

# Local Councils, Internal Drainage Boards and other Smaller Authorities in England Annual return for the year ended 31 March 2017

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Every smaller authority in England with an annual turnover of £6.5 million or less must complete an annual return at the end of each financial year in accordance with proper practices summarising its activities. In this annual return the term 'smaller authority'\* includes a Parish Meeting, a Parish Council, a Town Council and an Internal Drainage Board.

**The annual return on pages 2 to 4 is made up of three sections:**

- Sections 1 and 2 are completed by the smaller authority. **Smaller authorities must approve Section 1 before Section 2.**
- Section 3 is completed by the external auditor.

In addition, the **internal audit report** is completed by the smaller authority's internal audit provider.

**Each smaller authority must approve Section 1 and Section 2 in order and in accordance with the requirements of the Accounts and Audit Regulations 2015.**

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

Send the annual return, together with the bank reconciliation as at 31 March 2017, an explanation of any significant year on year variances in the accounting statements, **your notification of the commencement date of the period for the exercise of public rights** and any additional information requested, to your external auditor by the due date.

**Your external auditor will ask for any additional documents needed for their work. Unless requested, do not send any original financial records to the external auditor.**

Once the external auditor has completed their work, certified annual returns will be returned to the smaller authority for publication and public display of Sections 1, 2 and 3. You must publish and display the annual return, including the external auditor's report, by 30 September 2017.

It should not be necessary for you to contact the external auditor for guidance.

More guidance on completing this annual return is available in the Practitioners' Guide 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) or from [www.ada.org.uk](http://www.ada.org.uk)

*\*for a complete list of bodies that may be smaller authorities refer to schedule 2 to Local Audit and Accountability Act 2014*

## Section 2 – Accounting statements 2016/17 for

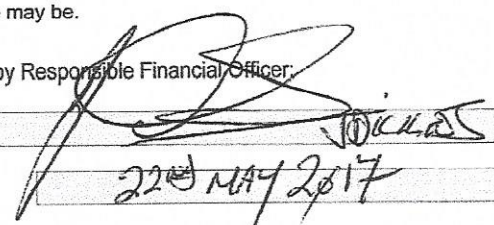
Enter name of smaller authority here:

WHITLEY PARISH COUNCIL

	Year ending		Notes and guidance				
	31 March 2016 £	31 March 2017 £					
1. Balances brought forward	73,208	75,922	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	12,533	12,500	Total amount of precept (or for IDBs, rates and levies) received or receivable in the year. Exclude any grants received.				
3. (+) Total other receipts	1,539	2,111	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	-3,638	-4,322	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	-7720	-9313	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	75,922	76,898	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	89,404	79,988	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – <b>To agree with bank reconciliation.</b>				
9. Total fixed assets plus long term investments and assets	93,054	93,270	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)	<table border="1"> <tr> <td>Yes</td> <td>No</td> </tr> <tr> <td></td> <td style="text-align: center;">✓</td> </tr> </table>		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.
Yes	No						
	✓						

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 properly present receipts and payments, as the case may be.

Signed by Responsible Financial Officer:



Date: 22<sup>nd</sup> MAY 2017

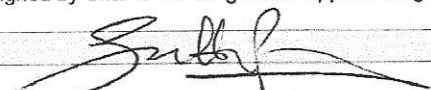
I confirm that these accounting statements were approved by this smaller authority on:

23/05/2017

and recorded as minute reference:

05/2017/11-3-2

Signed by Chair at meeting where approval is given:



# Annual internal audit report 2016/17 to

Enter name of smaller authority here:

WHITLEY 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.	✓		
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.			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 MRS. P. HARRISON

Signature of person who carried out the internal audit  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).

## Guidance notes on completing the 2016/17 annual return

1. You must apply proper practices for preparing this annual return. Proper practices are found in the Practitioners' Guide\* which is updated from time to time and contains everything you should need to prepare successfully for your financial year-end and the subsequent work by the auditor. NALC, SLCC and ADA 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 highlighted boxes), and is properly signed and dated. Avoid making amendments to the completed return. Any amendments must be approved by the smaller authority, properly initialled and explanation provided. Annual returns containing unexplained or unapproved amendments may be returned and incur additional costs.
3. **Smaller authorities must approve Section 1 on page 2 before approving Section 2 on page 3.**
4. Use the checklist provided below. Use a second pair of eyes, perhaps a Councillor or Board Member, to review the annual return for completeness and accuracy before sending it to the external auditor.
5. Do not send the external auditor any information not specifically asked for. Doing so is not helpful. However, you must tell the external auditor about any change of Clerk, Responsible Finance Officer or Chair.
6. Make sure that the copy of the bank reconciliation which you send to your external auditor with the annual return covers all your bank accounts. If your smaller authority holds any short-term investments, note their value on the bank reconciliation. The external auditor must be able to agree your bank reconciliation to Box 8 on the accounting statements (Section 2 on page 3). 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\*.
7. Explain fully significant variances in the accounting statements on page 3. Do not just send in a copy of your detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include a complete numerical and narrative analysis to support your explanation. There are a number of examples provided in the Practitioners' Guide\* to assist you.
8. If the external 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.
9. **You must inform the external auditor of the date set for the commencement of the period for the exercise of public rights.**
10. Make sure that your accounting statements add up and the balance carried forward from the previous year (Box 7 of 2016) equals the balance brought forward in the current year (Box 1 of 2017).
11. Do not complete Section 3 which is reserved for the external auditor.

Completion checklist – 'No' answers mean you may not have met requirements		Done?
All sections	All highlighted boxes have been completed?	✓
	All additional information requested, <b>including the dates set for the period for the exercise of public rights</b> , has been provided for the external auditor?	✓
Section 1	For any statement to which the response is 'no', an explanation is provided?	✓
Section 2	Smaller authority approval of the accounting statements is confirmed by the signature of the Chair of the approval meeting?	✓
	An explanation of significant variations from last year to this year is provided?	✓
	Bank reconciliation as at 31 March 2017 agreed to Box 8?	✓
	An explanation of any difference between Box 7 and Box 8 is provided?	✓
Sections 1 and 2	Trust funds – all disclosures made if a Council is a sole managing trustee? NB: Do not send trust accounting statements unless requested.	N/A
Internal Audit report	All highlighted boxes completed by internal audit and explanations provided?	✓

\*Note: The Practitioners' Guide is available from your local NALC, SLCC or ADA representatives or from [www.nalc.gov.uk](http://www.nalc.gov.uk) or [www.slcc.co.uk](http://www.slcc.co.uk) or [www.ada.org.uk](http://www.ada.org.uk).

# Whitley Parish Council

## Bank Reconciliation @ 31st March 2017- Pro- Former

Dated: 27th April 2017

Balance as per Bank Statements as at 31st March 2017

### Santander Bank PLC

Current account	5,810.60	
Deposit account	<u>24,148.38</u>	29959

### Co-Operative Bank PLC

Current account	3112.85	
Deposit account	<u>50560.96</u>	53674
		<u>83633</u>

Petty Cash Float 7

### Less unrepresented Cheques at 31/3/2017

22293	8.00	
22295	1500.00	
22296	259.99	
22297	968.81	
22298	77.87	
22299	208.40	
22300	54.61	
22301	54.61	
22302	54.61	
22303	54.61	
22304	54.61	
22305	<u>354.61</u>	
		-3651

Any unbanked cash at 31/3/2017 0

**Net Balance 31/3/2017** **79988**

The net balance reconcile to Cash Book (receipts and payments account) for the year as follows:

Opening Balance 1st April 2016		89,404
Add: Receipts in the year (incl bank int)		
As per Santander	13,969.59	
Bank int	659	14,629
Less payments in the year	-23,962	
Petty cash Exp	-82	24,044
Rounding		-1

Closing balance per cash book (receipts & payments book) as at 31st March 2017  
(Must equal net balances above -Box 8)

**79,988**

**Whitley Parish Council  
All Banks Reconciliation @ 31st March 2017**

**Santander Bank PLC**

£

**Santander Current Account - 8703**  
Balance as per Statement 31/3/2017 5,810.60

Less unpresented Cheques

Cheque No.s

22293	8.00
22295	1500.00
22296	259.99
22297	968.81
22298	77.87
22299	208.40
22300	54.61
22301	54.61
22302	54.61
22303	54.61
22304	54.61
22305	354.61

Less

3650.73

Balance as per Cash book

**2,159.87**

**Santander Deposit Account - 8676**

Balance as per statement 31/3/2017

24,148.38

Less unpresneted cheques

0.00

Balance as per Cash book

**24,148.38**

**Co-operative Bank PLC**

**Co-op Deposit Account - 8564**

Balance as per statement 31/3/2017

50,560.96

Less unpresneted cheques

0.00

Balance as per Cash book

**50,560.96**

**Co-op Current Account - 3760**

Balance as per statement 31/3/2017

3,112.85

Less unpresneted cheques

0.00

Balance as per Cash book

**3,112.85**

**Total balance @ 31/03/2017**

**79,982.06**



## Explanation of variances – pro forma

### Whitley Parish Council

The 'Practitioners' Guide' provides guidance on explaining significant variances. Please provide **full explanations, including numerical values**, for the following:

- variances of more than 15% between totals for individual boxes (except variances of less than £200);
- if the total reserves (Box 7) figure is more than twice the annual precept value (Box 2).

Section 2	2015/16 £	2016/17 £	Variance £	Variance %	Detailed explanation of variance (with amounts £)
Box 2 Precept or Rates and Levies	12,500	12,500	NIL	NIL	N/A.
Box 3 Total other receipts	1,539	2,111	+ 572	+37.17%	GRANTS & DONATIONS - REHABILITATION
Box 4 Staff costs	3,638	4,322	+ 684	+ 18.8%	PERIOD of TRANSITION with TWO CLOCK/RFO. ALSO PAYMENT FOR TRAINING/COURSE FOR NEW CLOCK/RFO.
Box 5 Loan interest/ capital repayments	NIL	NIL	NIL	NIL	N/A.
Box 6 All other payments	7,720	9,313	+1,593	+20.63%	INCREASED MAINTENANCE/REPAIRS TO EQUIP. IN PLAY AREAS. MAINTENANCE OF TREE AREAS.
Box 9 Total fixed assets & long term investments & assets	93,054	93,270	+ 216	+0.23%	N/A.
Box 10 Total borrowings	NIL	NIL	NIL	NIL	N/A.
Explanation for 'high' reserves	Box 7 is more than twice Box 2 because .... £63,375 being held by Parish Council, which is set 106 Ring-fenced funds. This can only be used for expenditure on play area and Green Spaces designated in set 106 agreements.				





# CONFIRMATION OF THE DATES FOR THE PERIOD OF EXERCISE OF PUBLIC RIGHTS

**Whitley Parish Council**

**Either:**

On behalf of Whitley Parish Council, I confirm that the dates set for the period of exercise of public rights are as follows:

Commencing on 05 June 2017

and ending on 14 July 2017

**Or:**

On behalf of Whitley Parish Council, I confirm that the dates set for the period of exercise of public rights are as follows:

Commencing on \_\_\_\_\_

and ending on \_\_\_\_\_

(Enter dates as appropriate which must be 30 working days inclusive and must include the first 10 working days of July 2017)

**Signed:** \_\_\_\_\_

**Role:** **Responsible Financial Officer  
for Whitley Parish Council**

**PLEASE SUBMIT THIS FORM TO PKF LITTLEJOHN LLP WITH THE ANNUAL RETURN AND OTHER REQUESTED DOCUMENTATION**