

# Local Councils in England

## Annual return for the financial year ended 31 March 2015

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Local councils in England with an annual turnover of £6.5 million or less must complete an annual return in accordance with proper practices 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 2 to 5 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 appointed by the Audit Commission.
- Section 4 is completed by the local council's internal audit provider.

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

Send the annual return, together with your bank reconciliation as at 31 March 2015, an explanation of any significant year on year variances in the accounting statements and any additional information requested, to your external auditor by the due date.

Your external auditor will identify and ask for any additional documents needed for their work. Therefore, unless requested, do not send any original financial records to the external auditor.

Once the auditor has completed their work, certified annual returns will be returned to the local council for publication or public display of sections 1, 2 and 3. You must publish or display the annual return, including the external auditor's report, by 30 September 2015.

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 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 4 – Annual internal audit report 2014/15 to

**EASTON PARISH COUNCIL**

Council/Meeting

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 2015.

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 only one of the following		
	Yes	No*	Not covered**
A Appropriate accounting records 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.	Yes	No	Not applicable
			✓

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 **RUSSEL BRANDISH**

Signature of person who carried out the internal audit

*[Signature]*

Date **11/5/2015**

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).



# Section 1 – Accounting statements 2014/15 for

Enter name of reporting body here:

EASTON PARISH COUNCIL

Council/Meeting

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 2014 £	31 March 2015 £	
1 Balances brought forward	112,232	107,656	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	14,544	15,120	Total amount of precept received or receivable in the year. Excludes any grants received.
3 (+) Total other receipts	24,345	10,061	Total income or receipts as recorded in the cashbook less the precept received (line 2). Include any grants received here.
4 (-) Staff costs	7,529	7,732	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 council's borrowings (if any).
6 (-) All other payments	35,936	28,126	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	107,656	96,979	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	107,656	96,979	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 other long term investments and assets	126,922	126,922	The original Asset and Investment Register value of all fixed assets, plus other long term assets owned by the council 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 Disclosure note 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 2015 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

John H Winton

Date 11.05.2015

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

DD/MM/YYYY

and recorded as minute reference:

MINUTE REFERENCE

Signed by Chair of the meeting approving these accounting statements.

L. Winton

SIGNATURE REQUIRED

Date 11.05.2015



## Section 2 – Annual governance statement 2014/15

We acknowledge as the members of:

**EASTON PARISH COUNCIL**

Council/Meeting

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 2015, 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 proper practices that could have a significant financial effect on the ability of the council 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 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
			✓

This annual governance statement is approved by the council and recorded as minute reference

MINUTE REFERENCE

dated **11.05.2015**

Signed by:

Chair **L. G. G. G.**

dated **11.05.2015**

Signed by:

Clerk **John W. G. G.**

dated **11.05.2015**

\*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.



## EASTON PARISH COUNCIL

### **Annual return for the year ended 31 March 2015**

#### EXPLANATION OF VARIANCES

In our cashbook we separate out the unusual payments so that it is easy to see where the big differences arise.

##### **Item 3**

In 2014 we received 2 payments of £9,500 each from Easton College and the Norfolk Showground towards the cost of a 'trod' from Easton to the Longwater Junction. In 2015 we received £5,000 from Norfolk County Council because having paid them for the 'trods' to have a concrete back edge they decided that we could not have one. Deleting these 2 items our other receipts went down from £5,345 to £5,061.

##### **Item 6**

In 2014 we paid Norfolk County Council £22,568 for the 'trods' which included the £19,000 above, and we paid a land agent £3,000 for the first instalment of some work that he has been doing for us.

In 2015 we paid £1,705 for a legal opinion on a covenant on some land we own, £2,132 for a VAS flashing sign, £2,000 each to refund to Easton College and the Norfolk Showground because we could not have the concrete back edge on the 'trods' and 2 further payments to the land agent of £5,950 and £4,475. Deleting these items the 'usual' expenditure was reduced from £10,368 to £9,864.

John H Witcombe, Easton Parish Clerk and RFO

20.04.2015

# EASTON PARISH COUNCIL

## Annual return for the year ended 31 March 2015

### BANK RECONCILIATION

Balance from bank statements at 31 March 2015

Santander bond	£50,000.00
Santander deposit account	£27,538.33
Barclays current account	£17,621.19
Barclays deposit account	£1,886.58
Total	£97,046.10

Less unpresented cheque at 31 March 2015

Cheque number 125	£67.50
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Net balance at 31 March 2015	£96,978.60
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#### Cash Book

Opening balance at 1 April 2014	£107,655.61
+ Income during the year	£25,181.12
- Expenditure during the year	£35,858.13
Closing balance as per cash book at 31 March 2015	£96,978.60

John H Witcombe, Easton Parish Clerk and RFO      20.04.2015

## EASTON PARISH COUNCIL

### **Annual return for the year ended 31 March 2015**

If you see our return last year the outline planning application for 907 houses is being considered by South Norfolk Council's Planning Committee on Wednesday 3 June, and we are expecting fireworks!

The balance carried forward of £97,046.10 includes earmarked reserves of £88,047.62 made up as follows:

£35,434.64 for the College Heights Open Spaces (RING FENCED)

£18,862.98 for the New Village Hall (RING FENCED)

£11,000.00 for the New Village Hall

£6,500.00 for Village Centre Parking

£6,500.00 for a Village Green/Cricket Ground

£2,500.00 for New Allotments

£4,750.00 for Lighting on St Peter's Path

£2,500.00 for a New Parish Plan

The College Heights monies arise from the building of the College Heights estate by Norfolk Homes. On completion the 4 open spaces were transferred to the Parish Council along with these monies that can only be used for the maintenance of the Open Spaces over approx. 20 years.

The Parish Council have decided that the New Village Hall are entitled to the £18,862.98 monies above but they wish to retain these monies for the time being.

John H Witcombe, Easton Parish Clerk and RFO 20.04.2015