

HOLCOMBE ROGUS PARISH COUNCIL

Clerk: Leslie Findlay

Ayshford House, Westleigh, Tiverton, Devon EX16 7HL
Tel: 01884 820424 Email: clerk@holcomberogus-pc.gov.uk

Grant Thornton UK LLP
Hartwell House
55 – 61 Victoria Street
Bristol BS1 6FT

3rd May 2016

Dear Mrs Farr

HOLCOMBE ROGUS PARISH COUNCIL ANNUAL AUDIT
AS AT 31 MARCH 2016

Please find enclosed the annual return for audit in respect of Holcombe Rogus Parish Council.

Listed below are the attached documents

1. Bank Reconciliation
2. Explanation of significant variances as shown in the 2015/16 Audit
3. Annual Return
4. Notice of commencement of period for the exercise of public rights

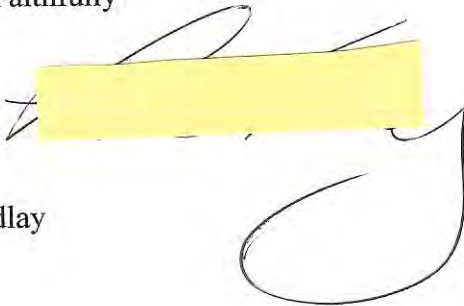
I also include the details of the Chairman and Clerk

Chairman: Mr Stephen Hasell 01823 672644
Ridgeway Farm, Holcombe Rogus, Wellington Devon TA21 0PN
Email chair@holcomberogus-pc.gov.uk

Clerk: Mrs Leslie Findlay 01884 820424
Ayshford House, Westleigh, Tiverton, Devon, EX16 7HL
Email clerk@holcomberogus-pc.gov.uk

Yours Faithfully

LJ Findlay
Mrs



Section 1 – Annual governance statement 2015/16

We acknowledge as the members of:

Enter name of
smaller authority here:

HOLCOMBE ROGUS 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 2016, 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 and recorded as minute reference:

APRIL 17/ MINUTES 4.6.2

dated 28/04/2016

Signed by:

Chair

dated

28/04/16

Signed by:

Clerk

dated

28/04/2016

*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 2015/16 for

Enter name of
smaller authority here:

HOLCOMBE ROGUS PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2015 £	31 March 2016 £	
1. Balances brought forward	3552	4441	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	5554	6136	Total amount of precept or (for IDBs) rates and levies received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	450	8113	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	1698	1700	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	3417	6734	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	4441	10256	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	4441	10256	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	Restated 2705	3185	The original Asset and Investment Register value of all fixed assets, plus other long term assets owned by the smaller authority as at 31 March
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 2016 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

06/04/2016

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

28/04/2016

and recorded as minute reference:

APRIL 17 MINUTES 4.6.3

Signed by Chair of the meeting approving these accounting statements

Date

28/04/2016

Section 3 – External auditor certificate and report

2015/16 Certificate

We 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 2016 in respect of:

Enter name of
smaller authority here:

HOLCOMBE ROGHS PARISH COUNCIL.

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 2016; 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.

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 matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met. (*delete as appropriate).

(continue on a separate sheet if required)

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

(continue on a separate sheet if required)

External auditor signature

Alex Wang

External auditor name

Date

18/7/16

Note: The NAO issued guidance applicable to external auditors' work on 2015/16 accounts in Auditor Guidance Note AGN/02. The AGN is available from the NAO website (www.nao.org.uk)

Annual internal audit report 2015/16 to

Enter name of
smaller authority here:

HOLCOMBE REGIUS 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 2016.

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.	✓		
B. This smaller authority met its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This smaller authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	✓		
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.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic and year-end bank account reconciliations were properly carried out.	✓		
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.	✓		

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

MICHAEL HASKINS

Signature of person who carried out the internal audit

[Signature]

Date

13th APRIL 2016

*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).

NAME OF SMALLER AUTHORITY: HOLCOMBE ROGUS PARISH COUNCIL

NOTICE OF CONCLUSION OF AUDIT

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

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>Monday 25th July 2016</u> (a)</p> <p>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: <u>18th July 2016</u> (date) by grant Thornton UK LLP.</p> <p>The Annual governance statement, Accounting statements and the External auditor certificate and report (the Annual Return), have been published (b)(c).</p> <p>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).</p> <p>3. Section 25 of the Local Audit and Accountability Act 2014 provides for the exercise of public rights to inspect the statement of accounts:</p> <ul style="list-style-type: none"> Local Government Electors and their representatives have rights to make copies of: <ul style="list-style-type: none"> the accounting statements, 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. <p>For the year ended 31 March 2016 these documents will be available on reasonable notice on application to the person in paragraph 4 below.</p> <p>4. Person to which you can apply to inspect the accounts and availability (f)</p> <p>Name: <u>Mrs Leslie Findlay</u></p> <p>Position: <u>Parish Clerk</u></p> <p>Address: <u>Ayshford House, Westleigh</u> <u>Twerton Devon EX16 7HL</u></p> <p>Tel no: <u>01884 820424</u></p> <p>Email: <u>clerk@holcomberogus-pc.gov.uk</u></p> <p>Days and times of availability: <u>0900 - 1600 hrs</u> <u>Monday to Friday</u></p> <p>5. Signature and name of person giving Notice on behalf of the authority</p> <p><u>[Signature]</u> Clerk and/or Responsible Financial Officer</p>	<p>(a) Insert date of placing of this Notice</p> <p>(b) Parish Councils should publish information on a website.</p> <p>(c) Parish meetings should display information in a conspicuous place in the area of the authority for at least 14 days.</p> <p>(d) See note 25.2 of the Local Audit and Accountability Act 2014 for further information.</p> <p>(e) Section 3 of Annual Return provides the external auditors certificate and report including any subsequent pages attached.</p> <p>(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.</p>
<p>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</p> <p>https://www.nao.org.uk/code-audit-practice/wp-content/uploads/sites/29/2015/03/Council-accounts-a-guide-to-your-rights.pdf</p>	

Reasons for variance as incorrect figure in Box 9 has been restated to show correct figure.

Box 9

1. Due to a miscalculation in the previous accounting years the addition of the fixed assets was incorrect. The figure should be £2705 not £3000 as stated.
2. Therefore the variance is £480
3. The purchasing costs (laptop, projector and Devon shovels) within this financial year total £480 which brings the assets to the correct figure of £3185

Section 5

Information required for audit

e) Explanations for "No's" on Section 1 - the Annual Governance Statement

If the Authority responds "no" to any of the 9 assertions on Section 1 of the Annual Return, you must supply us with an explanation and describe how the Authority will address the weaknesses identified.

Assertion (1 to 9)	Explanation for "No" response

f) Explanations for "No's" or "Not covered's" on the Annual internal audit report

If the response to any of the 11 internal control objective conclusions A to K on the Annual internal audit report is "no", the internal auditor must provide the Authority and us with details of the implications and action being taken to address any weaknesses in control identified.

If the response is "not covered" the Authority and/or internal auditor must tell us when the most recent internal audit work was done in this area and when it is next planned or, if coverage is not required, the internal auditor must tell us why not.

Conclusion (A to K)	Explanation for "No" or "Not covered"

g) Details of any earmarked or restricted reserves held by the Authority at 31 March 2016

Earmarked reserves are reserves set aside by the Authority for specific purposes or savings for future projects. Restricted reserves are reserves that can only be used for certain purposes, for example the proceeds of an asset sale or the unspent part of a specific grant.

Amount held at 31 March 2016 £	Purpose of reserve
4 797.00	Payment from Solar Farm within Parish for community benefit or project.

Section 5

c) Explanations of significant variances on the Accounting Statements

We require explanations for significant variances (increases or decreases) of more than 15% between 2015 and 2016 in Boxes 2, 3, 4, 5, 6 and 9. Variances of less than 15% or less than £250 need not be explained.

Your explanations must be quantified, i.e. state how much of the variance is covered by each specific explanation. Your explanations must ensure that the variances for each Box are explained and quantified to within 15%.

Guidance is available at paragraph 6 on the back of the 2016 Annual Return and in the *Practitioners' Guide* – available on line at the NALC website.

You can set out your explanations of variances in any way you wish, but they should be clear and complete and easy to follow.

Our suggested method of how to identify variances that require explanation, and suggested layout for providing explanations are set out below and on page 12.

Identifying which variances require explanation

Positive and negative variances must be explained

Box on Section 2	2015 £	2016 £	Variance Increase (+) or decrease (-) (2016 less 2015) £	% (Variance divided by 2015 figure multiplied by 100)	Explanation required? Less than £250? - NO Less than 15% - NO More than 15% - YES
Box 2 Precept or Rates or Levies	5554	6136	582	10.5%	NO
Box 3 Total other receipts	450	8113	7,663	1703%	YES
Box 4 Staff costs	1698	1700	2	0	NO
Box 5 Loan interest/ capital repayments	-	-	-	-	-
Box 6 All other payments	3417	6734	3317	97%	YES
Box 9 Total fixed assets plus long term investments and assets	Restated 2705	3185	480	18%	YES

**EXPLANATION OF SIGNIFICANT
VARIANCES**

BOX 3

	<u>2015</u>	<u>DIFFERENCE</u>	<u>2016</u>	<u>reason</u>
	450	7663	8113	
COUNCIL TAX SUPPORT GRANT	446	-192	254	
TAP FUND GRANT	0	1342	1342	Two years' worth of grant as payment for 2014/15 came in after Mar 15.
INTEREST	4	1	5	
VAT	0	181	181	first time VAT claimed
LIGHTSOURCE SPV PAYMENT	0	4797	4797	first payment from the Solar Farm within the Parish
TRANSPARENCY CODE GRANT	0	1030	1030	a one off payment to assist with starting up the website as required in the new legislation
LOCALITY BUDGET GRANT	0	500	500	assistance from DCC for clearing of the village drains after bad floods
ADJUSTMENT TO INVOICE	0	4	4	adjustment to an invoice for two Devon shovels
TOTAL	450	7663	8113	

Holcombe Rogus Parish Council Audit 2016

Reason for Variances

BOX 6

	<u>2015</u>	<u>DIFFERENCE</u>	<u>2016</u>	<u>reason</u>
	3417	3317	6734	
TAP Fund Grant	0	1342	1342	Two years' worth of grant as payment for 2014/15 came in after Mar 15
Village Hall grant	1500	0	1500	
Subscriptions/Memberships	111	81	192	joined SLCC (£70) this year and Grand Western Canal Friends (25)
Audit fee	120	-120	0	No audit fee in 2016
Drain clearing in village	792	-132	660	
Training courses	84	41	125	More training courses attended in 2016
Village Hall hire	155	-5	150	
Remembrance wreath	35	0	35	
Insurance	195	-23	172	Decrease - how fortunate!
Election Fees	0	147	147	No election in 2015
Book Purchases	78	-19	59	
Donation	75	25	100	inflation
asset purchases	0	480	480	Purchase of projector and laptop (£446) and two Devon Shovels (£34)
Website	272	468	740	2015 costs covered the village website for two years running costs and 2016 was payment to a firm to set up Council Website from the transparency code grant
repair of notice-boards	0	240	240	normal maintenance costs
VAT to be reclaimed		431	431	only recently started claiming VAT
Clerk expenses		361	361	Includes £210 from the transparency code grant for setting up the website, stationery and mileage
TOTAL	3417	3317	6734	

HOLCOMBE ROGUS PARISH COUNCIL

DEVON

BANK RECONCILITATION YEAR ENDED 31 MARCH 2016

	£
A	Balance on the bank statement as 31 March 2016
	Current Account 50.00
	Deposit Account 11494.15
	TOTAL 11544.15
	Outstanding items
B	Less unpresented cheques (see list below) 1289
C	uncleared payments – nil
D	Petty Cash - nil
E	Balance in the cash book as at 31 March 2016 10255.15

Unpresented cheques

429 -240.00
432 – 899.00
433 – 150.00
TOTAL £1289