

Local Councils, Internal Drainage Boards and other Smaller Authorities in England Annual return for the year ended 31 March 2016

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 Sections 1 and 2 of this annual return no later than 30 June 2016.

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 2016, 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 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 2016.

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' Guides that can be downloaded from www.nalc.gov.uk or from www.slcc.co.uk or from www.ada.org.uk

Section 1 – Annual governance statement 2015/16

We acknowledge as the members of:

Enter name of smaller authority here: **LITTLE BENLEY 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 2016, that

| | Agreed | | | | |
|---|--------|----|----|---|---|
| | Yes | No | | | |
| 1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements | ✓ | | | | |
| 2. We maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness | ✓ | | | | |
| 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 smaller authority to conduct its business or on its finances | ✓ | | | | |
| 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 | ✓ | | | | |
| 5. We carried out an assessment of the risks facing the smaller authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required | ✓ | | | | |
| 6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems | ✓ | | | | |
| 7. We took appropriate action on all matters raised in reports from 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 smaller authority and, where appropriate have included them in the accounting statements | ✓ | | | | |
| 9. (For local councils only) Trust funds including charitable funds/assets, including financial reporting and, 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 this smaller authority and recorded as minute reference

Signed by: **G. G. 06.16.** dated: **01 JUNE 2016.**

Signed by: **Mrs J. G.** dated: **1/6/2016.**
 Clerk: **K. G. 06.16.** dated: **01.06.16.**

*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 2015/16 for

Enter name of smaller authority here:

LITTLE BENLEY PARISH COUNCIL

| Notes and guidance | Year ending | |
|---|---------------|---------------|
| | 31 March 2016 | 31 March 2015 |
| 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 | £ | £ |
| 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. | 2,875 | 2,351 |
| 1. Balances brought forward | 2,875 | 2,351 |
| 2. (+) Precept or Rates and Levies | 2,000 | 1,950 |
| Total amount of precept or (for LBs) rates and levies received or receivable in the year. Exclude any grants received. | 2,000 | 1,950 |
| 3. (+) Total other receipts | 144 | 40 |
| Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received | 144 | 40 |
| 4. (-) Staff costs | 1,001 | 451 |
| 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. | 1,001 | 451 |
| 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). | Nil | Nil |
| 6. (-) All other payments | 483 | 835 |
| Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5). | 483 | 835 |
| 7. (=) Balances carried forward | 3,145 | 4,120 |
| Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6) | 3,145 | 4,120 |
| 8. Total value of cash and short term investments | 3,145 | 4,120 |
| 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. | 3,145 | 4,120 |
| 9. Total fixed assets plus long term investments | 5,785 | 5,785 |
| The original Asset and Investment Register value of all fixed assets, plus other long term assets owned by the smaller authority as at 31 March | 5,785 | 5,785 |
| 10. Total borrowings | Nil | Nil |
| The outstanding capital balance as at 31 March of all loans from third parties (including PWLB) | Nil | Nil |
| 11. (For Local Councils Only) Disclosure (including charitable) note re Trust funds | | |
| The Council acts as sole trustee for and is responsible for managing Trust funds or assets | Yes | No |
| N.B. The figures in the accounting statements above do not include any Trust transactions | | |

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

01.06.2016

and recorded as minute reference:

08.06.16

Signed by Chair of the meeting approving these accounting statements:

Mrs J...

Date

1/6/2016

I certify that for the year ended 31 March 2016 the accounting statements in this annual return present fairly the financial position of the smaller authority and its income and expenditure, or properly present receipts and payments, as the case may be.

Signed by Responsible Financial Officer

K. Riddler

Date

01.06.16

Enter name of smaller authority here:

LITTLE BEARLEY 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 2016. 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 | <input checked="" type="checkbox"/> | | |
| B. | This smaller authority met its financial obligations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for. | <input checked="" type="checkbox"/> | | |
| C. | This smaller authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these | <input checked="" type="checkbox"/> | | |
| D. | The precept or rates requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored, and reserves were appropriate. | <input checked="" type="checkbox"/> | | |
| E. | Expected income was fully received, based on correct prices, properly recorded and promptly banked, and VAT was appropriately accounted for. | <input checked="" type="checkbox"/> | | |
| F. | Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for. | N/A | | |
| 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. | <input checked="" type="checkbox"/> | | |
| H. | Asset and investments registers were complete and accurate and properly maintained. | <input checked="" type="checkbox"/> | | |
| I. | Periodic and year-end bank account reconciliations were properly carried out. | <input checked="" type="checkbox"/> | | |
| J. | Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments of 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. | <input checked="" type="checkbox"/> | | |

K. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee

| Yes | No | Not applicable |
|-------------------------------------|----|----------------|
| <input checked="" type="checkbox"/> | | |

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: MR. I. R. DIAMOCK

Signature of person who carried out the internal audit: [Signature] Date: 1/6/16

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 2015/16 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 initialed and explanation provided. Annual returns containing unapproved or unexplained amendments will be returned and may incur additional costs. **Smaller authorities must approve the annual governance statement before approving the accounts.**
3. Use the checklist provided below. Use a second pair of eyes, perhaps a Councillor or Board Member, to review the annual return for completeness before sending it to the external auditor.
4. 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.
5. 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*.

6. 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 complete analysis to support your explanation. There are a number of examples provided in the Practitioners' Guide* to assist you.
7. 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. **From 2016 onwards, you must inform the auditor of the date set for the commencement of the period for the exercise of public rights.**
8. Make sure that your accounting statements add up and the balance carried forward from the previous year (Box 7 of 2015) equals the balance brought forward in the current year (Box 1 of 2016).
9. 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? | ✓ |
| Section 1 | All additional information requested, including the dates set for the exercise of public rights, has been provided for the external auditor? | ✓ |
| | 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 variances from last year to this year is provided? | ✓ |
| | Bank reconciliation as at 31 March 2016 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: Practitioners' Guides are available from your local NALC, SLCC or ADA representatives or from www.nalc.gov.uk or www.slcc.co.uk or www.ada.org.uk

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

Little Bentley Parish Council

Either:

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

Commencing on Monday 6 June 2016

and ending on Friday 15 July 2016

Or:

On behalf of Little Bentley 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 2016)

Signed: Robert (Clerk)

Role: Responsible Financial Officer
for Little Bentley Parish Council

**Little Bentley Parish Council
 NOTICE OF PUBLIC RIGHTS AND PUBLICATION OF
 UNAUDITED ANNUAL RETURN
 ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016
 Local Audit and Accountability Act 2014 Sections 26 and 27
 The Accounts and Audit Regulations 2015 (SI 2015/234)**

| NOTES | NOTICE |
|---|---|
| <p>(a) Insert date of placing of the notice which must be not less than 1 day before the date in (c) below</p> <p>(b) Insert name, position and address/telephone number/ email address, as appropriate, of the Clerk or other person to which any person may apply to inspect the accounts</p> <p>(c) Insert date, which must be at least 1 day after the date of announcement in (a) above and at least 30 working days before the date appointed in (d) below</p> <p>(d) The inspection period between (c) and (d) must be 30 working days inclusive and must include the first 10 working days of July.</p> <p>(e) Insert name and position of person placing the notice – this person must be the responsible financial officer for the body</p> | <p>1. Date of announcement <u>01 June 2016</u> (a)</p> <p>2. Each year the body's Annual Return needs to be reviewed by an external auditor appointed by the Audit Commission. The unaudited Annual Return has been published with this notice. As it has yet to be reviewed by the appointed auditor, it is subject to change as a result of that review.</p> <p>Any person interested has the right to inspect and make copies of the accounting records for the financial year to which the audit relates and all books, deeds, contracts, bills, vouchers, receipts and other documents relating to those records must be made available for inspection by any person interested For the year ended 31 March 2016 these documents will be available on reasonable notice by application to:</p> <p>(b)</p> <p><u>KAREN HYDES, PARISH CLERK</u> <u>8 CARPENTERS CORNERS, COCHESTER</u> <u>RD, LITTLE BENTLEY, COX 8 2JY</u></p> <p>commencing on (c) <u>Monday 6 June 2016</u></p> <p>and ending on (d) <u>Friday 15 July 2016</u></p> <p>3. Local government electors and their representatives also have:</p> <ul style="list-style-type: none"> • The opportunity to question the appointed auditor about the accounting records; and • The right to make an objection which concerns a matter in respect of which the appointed auditor could either make a public interest report or apply to the court for a declaration that an item of account is unlawful. Written notice of an objection must first be given to the auditor and a copy sent to the body. <p>The appointed auditor can be contacted at the address in paragraph 4 below for this purpose between the above dates only.</p> <p>4. The body's Annual Return is subject to review by the appointed auditor under the provisions of the Local Audit and Accountability Act 2014, the Accounts and Audit Regulations 2015 and the NAO's Code of Audit Practice 2015. The appointed auditor is:</p> <p>PKF Littlejohn LLP Ref: SBA 2nd Floor 1 Westeryn Circus Canary Wharf London E14 4HD (sba@pkf-littlejohn.com)</p> <p>5. This announcement is made by (e)</p> |