

Local Councils, Internal Drainage Boards and other Smaller Authorities in England

Annual return for the year ended 31 March 2017

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 or from www.slcc.co.uk or from 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:

SIRK WILLOUGHBY 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.	✓		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.	✓		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.	✓		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 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.	✓		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.	✓		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.	✓		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.	✓		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	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 on:

25/05/17

and recorded as minute reference:

15 D. MINUTE REFERENCE

Signed by Chair at meeting where approval is given:

REDACTED

Clerk:

REDACTED

*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:

SILK WILLOUGHBY PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2016 £	31 March 2017 £	
1. Balances brought forward	5138	5925	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	3908	3983	Total amount of precept (or for IDBs, rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	1774	1210	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	(1453)	(1525)	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	(3442)	3410	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	5925	6183	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	5925	6183	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 plus long term investments and assets	2710	9126	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)	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 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:

REDACTED

Date 30/4/17

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

26/5/17

and recorded as minute reference:

155 REFERENCE

Signed by Chair at meeting where approval is given:

REDACTED

Schedules for submission to external auditor

Bank reconciliation template

Schedule B

The model can be applied for reconciliations carried out at any time of the year. Please complete all green cells.

BANK RECONCILIATION		FINANCIAL YEAR ENDING 31 MARCH 2017	
Authority name and reference	SINK WILLOUGHBY PARISH COUNCIL LIN322		
Prepared by: Name	DENISE GASCOYNE	Date:	03/04/17
Role (Clerk/RFO etc)			
Approved by: Name	AHAN WILSON	Date:	
Role (RFO/Chair etc)			
Balance per bank statements as at 31 March 2017		£	TOTAL £
List balances on all bank accounts plus petty cash floats at 31 March 2017:		6607.96	6607.96
Less: any un-presented cheques at 31 March 2017: (normally only current account. List date, cheque number & value. Use separate list if needed)			
30.3.17 Chq 121 G. COOKE		288.00	288.00
30.3.17 Chq 122 HALC		136.73	136.73
Add any unbanked cash at 31 March 2017: (List date & amount received)			
TOTAL - NET BANK BALANCES AS AT 31 MARCH 2017		6183.23	Type equation here.

<i>The net balances reconcile to the Cash Book for the year, as follows:</i>	
CASH BOOK (receipts and payments/income & expenditure schedules)	£
Opening Balance:	5925.14
Add: Receipts in the year:	5193.05
Less: Payments in the year:	(4934.96)
CLOSING BALANCE PER CASH BOOK @ 31 MARCH 2017	6183.23
Must equal total net bank balances above and Section 2, Box 8	

Please complete all shaded boxes and send this form with your Annual Return to:
 Angela Ellison, Grant Thornton UK LLP, Royal Liver Building, LIVERPOOL L3 1PS
 or email to angela.j.ellison@uk.gt.com



Schedule C1

Identifying which variances require explanation

Positive and negative variances must be explained

Authority name and reference	SILK WILLOUGHBY PARISH COUNCIL LN322				
Box on Section 2 Accounting Statements	(a) 2016 £	(b) 2017 £	(c) Variance Increase(+) or decrease(-) (b - a) £	(d) Variance divided by 2016 figure times 100 (c / a * 100) %	Explanation required? Less than £250 and 15%? - NO More than 15%? - YES
Box 2 -Precept or Rates and Levies	3908	3983	75	1.92%	NO
Box 3 -Total other receipts	1774	1210	564	31.79%	YES
Box 4 -Staff costs	1453	1525	72	4.95%	NO
Box 5 -Loan interest/ capital repayments	NIL	NIL	NIL	NIL	NIL
Box 6 -All other payments	3442	3410	32	0.93%	NO
Box 9 -Total fixed assets plus long-term investments and assets	2710	9126	6416	237%	YES
Box 10 - Total borrowings	NIL	NIL	NIL	NIL	NIL



Suggested layout for explanations of individual variances

One sheet to be prepared for each variance that requires explanation.

Authority name and reference	WIN322 SILK WILLOUGHBY PARISH COUNCIL	
BOX NO	3	£
(b) Figure in 2017 column	1210	
(a) Figure in 2016 column	1774	
(d) Total variance: 2017 figure less 2016 figure: (b - a) A positive figure is an increase (+) a negative figure is a decrease (-)	(564) 31.79%	

Reasons (as many as are applicable)	Amount £
Reason 1 LCC Grass cutting refund	553
Reason 2	
Reason 3	
(e) TOTAL AMOUNT £ EXPLAINED (total of reasons above)	553
(f) Unexplained amount £ of total variance at (d - e)	11
Unexplained as % of 2016 figure (f / a * 100) (must be below 15%)	0.9%
Confirm unexplained amount is less than 15% of 2016 figure YES – satisfactorily explained NO – provide further explanations	YES