

Local Councils in England

Local councils in England 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. In this annual return the term 'local council' means a Parish Meeting or a Parish Council or a Town Council.

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

are to be completed by the person nominated by the local council.

will be completed by the external auditor.

is to be completed by the local council's internal audit provider.

Each council must ensure this annual return is approved no later than 30 June 2011.

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

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 your bank reconciliation as at 31 March 2011, an explanation of any significant year on year variances in the accounting statements and any additional information requested, to your appointed external auditor by the due date.

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.

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

More guidance on completing this annual return is available in the Practitioners' Guide for local councils that can be downloaded from www.nalc.gov.uk or from www.slcc.co.uk

Section 1 – Accounting statements for

LYTCHETT MATRAVERS PARISH COUNCIL

Readers should note that throughout this annual return references to a 'local council' or 'council' also relate to a parish meeting.

1	Balances brought forward	203,666 206,157	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	(+) Annual precept	45,750 45,750	Total amount of precept received or receivable in the year.
3	(+) Total other receipts	11,505 67,248	Total income or receipts as recorded in the cashbook less the precept received (line 2). Include any grants received here.
4	(-) Staff costs	12,246 12,668	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	Ø Ø	Total expenditure or payments of capital and interest made during the year on the council's borrowings (if any).
6	(-) All other payments	42,518 135,081	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	206,157 171,406	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	205,752 173,700	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	58,927 92,492	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 and any long term investments.
10	Total borrowings	Ø Ø	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).
11	Trust funds (including charitable) disclosure note	No No	The council acts as sole trustee for and is responsible for managing trust funds or assets. (Readers should note that the figures above do not include any trust transactions.)

I certify that for the year ended 31 March 2011 the accounting statements in this annual return present fairly the financial position of the council 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 the council on:

and recorded as minute reference:

Signed by Chair of the meeting approving these accounting statements.

Date

Section 2 – Annual governance statement

We acknowledge as the members of **LUTCHETT MATRAVERS 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 2011, that:

- | | | | |
|---|--|-----|--|
| 1 | We have approved the accounting statements prepared in accordance with the requirements of the Accounts and Audit Regulations and proper practices. | YES | prepared its accounting statements 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 that 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 | during the year has 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 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 the council. |
| 7 | We have taken 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 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 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 | Trust funds (including charitable) – 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 body 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 that has been given; and describe what action is being taken to address the weaknesses identified.