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

## Annual return for the year ended 31 March 2016

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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 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](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 2015/16

We acknowledge as the members of:

Enter name of  
smaller authority here:

OLD MARSTON 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'<br>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<br>✓ | No<br>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:

dated

Signed by:

Chair

dated

Signed by:

Clerk

dated

\*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:

OLD MARSTON PARISH COUNCIL

|   | Year ending                                |                                | Notes and guidance  |
|---|--|--------------------------------|---|
|   | 31 March<br>2015<br>£                      | 31 March<br>2016<br>£          |   |
| 1. Balances brought forward   | 219170                                     | 247170                         | 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.<br>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  | 49522                                      | 50437                          | Total amount of precept or (for IDBs) rates and levies received or receivable in the year. Exclude any grants received.   |
| 3. (+) Total other receipts   | 24688                                      | 29778                          | 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  | 13374                                      | 15070                          | 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   | 32959                                      | 30890                          | 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   | 247047                                     | 281425                         | 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                                   | 247047                                     | 281425                         | 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                         | 255448                                     | 255448                         | 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   |
| 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<br><input checked="" type="checkbox"/> | No<br><input type="checkbox"/> | The Council acts as sole trustee for and is responsible for managing Trust funds or assets.<br>N.B. The figures in the accounting statements above do not include any Trust transactions.   |

I certify that for the year ended 31 March 2016 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

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

and recorded as minute reference:

Signed by Chair of the meeting approving these accounting statements.

Date

# Richard James

Small Business Accounting & Tax Solutions

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Ref: RAJ/O100

23 May 2016

Tim Cann  
Clerk to Old Marston Parish Council  
8 Nicholas Avenue  
Old Marston  
Oxford  
OX3 0RN

Dear Tim,

**Independent Examination year ended 31 March 2016**

Please find enclosed my independent examiner's report to the Accounts of Old Marston Parish Council for the year ended 31 March 2016.

During the course of my review, I would draw your attention to the following:

The Councils' Revenue Reserves held at 31 March 2016 were £281,425 which includes £244,045 in the Newbury Building Society. The 'Financial Services Compensation Scheme (FSCS) for deposits is limited to only £75,000. This is part of the management risk assessment process and should be given ongoing consideration.

I note the Council's annual budget includes a provision of £15,000 for expected expenditure on account of the 'New Pavilion'. In this regard, I would recommend the surplus over the actual cost remaining at the end of the financial year is specifically ear-marked to this planned project after retention of sufficient contingency Reserves for the Council's business objectives.

The Annual Return comparative figures in respect of the year ended 31 March 2015 should be adjusted to account for the opening Petty Cash Balance of £122.32 at 1 April 2015. A note to this effect should be brought to the attention of the external auditor when submitting the Return.

Should you require any further information or explanation in respect of the above, please do not hesitate to let me know.

Finally, I am taking this opportunity to enclose my fee invoice for the work carried out on behalf of the Council, for your kind attention.

Regards,

*Richard*

Richard James

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*Richard James FMAAT ATT*

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**INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF**

**OLD MARSTON PARISH COUNCIL**

**ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016**

I confirm I have carried out an independent examination of the attached Accounts for the year ended 31 March 2016.

**Basis of independent examiner's report**

The basis of my examination was carried out in accordance with the Accounts and Audit Regulations 2015. An examination includes a review of the accounting records kept by the Council and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the Reporting Financial Officer concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

**Independent examiner's statement**

In my opinion, the Council has maintained an adequate and effective system of internal audit of its accounting records and system of internal control in accordance with Regulation 6 of the Accounts and Audit Regulations 2015.

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep proper accounting records.
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Accounts and Audit Regulations 2015.

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Richard James FMAAT ATT

7 Priory Road  
Bicester  
Oxon  
OX26 6BL

**OLD MARSTON PARISH COUNCIL  
ACCOUNTS SUMMARY 2015/16**

|                                  | 31-Mar-15<br>£    | Adj<br>£ | Restated          | 31-Mar-16<br>£    |
|----------------------------------|-------------------|----------|-------------------|-------------------|
| <b>Income</b>                    |                   |          |                   |                   |
| Precept                          | 72,887.27         |          | 72,887.27         |                   |
| Other Income                     |                   |          |                   | 50,436.75         |
|                                  |                   |          |                   | <u>27,037.97</u>  |
|                                  |                   |          |                   | 77,474.72         |
| <b>Expenditure</b>               |                   |          |                   |                   |
| Staff Costs                      | 46,333.61         | (122.32) | 46,211.29         |                   |
| Other Payments                   |                   |          |                   | 15,069.56         |
|                                  |                   |          |                   | <u>30,890.45</u>  |
| Surplus/(Deficit)                |                   |          |                   | 45,960.01         |
| Deposit Interest Received        | 26,553.66         |          | 26,675.98         |                   |
|                                  | <u>1,324.43</u>   |          | <u>1,324.43</u>   |                   |
| Total Net Surplus                | 27,878.09         |          | 28,000.41         |                   |
|                                  | <u>219,170.35</u> |          | <u>219,170.35</u> |                   |
| Bank Balance as at 1 April 2015  | <u>247,048.44</u> |          | <u>247,170.76</u> |                   |
| Total Funds as at 31 March 2016  |                   |          |                   | <u>247,170.76</u> |
|                                  |                   |          |                   | <u>281,425.35</u> |
| Bank Balance as at 31 March 2016 | 28,180.98         |          | 28,180.98         |                   |
| Less: Unpresented Cheques        | (1,181.49)        |          | (1,181.49)        |                   |
| Add: Unpresented Bank Receipts   |                   |          |                   | 18,629.41         |
|                                  |                   |          |                   | -                 |
|                                  |                   |          |                   | -                 |
| Deposit Account                  | 26,999.49         |          | 26,999.49         |                   |
| Newbury Building Society         | 18,733.88         |          | 18,733.88         |                   |
| Petty Cash on Hand               | 201,315.07        |          | 201,315.07        |                   |
|                                  |                   | 122.32   | 122.32            |                   |
|                                  | <u>247,048.44</u> |          | <u>247,170.76</u> |                   |
|                                  |                   |          |                   | <u>281,425.35</u> |

