

Section 1 – Accounting statements for

Readers should note that throughout this annual return references to a 'local council' or 'council' also relate to a parish meeting.

	Year ending		Notes and guidance							
	31 March 2011 £	31 March 2012 £								
1 Balances brought forward	305,026	308,179	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 (+) Annual precept	206,265	206,268	Total amount of precept received or receivable in the year.							
3 (+) Total other receipts	53,418	13,665	Total income or receipts as recorded in the cashbook less the precept received (line 2). Include any grants received here.							
4 (-) Staff costs	145,239	144,903	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 council's borrowings (if any).							
6 (-) All other payments	111,295	79,325	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	308,179	303,980	Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6)							
8 Total cash and short term investments	306,222	305,240	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 and long term assets	917,549	871,745	The recorded book value at 31 March of all fixed assets owned by the council and any other long term assets e.g. loans to third parties and any 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 Trust funds (including charitable) disclosure note	<table border="1"> <tr> <th>YES</th> <th>NO</th> <th>YES</th> <th>NO</th> </tr> <tr> <td></td> <td>✓</td> <td></td> <td>✓</td> </tr> </table>	YES	NO	YES	NO		✓		✓	Disclosure Note: The council acts as sole trustee for and is responsible for managing trust funds or assets. (Readers should note that the figures above do not include any trust transactions.)
YES	NO	YES	NO							
	✓		✓							

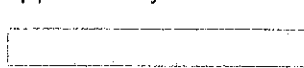
I certify that for the year ended 31 March 2012 the accounting statements in this annual return present fairly the financial position of the council and its income and expenditure, or properly present receipts and payments, as the case may be.

Signed by Responsible Financial Officer

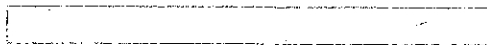


Date 08/05/2012

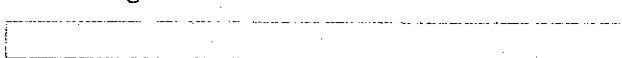
I confirm that these accounting statements were approved by the council on this date:



and recorded as minute reference:



Signed by Chair of the meeting approving these accounting statements.



Date 

Section 2 – Annual governance statement

We acknowledge as the members of:

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 2012, that:

	Agreed –		Yes* means that the council:	
	Yes	No		
1 We approved the accounting statements prepared in accordance with the requirements of the Accounts and Audit Regulations and proper practices.			prepared its accounting statements in the way prescribed by law.	
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 codes of practice that could have a significant financial effect on the ability of the council to conduct its business or on its finances.			has only done things that it has the legal power to do and has conformed to codes of practice and standards in the way it has done 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 has given all persons interested the opportunity to inspect and ask questions about the council's accounts.	
5 We carried out an assessment of the risks facing the council 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 council 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 the council.	
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 the council 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 Trust funds (including charitable) – in our capacity as the sole managing trustee we discharged our responsibility in relation to the accountability 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 the council and recorded as minute reference

dated _____

Signed by:

Chair _____

dated _____

Signed by:

Clerk _____

dated _____

***Note: Please provide explanations to the external auditor on a separate sheet for each 'No' response. Describe how the council will address the weaknesses identified.**

Section 4 – Annual internal audit report to

MARCHWOOD PARISH COUNCIL

The council'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 2012.

Internal audit has been carried out in accordance with the council'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 the council.

Internal control objective	Agreed? Please choose from one of the following		
	Yes	No	Not covered
A Appropriate books of account have been kept properly throughout the year.	✓		
B The council's financial regulations have been met, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C The council assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	See below		
D The annual precept 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 council 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, were supported by an adequate audit trail from underlying records, and where appropriate debtors and creditors were properly recorded.	✓		
K Trust funds (including charitable) The council met its responsibilities as a trustee.			✓

For any other risk areas identified by the council (list any other risk areas below or on separate sheets if needed) adequate controls existed:

The Council has acquired the LCRS risk software, but has still to implement it fully. This currently "works in progress"

Print name of person who carried out the internal audit Pollard for Auditing Solutions Ltd

Signature of person who carried out the internal audit [Redacted] Date 19/4/2012

*Note: 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).