

# 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 1 – Annual governance statement 2016/17

We acknowledge as the members of:

Enter name of  
smaller authority here:

RIDLINGTON PARISH COUNCIL

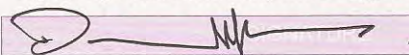
our responsibility for ensuring that there is a sound system of internal control, including the preparation of the accounting statements. We confirm, to the best of our knowledge and belief, with respect to the accounting statements for the year ended 31 March 2017, that:

	Agreed		'Yes' means that this smaller authority:
	Yes	No*	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	YES		prepared its accounting statements in accordance with the Accounts and Audit Regulations.
2. We maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	YES		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 this smaller authority to conduct its business or on its finances.	YES		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.	YES		during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.
5. We carried out an assessment of the risks facing this smaller authority and took 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 maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	YES		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 this smaller authority.
7. We took 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 considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this smaller authority 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. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	NA
			N/A

This annual governance statement is approved by this smaller authority on:

17/05/2017

Signed by Chair at meeting where approval is given:



and recorded as minute reference:

9.0 FINANCE 9.2

Clerk:



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



## Section 2 – Accounting statements 2016/17 for


Enter name of  
smaller authority here:

RIDLINGTON PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2016 £	31 March 2017 £	
1. Balances brought forward	2292	2897	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	836	1481	Total amount of precept (or for IDBs, rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	675	871	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	0	0	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 smaller authority's borrowings (if any).
6. (-) All other payments	906	2359	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	2897	2890	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	2897	2890	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	110,001	110,001	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	0	0	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)	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.
		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

12/05/2017

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

17/05/2017

and recorded as minute reference:

9.0 FINANCE 9.3 REFERENCE

Signed by Chair at meeting where approval is given:





# Annual internal audit report 2016/17 to

Enter name of  
smaller authority here:

RIDLINGTON 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.			NOT COVERED
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.			NOT COVERED
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)	Yes	No	Not applicable
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)

SEE AUDIT MEMORANDUM AND 'NOT COVERED' NOTE

Name of person who carried out the internal audit TREVOR CROOTE

Signature of person who carried out the internal audit

*Trevor Croote*

Date 24/05/2017

\*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 4 – F, G and K – Not covered**

F – The parish council does not operate a petty cash account but has cash in hand of £5 at 31<sup>st</sup> March 2017 representing 5 years rent on the village hall lease. Internal Audit has recommended that the cash balance is paid into the bank in 2017/18.

G -The parish clerk's duties are undertaken voluntarily on an expenses only basis and Members do not receive any allowances. The clerk has been paid a lump sum of £180 to cover his expenses (included in box 6 of the return) but no receipts have been provided. Internal Audit has recommended that the clerk's expenses should be supported by appropriate evidence in future or the payment should be re-classified as a salary/allowance and evidence provided to demonstrate that any income tax or national insurance liability has been properly discharged.

K - There are no trust funds for which the Parish Council and the Parish Councillors are solely responsible.

A handwritten signature in blue ink, appearing to read 'T Croote', is written over a dotted line.

Trevor Croote  
Audit Manager  
LGSS

24/05/2017

Tel: 01572 758361



## LGSS Audit

### MEMORANDUM



Ridlington Parish Council Annual return for the year ended 31st March 2017

Following the Internal Audit review of the Parish Council's 2016/17 accounts, the following matters were identified:

1. Following an audit recommendation in 2015/16 the Clerk has reclaimed VAT going back to 2010/11 with the sum of £159.52 received in April 2017. A copy of the VAT claim should be provided to Internal Audit as part of the audit of the 2017/18 annual return.
2. The clerk has been paid a lump sum of £180 in 2016/17 to cover expenses, although no supporting documentation or receipts have been provided. Reimbursement of expenses should be supported by appropriate evidence in future or the payment should be re-classified as a salary/allowance and evidence provided to demonstrate that any income tax or national insurance liability has been properly discharged.
3. Parish balances include £5 cash in hand in respect of the village hall rent for the current and previous years. This sum should be paid into the parish bank account in 2017/18.
4. The Clerk stated that the village hall has recently been revalued. The revised valuation should be included on the annual return for 2017/18 and evidence provided to Internal Audit (e.g. insurance policy showing the revised valuation).

Please do not hesitate to contact my-self or a member of the Internal Audit team if you have any questions or require any further clarification.

A handwritten signature in blue ink, appearing to read 'T Croote', is written over a dotted line.

Trevor Croote  
Audit Manager  
LGSS

24/05/2017

Tel: 01572 758361



INSERT NAME OF SMALLER AUTHORITY  
RIDLINGTON PARISH COUNCIL.

DECLARATION OF STATUS OF PUBLISHED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2017

The Accounts and Audit Regulations 2015 (SI 2015 No.234)

1. The statement of accounts for RIDLINGTON PARISH COUNCIL. \*  
published today is unaudited and may be subject to change.

\* insert name of Smaller Authority

2. Signed by: MR C. J. LEE

Signature: [Signature]

Date: 29th May 2017

RESPONSIBLE FINANCIAL OFFICER



INSERT NAME OF SMALLER AUTHORITY

RIDLINGTON PARISH COUNCIL

# NOTICE OF DATE OF COMMENCEMENT OF PERIOD FOR THE EXERCISE OF PUBLIC RIGHTS

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

The Accounts and Audit Regulations 2015 (SI 2015 No.234)  
The Local Audit and Accountability Act 2014

NOTICE	NOTES
<p>1. Date of announcement <u>5th June 2017</u> (a)</p> <p>2. Sections 26 and 27 of the Local Audit and Accountability Act 2014 provide for:</p> <ul style="list-style-type: none"> <li>• <b>Inspection:</b> Any persons interested may inspect and make copies of the Annual Return and all books, deeds, contracts, bills, vouchers and receipts etc. relating to them. For the year ended 31 March 2017 these documents will be available during the period specified in paragraph 4 on reasonable notice on application to the person in paragraph 3 below.</li> <li>• <b>Questions and objections</b> to the external auditor: Local Government electors and their representatives have rights to: <ul style="list-style-type: none"> <li>• question the auditor about the accounting records: and</li> <li>• object to the accounts or any item in them. Written notice of an objection must be given to the external auditor and a copy sent to the Authority. Objections must concern a matter of which the external auditor could make a public interest report or apply for a declaration that an item of account is unlawful.</li> </ul> </li> </ul> <p>The auditor can be contacted at the address in paragraph 5 below for this purpose.</p> <p>3. Person to which you can apply to inspect the accounts (b)</p> <p>Name: <u>MR C. J. LEES</u></p> <p>Position: <u>RESPONSIBLE FINANCIAL OFFICER</u></p> <p>Address: <u>"POST COTTAGE" 5 TOP ROAD RIDLINGTON</u></p> <p>Tel no: <u>01572 821440</u></p> <p>Email: <u>clees19009@aol.com</u></p> <p>4. Any rights of inspection, objection, and questioning of the auditor may only be exercised within a single period of 30 <u>working</u> days: (Accounts and Audit Regulations 2015, Regulation 15(1))</p> <p>commencing on (c) <u>MON. 19th June</u> 2017</p> <p>and ending on (d) <u>FRI 28th July</u> 2017</p> <p>5. Your appointed auditor is:</p> <p>Grant Thornton UK LLP (for the attention of Mark Heap) Royal Liver Building, Liverpool L3 1PS Tel: 0151 224 7200</p> <p>For more detailed guidance on electors' rights and the special powers of auditors, copies of the publication Council Accounts – A Guide to Your Rights are available from the National Audit Office website.</p>	<p>(a) Insert date of publishing of this Notice</p> <p>Sections 26 and 27 of the Local Audit and Accountability Act 2014 must be published with this Notice.</p> <p>Other documents must also be published with this Notice:</p> <ul style="list-style-type: none"> <li>o approved Annual Governance Statement</li> <li>o approved Accounting Statements</li> <li>o Declaration of status of accounts</li> </ul> <p>(b) Insert name, position, address and contact details such as telephone and email of the Clerk or other person to which any person may apply to inspect the accounts, and the details of the manner in which notice should be given of an intention to inspect the accounting records and other documents</p> <p>Publics rights are set out in the Accounts and Audit Regulations 2015</p> <p>(c) The commencement date is treated as being the day following the publication of this notice and other documents as noted at (a) above. (Regulation 15(3))</p> <p>(d) The period for exercise of public rights between (c) and (d) must be a single period of 30 <b>working days</b> (Regulation 14(1)) and must include the <b>first 10 working days of July</b>. Exclude weekends and public holidays. (Reg. 15(1)(b))</p>