSFORD PARISH COUNCIL
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	Person carrying out the independent internal audit
Name	
Address	
Telephone no.	
Email address	

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

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	KEMPSFORD PARISH COUNCIL		
Prepared by: Name	TERESA GRIFFIN	Date:	20/4/17
Role (Clerk/RFO etc)	CLERK + RFO		
Approved by: Name		Date:	
Role (RFO/Chair etc)			
Balance per bank statements as at 31 March 2017		£	TOTAL £
List balances on all bank accounts plus petty cash floats at 31 March 2017:			
LLOYDS CURRENT A/C (01148727)	4,772.50		
LLOYDS BUS. CALL A/C (00881994)	60,489.87		65,262.37
Less: any un-presented cheques at 31 March 2017: (normally only current account. List date, cheque number & value. Use separate list if needed.)			
21/2/17 001813	3,694.42		
16/3/17 001814	36.00		
16/3/17 001815	360.41		
21/3/17 001816	77.68		
21/3/17 001817	142.60		(4,311.11)
Add any unbanked cash at 31 March 2017: (List date & amount received)			
TOTAL - NET BANK BALANCES AS AT 31 MARCH 2017			60,951.26

The net balances reconcile to the Cash Book for the year, as follows:

CASH BOOK (receipts and payments/income & expenditure schedules)	£
Opening Balance:	72,931.35
Add: Receipts in the year:	32,659.47
Less: Payments in the year:	(44,639.56)
CLOSING BALANCE PER CASH BOOK @ 31 MARCH 2017	60,951.26
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

Identifying which variances require explanation

Positive and negative variances must be explained

Authority name and reference	KEMPSFORD PARISH COUNCIL				
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/or 15%? - NO More than 15%? - YES
Box 2 -Precept or Rates and Levies	19,697	20,902	1,205	6%	NO
Box 3 -Total other receipts	34,355	9,903	(24,452)	(71%)	YES
Box 4 -Staff costs	5,255	6,239	984	19%	YES
Box 5 -Loan interest/ capital repayments	NIL	NIL	-	-	-
Box 6 -All other payments	11,716	34,857	23,141	197%	YES
Box 9 -Total fixed assets plus long-term investments and assets	36,060	44,060 36,060	8,000	22%	YES
Box 10 - Total borrowings	NIL	NIL	-	-	-



Schedule C2

Suggested layout for explanations of individual variances

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

Authority name and reference	KEMPSFORD PARISH COUNCIL	
BOX NO	3 - TOTAL OTHER RECEIPTS	£
(b) Figure in 2017 column		9,903
(a) Figure in 2016 column		34,355
(d) Total variance: 2017 figure less 2016 figure: (b - a) A positive figure is an increase (+) a negative figure is a decrease (-)		(24,452)

Reasons (as many as are applicable)	Amount £
Reason 1 INCOME WENT DOWN AS SECTION 106 FUNDING RECEIVED LAST YEAR BUT NOT THIS YEAR	(33,458)
Reason 2 INCOME WENT UP AS WE RECEIVED A GRANT FOR NEW PLAY EQUIPMENT THIS YEAR AND NOT LAST YEAR	8,000
Reason 3 INCOME WENT UP AS WE RECEIVED A GRANT FOR INFORMATION BOARD THIS YEAR AND NOT LAST YEAR	820
(e) TOTAL AMOUNT £ EXPLAINED (total of reasons above)	(24,638)
(f) Unexplained amount £ of total variance at (d - e)	186
Unexplained as % of 2016 figure (f / a *100) (must be below 15%)	0.5%
Confirm unexplained amount is less than 15% of 2016 figure YES – satisfactorily explained NO – provide further explanations	YES



Schedule C2

Suggested layout for explanations of individual variances

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

Authority name and reference	KEMPSFORD PARISH COUNCIL	
BOX NO	4 - STAFF COSTS	£
(b) Figure in 2017 column		6,239
(a) Figure in 2016 column		5,255
(d) Total variance: 2017 figure less 2016 figure: (b - a) A positive figure is an increase (+) a negative figure is a decrease (-)		984

Reasons (as many as are applicable)	Amount £
Reason 1 EXPENDITURE INCREASED AS CLEKK PAID FOR HOURS WORKED AND THERE WAS AN INCREASE IN WORKLOAD	984
Reason 2	
Reason 3	
(e) TOTAL AMOUNT £ EXPLAINED (total of reasons above)	984
(f) Unexplained amount £ of total variance at (d - e)	—
Unexplained as % of 2016 figure (f / a *100) (must be below 15%)	—
Confirm unexplained amount is less than 15% of 2016 figure YES – satisfactorily explained NO – provide further explanations	YES



Schedule C2

Suggested layout for explanations of individual variances

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

Authority name and reference	KEMPSFORD PARISH COUNCIL	
BOX NO	6 - ALL OTHER PAYMENTS	£
(b) Figure in 2017 column		34,857
(a) Figure in 2016 column		11,716
(d) Total variance: 2017 figure less 2016 figure: (b - a) A positive figure is an increase (+) a negative figure is a decrease (-)		23,141

Reasons (as many as are applicable)	Amount £
Reason 1 EXPENDITURE INCREASE FOR VILLAGE HALL MAINTENANCE THIS YEAR AND NOT LAST YEAR	12,142
Reason 2 EXPENDITURE INCREASE FOR PURCHASE OF NEW PLAY EQUIPMENT THIS YEAR AND NOT LAST YEAR	8,000
Reason 3 EXPENDITURE INCREASE FOR ONE-OFF FENCING COSTS THIS YEAR	3,079
(e) TOTAL AMOUNT £ EXPLAINED (total of reasons above)	23,221
(f) Unexplained amount £ of total variance at (d - e)	(80)
Unexplained as % of 2016 figure (f / a *100) (must be below 15%)	(0.7%)
Confirm unexplained amount is less than 15% of 2016 figure YES – satisfactorily explained NO – provide further explanations	YES



Schedule C2

Suggested layout for explanations of individual variances

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

Authority name and reference	KEMPSFORD PARISH COUNCIL	
BOX NO	9 - FIXED ASSETS	£
(b) Figure in 2017 column		44,060
(a) Figure in 2016 column		36,060
(d) Total variance: 2017 figure less 2016 figure: (b - a) A positive figure is an increase (+) a negative figure is a decrease (-)		8,000

Reasons (as many as are applicable)	Amount £
Reason 1 PURCHASE OF NEW PLAY EQUIPMENT THIS YEAR AND NOT LAST YEAR	8,000
Reason 2	
Reason 3	
(e) TOTAL AMOUNT £ EXPLAINED (total of reasons above)	8,000
(f) Unexplained amount £ of total variance at (d - e)	/
Unexplained as % of 2016 figure (f / a *100) (must be below 15%)	/
Confirm unexplained amount is less than 15% of 2016 figure YES – satisfactorily explained NO – provide further explanations	YES



Schedule D

Reconciliation between boxes 7 and 8 on the Annual Return

This should only be applicable if accounting on an income and expenditure basis

Authority name and reference		KEMPSFORD PARISH COUNCIL
		£
A	Figure in Box 8 of 2017 column of the Annual Return	60,951
B	Less Creditors at 31 March 2017 – owed by the Authority (please supply a detailed list of creditors – see below) Also subtract any receipts in advance	
C	Plus Debtors at 31 March 2017 – owed to the Authority (please supply a detailed list of debtors – see below) Also add any payments made in advance (prepayments)	1,855
D	TOTAL	62,806

Figure in Box 7 of 2017 column of the Annual Return (must equal line D above)	62,806
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Creditors/receipts in advance list

Name	Invoice/receipt in advance reference	Date	£ amount
Total – agreed to B			

Debtor list/prepayments list

Name	Debtor/prepayment reference	Date	£ amount
H M R C	VAT RECOVERABLE	31/3/17	1,855
Total – agreed to C			1,855

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

Schedule E

Analysis of earmarked reserves

Authority name and reference	KEMPSFORD PARISH COUNCIL
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Purpose and nature of reserve	Held as short-term or long-term investment?*	Amount £
costs related to transfer & closure of old play area	short-term	3500
implementing and maintenance of new community facilities	short-term	6500
Village Hall refurbishment	short-term	10,000
Section 106 funding for Village Hall improvements - Projected 2018	SHORT-term	33,458
	(a) TOTAL	53,458

Note: * short-term investments would be included in Box 8 of the Accounting Statements in the Annual return; long-term investments would be in Box 9.

Please provide an explanation for any high level of general reserves if over 3 times (or less than 0.1) of the precept/rates and levies.

	£
(b) Precept/rates and levies (Accounting Statements Box 2)	20,902
(c) Balance carried forward (Accounting Statements Box 7)	62,806
(d) Amount of balances less total earmarked reserves (c - a)	9,348
Ratio of balances less earmarked reserves to Precept/rates and levies (d / b)	45%
Reason if over 3 times or less than 0.1	



Grant Thornton

Schedules for submission to external auditor


Schedule F1

Notification of the date for the commencement of public rights

Authority name and reference	KEMPSFORD PARISH COUNCIL
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I confirm that the dates set for the period of exercise of public rights are as follows:

	Date
Announcement	2 JUNE 2017
Commencement	5 JUNE 2017
Ending on	17 JULY 2017

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

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



Schedule G1

Explanation of 'No' on the Annual Governance Statement

Authority name and reference	KEMPSFORD PARISH COUNCIL
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Assertion 1-9	Explanation for 'No' response and action to address weaknesses



'No' or 'Not covered' on the Annual Internal Audit Report

Authority name and reference	KEMPSFORD PARISH COUNCIL
Person carrying out the internal audit	

Internal Audit Objective Conclusion (A to K)	Explanation for 'No' and what the Authority is doing to address the weakness - or explanation for why 'Not covered'*

* Note: if the relevant objective is **applicable but has not been covered**, the person carrying out the internal audit must provide the Authority and the external auditor with details of:

- o why the objective has not been covered
- o when the most recent internal audit work was done in this area and
- o when it is next planned

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