



**WALTON-IN-GORDANO PARISH COUNCIL**

**BANK RECONCILIATION – page 1**

**BEING THE INCOME & EXPENDITURE SUMMARY FROM 1ST APRIL 2011 - 31ST MARCH 2012**

	2011-12	2010-11		2011-12		2010-11	
<b>INCOME &amp; EXPENDITURE SUMMARY</b>				<b>EXPENDITURE</b>	of which		of which
Precept	3100.00	3216.00			VAT =		VAT =
North Somerset Council Village Keeper Grant/Other	31.33	100.00					
Interest	1.30	1.31		Clerk's Fee	1495.00	1753.00	
<b>TOTAL INCOME</b>	<b>3132.63</b>	<b>3317.31</b>		Hall Hire	93.00	89.00	
Add Funds Bought Forward	2179.66	1705.09		Public Light	47.71	45.35	1.38
Deduct Clerk's Fees for Year	-1495.00	-1753.00		Insurance	265.00	262.50	
Deduct Other Expenses Paid Out	-1473.55	-1089.74		Councillors'/ Clerk's Expenses	315.40	0.00	
		-788.89	-1137.65	Subscriptions	29.00	77.37	
				Donations	500.00	450.00	
<b>FUNDS CARRIED FORWARD TO NEXT YEAR</b>	<b>2343.74</b>	<b>2179.66</b>		Information Sheet	84.00	90.60	
				Purchases	79.44	16.17	
				Audit	60.00	58.75	8.75
<b>BANK RECONCILIATION</b>					<b>2968.55</b>	12.22	<b>2842.74</b>
Deposit Account Balance @ 31st March	150.00	2158.16					
Current Account Balance @ 31st March	2302.54	50.00					
<b>Balances per Bank Statements @ 31st March</b>	<b>2452.54</b>	<b>2208.16</b>					
Less Un-presented Cheques @ 31st March							
Village Hall	6.00	-6.50					
Audrey Hollingsworth re Village Information Sheet Expenses	28.00	-22.00					
HMRC re PAYE	74.80	108.80	-28.50				
<b>NET BALANCES @ 31st MARCH CARRIED FORWARD</b>	<b>2343.74</b>	<b>2179.66</b>					

**Approved by the Parish Council**

Signed .....  
(Chairman)

Signed .....  
(Clerk)

Date .....

**This Council is NOT VAT registered**  
**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 2011 - 31ST MARCH 2012**

*P&L & BS per Mazars attachment 2 (1)*

**ANALYSIS OF DIFFERENCES BETWEEN 2010-11 & 2011-12**

	2011-12	2010-11	Differences	Notes
<b>INCOME</b>				
Precept	3100.00	3216.00	-116.00	Based on carrying forward £1500.00
Bank Interest	1.30	1.31	-0.01	
North Somerset Council Village Keeper Grant/Other Income	31.33	100.00	-68.67	NSC grant in 2010-11. Refund of LAT contribution in 2011-12
<b>EXPENDITURE</b>				
Clerk's Fee	1495.00	1753.00	-258.00	<b>**Was paid fee + expenses - from April 2011 paid via PAYE</b>
Other Expenses				
Hall Hire	93.00	89.00	4.00	
Public Light	47.71	45.35	2.36	
Insurance	265.00	262.50	2.50	
Councillors'/Clerk's Expenses	315.40	0.00	315.40	<b>**Clerk's expenses now show here rather than part of Fee</b>
Subscriptions	29.00	77.37	-48.37	Discontinued membership of Avon Local Councils Association
Donations	500.00	450.00	50.00	Fete marquee donation increase
Information Sheet	84.00	90.60	-6.60	
Purchases	79.44	16.17	63.27	2011 North Somerset Council election administration charge
Audit	60.00	58.75	1.25	VAT increase
				<b>** Expenditure differences over £200</b>
<b>Excluding Clerk's Fee</b>	<b>1473.55</b>	<b>1089.74</b>	<b>383.81</b>	
<i>Including Clerk's Fee</i>	<i>2968.55</i>	<i>2842.74</i>	<i>125.81</i>	
<b>BALANCE SHEET</b>				
<b>Fixed &amp; Long Term Assets</b>	3	3	0.00	2 notice boards + 1 street light

# Local Councils in England

## Annual return for the year ended 31 March 2012

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Local councils in England with an annual turnover of £6.5 million or less must complete an annual return summarising their activities at the end of each financial year. In this annual return the term 'local council' includes a Parish Meeting, a Parish Council and a Town Council.

The annual return on pages two to five is made up of four sections:

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

**Each council must approve this annual return no later than 30 June 2012.**

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

The annual return, together with your bank reconciliation as at 31 March 2012, 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.

Your auditor will identify and ask for any additional documents needed for audit. Therefore, unless requested, 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. You must publish or display the audited annual return by 30 September 2012.

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 2011 £	31 March 2012 £	
			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.
1 Balances brought forward	1705	2179	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	3216	3100	Total amount of precept received or receivable in the year.
3 (+) Total other receipts	101	33	Total income or receipts as recorded in the cashbook less the precept received (line 2). Include any grants received here.
4 (-) Staff costs	1753	1495	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 the council's borrowings (if any).
6 (-) All other payments	1090	1474	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	2179	2343	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	2179	2343	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	YES	NO	<b>Disclosure Note:</b> 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.)
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

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 14/05/2012

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

14/05/2012

and recorded as minute reference:

MINUTE 3497

Signed by Chair of the meeting approving these accounting statements.

Date 14/05/2012

## 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 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 <b>and</b> 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 <b>and</b> 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 <b>and</b> , 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

MINUTE 3497

dated 14/05/2012

Signed by:

Chair  SIGNATURE REQUIRED

dated 14/05/2012

Signed by:

Clerk  SIGNATURE REQUIRED

dated 14/05/2012

\*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 3 – External auditor's certificate and opinion

## Certificate

We certify that we have completed the audit of the annual return for the year ended 31 March 2012 of

**WALTON-IN-GORDANO PARISH COUNCIL** PLEASE SIGN HERE

## Respective responsibilities of the council and the auditor

The council is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The council prepares an annual return in accordance with proper practices which:

- summarises the accounting records for the year ended 31 March 2012; and
- confirms and provides assurance on those matters that are important to our audit responsibilities.

Our responsibility is to conduct an audit in accordance with guidance issued by the Audit Commission and, on the basis of our review of the annual return and supporting information, to report whether any matters that come to our attention give cause for concern that relevant legislation and regulatory requirements have not been met.

## External auditor's report

~~(Except for the matters reported below)\*~~ on the basis of our review, 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 council:

(continue on a separate sheet if required)

External auditor's signature **Mazars LLP**

External auditor's name **Mazars LLP, Southampton, SO15 2BE** Date **20 AUGUST 2012**

**Note:** The auditor signing this page has been appointed by the Audit Commission and is reporting to you that they have carried out and completed all the work that is required of them by law. For further information please refer to the Audit Commission's publication entitled *Statement of Responsibilities of Auditors and of Audited Small Bodies*.

## Section 4 – Annual internal audit report to

WALTON-IN-FORD AND 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.	✓		
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.			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:

Print name of person who carried out the internal audit **ROY GEORGE BETTS**

Signature of person who carried out the internal audit  Date **27/4/12**

\*: 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 2012 annual return

- 1 Proper practices for preparing this annual return are found in the *Practitioners' Guide*\*. This publication is updated from time to time and contains everything you should need to prepare successfully for your financial year-end and the subsequent audit. Both NALC and SLCC have helplines if you want to talk through any problem you encounter.
- 2 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 drawn to the attention of and approved by the council, properly initialled and an explanation is provided to the auditor. Annual returns containing unapproved or unexplained amendments will be returned unaudited and may incur additional costs.
- 3 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 to the auditor.
- 4 Do not send the auditor any information not specifically asked for. Doing so is not helpful. However, you must advise the auditor of any change of Clerk, Responsible Finance Officer or Chair.
- 5 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, note their value on the bank reconciliation. The auditor must 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*\*.
- 6 **Explain fully** significant variances in the accounting statements on page 2. 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. Include complete analysis to support your explanation. There are a number of examples provided in the *Practitioners' Guide*\* to assist you.
- 7 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.
- 8 Make sure that your accounting statements add up and the balance carried forward from the previous year (Box 7 of 2011) equals the balance brought forward in the current year (Box 1 of 2012).
- 9 **Do not complete section 3.** The external auditor will complete it at the conclusion of the audit.

Completion checklist – 'No' answers mean you may not have met requirements		Done?
<b>All sections</b>	All green boxes have been completed?	✓
	All information requested by the external auditor has been sent with this annual return? Please refer to your notice of audit.	✓
<b>Section 1</b>	Council approval confirmed by signature of Chair of meeting approving accounting statements?	✓
	An explanation of significant variations from last year to this year is provided?	✓
	Bank reconciliation as at 31 March 2012 agreed to Box 8?	✓
	An explanation of any difference between Box 7 and Box 8 is provided?	✓
<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>	N/A
<b>Section 2</b>	For any statement to which the response is 'no', an explanation is provided?	✓
<b>Section 4</b>	All green boxes completed by internal audit and explanations provided?	✓

\*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)