



**WALTON-IN-GORDANO PARISH COUNCIL**  
**BANK RECONCILIATION – page 1**

**BEING THE INCOME & EXPENDITURE SUMMARY FROM 1ST APRIL 2009 - 31ST MARCH 2010**

	2009/10	2008/09		2009/10	2008/09		
<b>INCOME &amp; EXPENDITURE SUMMARY</b>			<b>EXPENDITURE</b>			of which	of which
Precept	3,160.00	2,560.00				VAT =	VAT =
Interest	1.21	42.57					
<b>TOTAL INCOME</b>	<b>3,161.21</b>	<b>2,602.57</b>	Clerk's Fee *	1,693.00	1,630.00		
Add Funds Bought Forward	1,666.67	2,011.80	Hall Hire	102.00	89.00		
Deduct Clerk's Fees for Year	-1,693.00	-1,630.00	Public Light	22.32	22.28	1.08	1.08
Deduct Other Expenses Paid Out	-1,429.79	-1,317.70	Insurance	262.50	279.56		
	-1,456.12	-935.90	Councillors' Expenses	0.00	0.00		
			Subscriptions	89.47	87.38		
<b>FUNDS CARRIED FORWARD TO NEXT YEAR</b>	<b>1,705.09</b>	<b>1,666.67</b>	Donations	800.00	650.00		
			Information Sheet	96	130.73		
			Purchases	0.00	0.00		
			Audit	57.50	58.75	7.50 15%	8.75
				<b>3,122.79</b>	<b>2,947.70</b>	8.58	9.83
<b>BANK RECONCILIATION</b>							
Deposit Account Balance @ 31st March	1,669.48	1,622.24					
Current Account Balance @ 31st March	50.00	50.00					
<b>Balances per Bank Statements @ 31st March</b>	<b>1,719.48</b>	<b>1,672.24</b>					
Less Un-presented Cheques @ 31st March							
Village Hall	-12.50	-5.57					
Southern Electric re Street Light	-1.89						
	-14.39	-5.57					
<b>NET BALANCES @ 31st MARCH CARRIED FORWARD</b>	<b>1,705.09</b>	<b>1,666.67</b>					

\* Clerk's Fee is inclusive of Clerk's clerical expenses

Approved by the Parish Council

Signed ..... (Chairman)

Signed ..... (Clerk)

Date .....

2 notice boards & 1 Street Light written down at purchase – nominal asset value = £3  
THIS COUNCIL HANDLES NO CASH TRANSACTIONS & THERE IS NO CASH BOOK

**WALTON-IN-GORDANO PARISH COUNCIL**  
**BANK RECONCILIATION – page 2**  
**INCOME & EXPENDITURE SUMMARY FROM 1ST APRIL 2009 - 31ST MARCH 2010**  
*P&L & BS per Mazars attachment 2 (1)*

**ANALYSIS OF DIFFERENCES BETWEEN 2008-09 & 2009-10**

	2009-10	2008/09	Differences		
<b>INCOME</b>					
Precept	3160.00	2560.00	600.00	2009-10 budget	3320
Bank Interest	1.21	42.57		Estimated c/f	1660
				Less "ideal" c/f	1500
				difference (to deduct from budget)	160
<b>EXPENDITURE</b>				2009-10 PRECEPT	3160
Clerk's Fee	1693.00	1630.00	63.00	Increased in line with nationally recommended scales	
<b>Other Expenses</b>					
Hall Hire	102.00	89.00	13.00	Difference in hours hired	
Public Light	22.32	22.28	0.04	See note below	
Insurance	262.50	279.56	-17.06	Premium decrease due to change of insurer	
Councillors' Expenses	0.00	0.00	0.00		
Subscriptions	89.47	87.38	2.09	ALCA/CPRE subscription increases	
Donations	800.00	650.00	150.00	£150 donation to street signs for parish church	
Information Sheet	96.00	130.73	-34.73	Return to parish office for printing now contact in good health	
<b>Purchases</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>		
Audit	57.50	58.75	-1.25	VAT for 2009-10 was 15%	
<b>Excluding Clerk's Fee</b>	<b>1429.79</b>	<b>1317.70</b>	<b>112.09</b>		
<i>Including Clerk's Fee</i>	<i>3122.79</i>	<i>2947.70</i>	<i>175.09</i>		

\*\* Expenditure differences over £200

**BALANCE SHEET**

<b>Fixed &amp; Long Term Assets</b>	3	3	0.00	2 notice boards + 1 street light
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EDF imposed a price increase of 1218% without notice. Payments were £5.57 per quarter: these have been made. An amount of £60.90 is disputed (covering December 1<sup>st</sup> 2009 – February 28<sup>th</sup> 2010) and remains unpaid awaiting a response from 2 letters since February. We have now moved within the umbrella contract of North Somerset Council and are supplied by Scottish & Southern Electric. The sum of £60.90 has been provided in the 2010-11 budget against the disputed EDF charge.

# Local Councils in England

## Annual return for the year ended 31 March 2010

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Local councils in England with an annual turnover of £1 million or less must complete an annual return summarising their annual activities at the end of each financial year. In this annual return the term 'local council' means a Parish Meeting or a Parish Council or a Town Council.

The annual return on the following pages is made up of four sections:

- **Sections 1 and 2** are to be completed by the person nominated by the local council.
- **Section 3** will be completed by the external auditor.
- **Section 4** is to be completed by the local council internal audit provider.

**Each local council must ensure this annual return is approved no later than 30 June 2010.**

### Completing your annual return

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

Please complete all sections highlighted in green. Do **not** leave any green box blank. Incomplete or incorrect returns may require additional external audit work and incur additional costs.

Please send the annual return, together with your bank reconciliation as at 31 March 2010, an explanation of any significant year on year variances in the accounting statements and any additional information requested, to your appointed external auditor by the due date.

If required, your auditor will identify and ask for any documents needed for audit. Unless requested, please do **not** send any original financial records to the external auditor.

Audited and certified annual returns will be returned to the council for publication or public display of sections 1,2 and 3.

It should not be necessary for you to contact the external auditor or the Audit Commission directly for guidance.

More guidance on completing this annual return is available in the Practitioners' Guide for local councils that can be downloaded from [www.nalc.gov.uk](http://www.nalc.gov.uk) or from [www.slcc.co.uk](http://www.slcc.co.uk)

## Section 1 – Accounting statements for

WALTON-IN-GORDANO PARISH COUNCIL

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 2009 £	31 March 2010 £	
1 Balances brought forward	2012	1667	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	2560	3160	Total amount of precept receivable or received in the year.
3 (+) Total other receipts	43	1	Total receipts or income as recorded in the cashbook less the precept received. Includes support, discretionary and revenue grants.
4 (-) Staff costs	1630	1693	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	ZERO	ZERO	Total expenditure or payments of capital and interest made during the year on borrowings (if any).
6 (-) Total other costs	1318	1430	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	1667	1705	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	1667	1705	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	3	3	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	ZERO	ZERO	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).
11 Trust funds (including charitable) disclosure note	No	No	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.)

I certify that 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, for the year ended 31 March 2010.

Signed by Responsible Financial Officer

 REQUIRED

Date 10/05/2010

I confirm that these accounting statements were approved by the council and recorded as minute reference

MINUTE 3308

Date 10/05/2010

Signed by Chair of the meeting at which these accounting statements were approved.

 REQUIRED

Date 10/05/2010

## Section 2 – Annual governance statement

We acknowledge as the members of **WALTON-IN-GORDANO 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 2010, that:

	Agreed – Yes or No*	'Yes' means that the council:
1 We have approved the accounting statements which have been prepared in accordance with the requirements of the Accounts and Audit Regulations and proper practices.	YES	prepared its accounting statements in the way prescribed by law.
2 We have maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption <b>and</b> reviewed its effectiveness.	YES	made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.
3 We have taken all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and codes of practice which could have a significant financial effect on the ability of the council to conduct its business or on its finances.	YES	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 have provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	YES	during the year has given all persons interested the opportunity to inspect and ask questions about the council's accounts.
5 We have carried out an assessment of the risks facing the council <b>and</b> taken appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	YES	considered the financial and other risks it faces and has dealt with them properly.
6 We have maintained throughout the year an adequate and effective system of internal audit of the council accounting records and control systems <b>and</b> carried out a review of its effectiveness.	YES	arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether these meet the needs of the council and reviewed the impact of this work.
7 We have taken appropriate action on all matters raised in reports from internal and external audit.	YES	responded to matters brought to its attention by internal and external audit.
8 We have 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.	YES	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 have discharged our responsibility in relation to the accountability for the fund(s)/assets, including financial reporting <b>and</b> , if required, independent examination or audit.	N/A	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 local council and recorded as minute reference

**WALTON-IN-GORDANO PARISH COUNCIL MINUTE 3308** dated **10/05/2010**

Signed on behalf of **WALTON-IN-GORDANO PARISH COUNCIL**

Signed by: Chair  Date **10/05/2010**

Signed by: Clerk  Date **10/05/2010**

**\*Note:** Please provide explanations to the external auditor on a **separate sheet** for each 'No' response that has been given; and describe what action is being taken to address the weaknesses identified.

## Section 4 – Annual internal audit report to

WALTON-IN-GORDANO 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 2010.

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 properly kept throughout the year.	YES
B The council's financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for.	YES
C The council assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	YES
D The annual precept 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, expenditure was approved and VAT appropriately accounted for.	N/A
G Salaries to employees and allowances to members were paid in accordance with council 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/income and expenditure), agreed with the cash book, were supported by an adequate audit trail from underlying records, and where appropriate debtors and creditors were properly recorded.	YES
K Trust funds (including charitable) The council has met its responsibilities as a trustee.	N/A

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

Name of person who carried out the internal audit ROY GEORGE BETTS

Signature of person who carried out the internal audit R. Betts Date 03/05/2010

**\*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).

## Guidance notes on completing the 2010 annual return

- 1 Please make sure that your annual return is complete (i.e. no empty green boxes), and is properly signed and dated. Avoid making any amendments to the completed return. But, if this is unavoidable, make sure the amendments are approved by the council, properly initialled and an explanation for them is provided to the auditor. Annual returns containing unapproved or unexplained amendments will be returned unaudited and may incur additional costs.
- 2 Use the checklist provided below. Use a second pair of eyes, perhaps a council member or the Chair, to review your annual return for completeness before sending it off to the auditor.
- 3 Please do not send the auditor any information not specifically asked for. Doing so is not helpful. You must, however, notify the auditor with details of any change of Clerk or Chair.
- 4 Make sure that the copy of the bank reconciliation which you send to your auditor with the annual return covers **all** your bank accounts. If your council holds any short-term investments, please note their value on the bank reconciliation. The auditor should be able to agree your bank reconciliation to Box 8 on the Statement of Accounts. **You must provide an explanation for any difference between Box 7 and Box 8.** More help on bank reconciliation is available in the *Practitioners' Guide\**.
- 5 Please **explain fully** significant variances in the accounting statements. Do not just send in a copy of your detailed accounting records instead of this explanation. The auditor wants to know that **you** understand the reasons for all variances. Please include a complete analysis to support your explanation. There are a number of examples provided in the *Practitioners' Guide\** to assist you.
- 6 If the auditor has to review unsolicited information, or receives an incomplete bank reconciliation, or you do not fully explain variances, this may incur additional costs for which the auditor will make a charge.
- 7 Please make sure that your accounting statements add up! Please ensure that the balance carried forward from the previous year (Box 7 of 2009) equals the balance brought forward in the current year (Box 1 of 2010).
- 8 **Do not complete section 3.** The external auditor will complete it at the conclusion of the audit.
- 9 Use the *Practitioners' Guide\** for guidance. This publication is regularly updated and contains everything you should need to prepare successfully for your financial year-end and the subsequent audit. Both NALC and SLCC have helplines open should you wish to talk through any problem you may encounter.

Completion checklist – 'No' answers mean you may not have met requirements		Done?
<b>All sections</b>	All green boxes have been completed?	YES/NO
	All information requested by the external auditor has been sent with this annual return? Please refer to your notice of audit.	YES/NO
<b>Section 1</b>	Council approval confirmed by signature of Chair of meeting approving accounting statements?	YES/NO
	An explanation of significant variations from last year to this year is provided?	YES/NO
	Bank reconciliation as at 31 March 2010 agreed to Box 8?	YES/NO
	An explanation of any difference between Box 7 and Box 8 is provided?	YES/NO
<b>Sections 1 and 2</b>	Trust funds – all disclosures made if council is a sole managing trustee? <b>NB: Do not send trust accounting statements unless requested.</b>	YES/NO
<b>Section 2</b>	For any statement to which the response is 'no', an explanation is provided?	YES/NO
<b>Section 4</b>	All green boxes completed by internal audit and explanations provided?	YES/NO

**\*Note:** *Governance and Accountability for Local Councils in England – A Practitioners' Guide* is available from your local NALC and SLCC representatives or from [www.nalc.gov.uk](http://www.nalc.gov.uk) or [www.slcc.co.uk](http://www.slcc.co.uk)



## COMPLETION OF THE ANNUAL AUDIT

We have completed our audit for the year ended 31 March 2010 and I have pleasure in enclosing the certified Annual Return, for your attention. The External Auditor's certificate and opinion is given in Section 3.

Any matters arising from the audit are summarised in the External Auditor's report in Section 3. The Council must consider these matters and decide what action is required. In most cases this will be self-evident. However, in a number of instances we have made reference to further guidance available from NALC or SLCC. In particular, we have referred to the publication "*Governance and Accountability for Local Councils – A Practitioners' Guide (England) 2010*". This can be obtained via your local NALC or SLCC branch, but can also be downloaded, free of charge, from the website of either organisation - ([www.nalc.gov.uk](http://www.nalc.gov.uk) and [www.slcc.co.uk](http://www.slcc.co.uk))

### Action you are required to take at the conclusion of the audit

The Accounts and Audit Regulations 2003 (SI 2003/533) set out what you must do at the conclusion of the audit. In summary, you are required to:

- Prepare a "Notice of Conclusion of Audit and Right to Inspect the Annual Return", in line with the statutory requirements. We attach a proforma notice, which you can use for this purpose.
- Display the "Notice" for a period of at least **14 days**, along with the certified Annual Return\*. [The Annual Return must be displayed so that at least Sections 1, 2 and 3 are visible. It is acceptable to display a copy of the Annual Return, as long as it is a true facsimile and bears a note saying where the original can be inspected].
- Keep copies of the Annual Return available for purchase by any person on payment of a reasonable sum.

\* Displaying the Annual Return on the Council's notice boards(s) satisfies the publication requirements of Regulation 12 of the Accounts and Audit Regulations 2003. However, publication could also include copying onto a website, publishing as a separate leaflet, or publishing in a newspaper or as part of a newsletter.

### Audit fee

We enclose our fee note for the audit, which is in accordance with the audit fee scales set by the Audit Commission. We would be grateful if you could arrange for this to be paid at the earliest opportunity. **Please return the remittance advice with your payment, which should be sent to Mazars LLP, Regency House, 3 Grosvenor Square, Southampton SO15 2BE).**

Please note: If we were required to send the Annual Return back for correction due to a mistake or omission by the Council, or if it was necessary for us to undertake additional work as part of the audit process, an additional charge over and above the standard audit fee may have been made. The additional fee is shown separately on the fee note, where applicable.

Yours sincerely



**Stephen Christopher**

Partner, Mazars LLP



Mr D Hill  
Walton-In-Gordano Parish Council  
9 Millers Close  
Pill  
Somerset  
BS20 0DX

**Fee Note** 652961-8180  
LIMI82999  
Date (tax point) 01 October 2010  
VAT reg no 839 8356 73

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**To professional services**

	£
... in connection with external audit work undertaken on behalf of the Audit Commission for the year ended 31 March 2010.	50.00
<b>Total fees</b>	<b>50.00</b>
VAT @ 17.5%	8.75
<b>Total</b>	<b>58.75</b>

*Paid by cheque  
dated 11/10/10  
posted 12/10/10  
DM*

**Please make your cheque payable to Mazars and return with the attached remittance advice**  
Mazars LLP, Regency House, 3 Grosvenor Square, Southampton, Hampshire, SO15 2BE