

Local Councils in England

Annual return for the year ended

31 March 2008

Local councils in England (Parish Meetings, Parish and Town Councils) with an annual turnover of £1 million or less must complete an annual return summarising their annual activities at the end of each financial year.

The annual return on the following pages is made up of four sections:

- **Sections 1 and 2** are to be completed by the person nominated by the council.
- **Section 3** will be completed by the external auditor.
- **Section 4** is to be completed by the council's internal audit provider.

The council must ensure this annual return is approved no later than 31 July 2008.

Please complete all sections highlighted in green. Do **not** leave any green box blank. Incomplete or incorrect returns may require additional external audit work and incur additional costs.

Please send the annual return, together with any additional information requested, to your appointed external auditor.

If required, your auditor will identify and ask for any documents needed for audit. Unless requested, please do **not** send any original financial records to the external auditor.

Audited and certified annual returns will be returned to the council for publication or public display of sections 1, 2 and 3.

Guidance notes, including a completion checklist, are provided on page 6 and at relevant points in the annual return.

It should not be necessary for councils to contact the external auditor or the Audit Commission directly for guidance.

Section 1 – Statement of accounts

BURTON-LE-KENDAL

COUNCIL/MEETING

In completing the boxes below please explain any significant variances on a separate sheet and send this to the external auditor together with a copy of your bank reconciliation as at 31 March 2008.

	Year ending		Notes and guidance
	31 March 2007 £	31 March 2008 £	
1 Balances brought forward	7,528	7,238	Total balances and reserves at the beginning of the year as recorded in the council's financial records. Value must agree to Box 7 of previous year.
2 (+) Annual precept	8,299	8,548	Total amount of precept received in the year.
3 (+) Total other receipts	7,705	4,148	Total receipts or income as recorded in the cashbook less the precept. Includes support, discretionary and revenue grants.
4 (-) Staff costs	3,215	3,414	Total expenditure or payments made to and on behalf of all council employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and related expenses.
5 (-) Loan interest/capital repayments	NONE	NONE	Total expenditure or payments of capital and interest made during the year on the council's borrowings (if any).
6 (-) Total other payments	13,079	7,686	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	7,238	8,834	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	7,238	8,834	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 and long term assets	NONE	NONE	The recorded book value at 31 March of all fixed assets owned by the council and any other long term assets e.g. loans to third parties.
10 Total borrowings	NONE	NONE	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).
11 Trust funds disclosure note	NO	NO	The council acts as sole trustee for and is responsible for managing [a] trust fund[s]/assets. (Readers should note that the figures above do not include any trust transactions.)

I certify that the statement of accounts contained in this annual return presents fairly the financial position of the council and its income and expenditure, or properly presents receipts and payments, as the case may be, for the year ended 31 March 2008.

Signed by Responsible Financial Officer



Date 17/04/2008

I confirm that these accounts were approved by the council and recorded as council minute reference APRIL ITEM 8

Date 17/04/2008

Signed by Chair of meeting approving council's accounts



Date 17/04/2008

Section 2 – Annual governance statement

We acknowledge as the members of Burton-in-Kendal COUNCIL/MEETING our responsibility for ensuring that there is a sound system of internal control, including the preparation of the statement of accounts. We confirm, to the best of our knowledge and belief, with respect to the council's statement of accounts for the year ended 31 March 2008, that:

	Agreed – Yes or No*	'Yes' means that the council:
1 we have approved the statement of accounts which has been prepared in accordance with the requirements of the Accounts and Audit Regulations and proper practices.	YES	prepared its statement of accounts in the way prescribed by law.
2 we have 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 have taken all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and codes of practice which could have a significant financial effect on the ability of the council to conduct its business or on its finances.	YES	has only done things that it has the legal power to do and has conformed to codes of practice and standards in the way it has done so.
4 we have provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	YES	has during the year given all persons interested the opportunity to inspect and ask questions about the council's accounts.
5 we have carried out an assessment of the risks facing the council and taken 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 have maintained throughout the year an adequate and effective system of internal audit of the council's accounting records and control systems and carried out a review of its effectiveness.	YES	arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether these meet the needs of the council and reviewed the impact of this work.
7 we have taken appropriate action on all matters raised in reports from internal and external audit.	YES	has responded to matters brought to its attention by internal and external audit.
8 we have 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 statement of accounts.	YES	disclosed everything it should have about its business during the year including events taking place after the year-end if relevant.
9 Trust funds – in our capacity as the sole managing trustee we have discharged our responsibility in relation to the accountability for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	N/A	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 the council and recorded as council minute reference

APRIL ITEM 8 dated 17/04/2008

Signed on behalf of Burton-in-Kendal COUNCIL/MEETING

Signed by: Chair P. Rogers Date 17/04/2008

Signed by: Clerk C. O'Neil Date 17/04/2008

Section 3 – External auditor's certificate and opinion

Certificate

We certify that we have completed the audit of the annual return for the year ended 31 March 2008 of

BURTON - IN KENDAL PARISH

COUNCIL/MEETING

Respective responsibilities of the council and the auditor

The council is responsible for the preparation of the accounts in accordance with the requirements of the Accounts and Audit Regulations and for the preparation of an annual return which:

- summarises the council's accounting records for the year ended 31 March 2008; and
- confirms and provides assurance on those matters that are important to our audit responsibilities.

Our responsibility is to conduct an audit in accordance with guidance issued by the Audit Commission and, on the basis of our review of the annual return and supporting information, to report whether any matters that come to our attention give cause for concern that relevant legislation and regulatory requirements have not been met.

External auditor's report

(~~Except for the matters reported below~~)* on the basis of our review, in our opinion the information contained in the annual return is in accordance with the Audit Commission's requirements and no matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met. (*delete as appropriate).

(continue on a separate sheet if required)

Other matters not affecting our opinion which we draw to the attention of the council/meeting:

(continue on a separate sheet if required)

External auditor's signature

BDO Stoy Hayward LLP

External auditor's name

BDO STOY HAYWARD LLP
SOUTHAMPTON SO14 3TL

Date

3/7/8

Section 4 – Annual internal audit report to

Burton-in-Kendal

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 2008.

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, opposite, are the internal audit conclusions on whether, in all significant respects, the following control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the council.

	Agreed? Please choose from one of the following Yes/No*/Not covered**
A Appropriate books of account have been properly kept throughout the year.	YES
B The council's financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for.	YES
C The council assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	YES
D The annual precept requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	YES
E Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	YES
F Petty cash payments were properly supported by receipts, expenditure was approved and VAT appropriately accounted for.	N/A
G Salaries to employees and allowances to members were paid in accordance with council approvals, and PAYE and NI requirements were properly applied.	YES
H Asset and investments registers were complete and accurate and properly maintained.	YES
I Periodic and year-end bank account reconciliations were properly carried out.	YES
J Year-end accounts were prepared on the correct accounting basis (receipts and payments/income and expenditure), agreed with cash book, were supported by an adequate audit trail from underlying records, and, where appropriate debtors and creditors were properly recorded.	YES
K The council has met its responsibilities as a trustee.	N/A

For any other risk areas identified by the council (list any other risk areas below or on separate sheets if needed) adequate controls existed:

* F THE PARISH COUNCIL DO NOT OPERATE A PETTY CASH SYSTEM ALL EXPENDITURE PAYMENTS ARE BY CHEQUE

* K PLEASE SEE SECTION 1 - 11

Name of person who carried out the internal audit

PETER JOHN TUGGS

Signature of person who carried out the internal audit

[Signature]

Date 13.04.08

Guidance notes on completing the 2008 annual return

- 1 Please make sure that your annual return is complete (i.e. no empty green boxes), and is properly signed and dated. Avoid making any amendments to the completed return. But, if this is unavoidable, make sure the amendments are approved by the council, properly initialled and an explanation for them is provided to the auditor. Annual returns containing unapproved and/or unexplained amendments will be returned unaudited.
- 2 Use the checklist provided below. Use a second pair of eyes, perhaps internal audit or the Chair, to review your annual return for completeness before sending it off to the auditor.
- 3 Please do not send the auditor any information that you are not specifically asked for. Doing so is not helpful.
- 4 Make sure that the copy of the bank reconciliation which you send to your auditor with the annual return covers **all** your bank accounts. If your council holds any investments, please note their value on the bank reconciliation. The auditor should be able to agree your bank reconciliation to Box 8 on the Statement of Accounts. **You must provide an explanation for any difference between Box 7 and Box 8.** More help on bank reconciliations is available in the *Practitioners' Guide**.
- 5 Please **explain fully** significant variances in the statement of accounts. Do not just send in a copy of your detailed accounts instead of this explanation. The auditor wants to know that **you** understand the reasons for the change. Please include a complete analysis to support your explanation. There are a number of examples provided in the *Practitioners' Guide** to assist you.
- 6 If the 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.
- 7 Please make sure that your statement of accounts adds up! Also please ensure that the balance carried forward from the previous year (Box 7 of 2007) equals the balance brought forward in the current year (Box 1 of 2008).
- 8 **Do not complete section 3.** This section is reserved for the external auditor who will complete it at the conclusion of their audit.
- 9 Use the *Practitioners' Guide** for guidance. This publication is regularly updated and contains everything you should need to prepare successfully for your financial year-end and the subsequent audit. Both NALC and SLCC have helplines open should you wish to talk through any problem you may encounter.

Completion checklist – 'No' answers mean you may not have met requirements		Done?
All sections	All green boxes have been completed?	YES
	All information requested by the external auditor has been sent with this annual return? Please refer to your notice of audit.	YES
Section 1	Council approval confirmed by signature of Chair of meeting approving accounts?	YES
	An explanation of significant variations from last year to this year is provided?	YES
	Bank reconciliation as at 31 March 2008 agreed to Box 8?	YES
	An explanation of any difference between Box 7 and Box 8 is provided?	
Sections 1 and 2	Trust funds – all disclosures made if council is a sole managing trustee? NB: Do not send trust accounts unless requested.	
Section 2	For any statement to which the response is 'no', an explanation is provided?	
Section 4	All green boxes completed by internal audit and explanations provided?	YES

BURTON-IN-KENDAL PARISH COUNCIL

2007/08

Explanatory Notes - Statement of Significant Variances

		2006/07	2007/08	Variance
	£	£	£	£
Balance brought forward (Line 1)		7528	7238	-290
Total Other Receipts (Line 3)		7705	4148	-3557
Variation due to the following items:				
Reduced grants received during the year	-3956			
Reduced insurance claims	-1974			
Bank interest higher	110			
VAT claimed lower	-600			
Contributions towards Pilot Lengthsman Scheme costs	2863			
Total Other Payments (Line 6)		13079	7686	-5393
Variation due to the following items:				
Reduced playing ground costs	-446			
Reduced replacement costs	-7095			
Pilot Lengthsman Scheme costs	3157			
Lower VAT	-600			
Reduced website costs	-110			
Other	-299			
Balance carried forward (Lines 7 & 8)		7238	8834	1596

Bank Reconciliation at 31 March 2008

Bank of Ireland Treasurers Deposit Account at 31.03.08	9,541.45
Less cheques not yet presented	-707.37
	<u>8,834.08</u>
Income & Expenditure Account	
Balance at 01.04.07 b/f	7,237.90
Income for the year	12,696.09
Less expenditure for the year	<u>11,099.91</u>
Balance at 31.03.08 c/f	<u>8,834.08</u>

BURTON-IN-KENDAL PARISH COUNCIL ACCOUNTS

Summary Income & Expenditure Account for the year ending 31 March 2008

2006/07	INCOME	2007/08
8,299.00	Precept	8,548.00
-462.93	Interest	573.34
0.00	Insurance and Rent repayment on Playing Ground	248.16
1,974.16	Insurance claim payment for signpost repair	0.00
3,956.00	Grants	0.00
0.00	Reimbursements from CCC & CALC for Lengthsman	2,863.37
1,312.02	Other	463.22
<u>16,004.11</u>	TOTAL	<u>12,696.09</u>
	EXPENDITURE	
669.75	Memorial plaque	0.00
3,956.00	3 new signposts	0.00
1,244.33	New notice board	35.25
2,466.51	Signpost repair	0.00
3,106.74	General admin/running costs	2,985.79
0.00	Chairman's Allowance	5.13
90.00	S.137	90.00
437.00	Lighting	613.73
859.00	Maintenance	568.06
3,464.55	Staff costs: Clerk	3,413.95
0.00	Lengthsman	3,388.00
0.00	Christmas tree & lights	0.00
<u>16,293.88</u>		<u>11,099.91</u>
	CUMULATIVE FUND BALANCE	
7,527.67	Balances b/f at 1.04.07	7,237.90
<u>16,004.11</u>	Add total income	<u>12,696.09</u>
23,531.78		19,933.99
<u>-16,293.88</u>	Less total expenditure	<u>-11,099.91</u>
<u>7,237.90</u>		<u>8,834.08</u>
9,704.41	BANK BALANCE at 31.03.08	9,541.45
<u>-2,466.51</u>	Less cheques not yet presented	<u>-707.37</u>
<u>7,237.90</u>		<u>8,834.08</u>

The above statement represents fairly the financial position of the authority as at 31 March 2008 and reflects its income and expenditure during the year.

Approved by Council: Date: 17.4.08

Chairman



Responsible Financial Officer

