

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 2 – Accounting statements 2016/17 for

Enter name of
smaller authority here:

LUNEDALE PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2016 £	31 March 2017 £	
1. Balances brought forward	297	626	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	200	200	Total amount of precept (or for IDBs, rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	2100	2	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	0	0	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	1971	539	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	626	289	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	626	289	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	0	0	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	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	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:

R. L. H. H.

Date

09/05/2017

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

11-5-17

and recorded as minute reference:

MINUTE REFERENCE
6B

Signed by Chair at meeting where approval is given:

J. H. H.

Section 3 – External auditor report and certificate

In respect of:

Enter name of
smaller authority here:

LUNEDALE PARISH COUNCIL

1. Respective responsibilities of the body and the auditor

This smaller authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The smaller authority prepares an annual return in accordance with proper practices which:

- summarises the accounting records for the year ended 31 March 2017; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

Our responsibility is to review the annual return in accordance with guidance issued by the National Audit Office (NAO) on behalf of the Comptroller and Auditor General (see note below). Our work does not constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and does not provide the same level of assurance that such an audit would do.

2. 2016/17 External auditor report

(Except for the matters reported below)* on the basis of our review of the annual return, in our opinion the information in the annual return is in accordance with proper practices and no other matters have come to our attention giving cause for concern that relevant legislative 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 smaller authority:

(continue on a separate sheet if required)

3. 2016/17 External auditor certificate

We certify/do not certify* that we have completed our review of the annual return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2017.

* We do not certify completion because:

External auditor signature

External auditor name

Date

Note: The NAO issued guidance applicable to external auditors' work on 2016/17 accounts in Auditor Guidance Note AGN/02. The AGN is available from the NAO website (www.nao.org.uk)

Annual internal audit report 2016/17 to

Enter name of
smaller authority here:

LUNEDALE 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 2017.

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

K. (For local councils only)	Yes	No	Not applicable
Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

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

PRINT NAME DAVID TEMPLE

Signature of person who carried out the internal audit

SIGNATURE *David Temple*

Date

28/5/2017

*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 2016/17 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 initialled and explanation provided. Annual returns containing unexplained or unapproved amendments may be returned and incur additional costs.
3. **Smaller authorities must approve Section 1 on page 2 before approving Section 2 on page 3.**
4. Use the checklist provided below. Use a second pair of eyes, perhaps a Councillor or Board Member, to review the annual return for completeness and accuracy before sending it to the external auditor.
5. 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.
6. 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*.
7. 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 a complete numerical and narrative analysis to support your explanation. There are a number of examples provided in the Practitioners' Guide* to assist you.
8. 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.
9. **You must inform the external auditor of the date set for the commencement of the period for the exercise of public rights.**
10. Make sure that your accounting statements add up and the balance carried forward from the previous year (Box 7 of 2016) equals the balance brought forward in the current year (Box 1 of 2017).
11. 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?	
	All additional information requested, including the dates set for the period for the exercise of public rights , has been provided for the external auditor?	
Section 1	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 variations from last year to this year is provided?	
	Bank reconciliation as at 31 March 2017 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.	
Internal Audit report	All highlighted boxes completed by internal audit and explanations provided?	

*Note: The Practitioners' Guide is 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.

TO BE SUBMITTED TO BDO LLP WITH THE ANNUAL RETURN AND SUPPORTING INFORMATION

NAME OF SMALLER AUTHORITY:	LUNEDALE PARISH COUNCIL
DATE INSPECTION PERIOD COMMENCED:	

Please note this information must be provided to the auditor in accordance with the Accounts and Audit Regulations 2015. If this is not confirmed we may charge an additional fee in obtaining the information.

Roger Sunderland
RFO and Clerk

Signature:



Date: 9 May 2017

IMPORTANT TIPS

DOs

- The inspection period must be for a period of 30 (thirty) working days.
- It must include the first 10 working days of July.
- The earliest the inspection period can commence is Monday 5 June
- The latest the inspection period can commence is Monday 3 July
- The inspection period must start the day after the notice, approved section 1 and approved section 2 are published on your website (parish meetings must publish it somewhere conspicuous).

DONTs

- The inspection period should not be commencing before the annual governance statement and accounting statements are approved
- The inspection period should not be commencing on a date on or after 4 July

LUNEDALE PARISH COUNCIL AUDIT RETURN FOR YEAR ENDED 31st March 2017

Explanation of Quantified Significant Variances for Boxes 3 and 6.

- Box 3 for year ending 31st March 2016 includes a one off charitable receipt of monies, which were ring fenced for purchase of a defibrillator for the local community as described in our previous audit return.
- Box 6 reflects the payment out of the monies for the defibrillator, with the majority of funds being paid in the 2015/2016-year and the remainder in the 2016/2017-year. These payments are shown on the copies of our bank statement enclosed.

Roger Sunderland
RFO and Clerk

Signature:



Date: 9 May 2017



Bank Account(s):
(list all bank accounts)

BARCLAYS. (ACCT 20536458 Sort 20-25-29) £288.76

Less unpresented cheques (list):

NIL

Add uncleared payment (list):

NIL

Add Petty Cash:

£ 0.00

Add Short term Investments (these are interest bearing accounts only,
all investments whose capital value changes over time are long term
investments and must be included in fixed assets):
(note: a market value for investments should be obtained)

£ 0.00

Total

£ 288.76

What is the figure in Box 8 in Section 1 of the Annual Return?

£ 289

Does the total equal Box 8 in Section 1 of the Annual Return?

Yes / ~~No~~

If No, there is an error in this statement, as you must be able to verify the figure in box 8.

Sort Code 20-25-29
Account No 20536458

SWIFTBIC BARCGB22

IBAN GB10 BARC 2025 2920 5364 58

Issued on 3 May 2016

01732 XUB2199A D00121 33000 2529 1438502011

MR ROGER SUNDERLAND
GREENGATES
THRINGARTH
MIDDLETON IN TEESDALE
BARNARD CASTLE
DL12 0NU



At a glance

02 May 2015 – 29 Apr 2016

Start balance	£496.88
Money out	£2,350.30
> Commission charges	£0.00
> Tax paid	£0.00
Money in	£2,302.00
> Gross interest received	£0.00
> Net interest received	£0.00
End balance	£448.58

Your deposit is eligible for protection by the Financial Services Compensation Scheme.

Your Community Account

Date	Description	Money out £	Money in £	Balance £
2 May	Start Balance			496.88
9 Jun	Cheque issued Ref: 100144 <i>NALC M'SHIP</i>	10.30 ✓		486.58
11 Aug	Deposit re 42 Middleton in Tee 100001 <i>DEFIBRILLATOR DONATION</i>		700.00	1,186.58
17 Sep	Deposit re 02 Barnard Castle 100002 <i>DEFIBRILLATOR DONATION</i>		1,400.00	2,586.58
10 Dec	Cheque issued Ref: 100145 <i>CARLBEEK HALL RENTAL</i>	40.00 ✓		2,546.58
20 Jan	Cheque issued Ref: 100146 <i>DEFIB (3rd Party)</i>	1,718.10 ✓		828.48
2 Feb	Cheque issued Ref: 100147 <i>DEFIB INSTALL (3rd Party)</i>	188.00 ✓		640.48
23 Mar	Cheque issued Ref: 100148 <i>DEFIB PLAQUE (3rd Party)</i>	14.61 ✓		625.87
7 Apr	Cheque issued Ref: 100149 <i>DEFIB BALANCE TO CARLBEEK (3rd Party)</i>	179.29 ✓		446.58
	Cheque issued Ref: 100150 <i>CARLBEEK DEFIB. MAINT. CONTRIBUTION</i>	200.00 ✓		246.58
	Direct credit from Durham County Coun Ref: 3110516		202.00	448.58
29 Apr	Balance carried forward			448.58
	Total Payments/Receipts	2,350.30	2,302.00	

RECONCILIATION 2016

If you notice any incorrect or unusual transactions, see the next page for how to get in touch with us.

001732 4093 XUB2199A 1438502011 1 of 2

MG 3311 XUB2667A 2529 1423334011

Sort Code 20-25-29
Account No 20536458

SWIFTBIC BARCGB22

IBAN GB10 BARC 2025 2920 5364 58

Issued on 3 May 2017

MR ROGER SUNDERLAND
GREENGATES
THRINGARTH
MIDDLETON IN TEESDALE
BARNARD CASTLE
DL12 0NU



Your Community Account

At a glance

30 Apr 2016 – 02 May 2017

Date	Description	Money out	Money in	Balance
30 Apr	Start Balance			448.58
4 Jul	Cheque issued Ref: 100151 <i>COALC/NALC M'SHIP</i>	12.62 ✓		435.96
30 Dec	Cheque issued Ref: 100152 <i>CLERK SLCC M'SHIP</i>	48.00 ✓		387.96
7 Mar	Cheque issued Ref: 100153 <i>CARLISLE HALL RENTAL</i>	40.00 ✓		347.96
31 Mar	Cheque issued Ref: 100154 <i>CLERK TRAINING</i>	59.00 ✓		288.96
5 Apr	Cheque issued Ref: 100155 <i>CLERK MILEAGE TO TRAINING AT DCC</i>	55.80 ✓		233.16
6 Apr	Direct credit from Durham County Coun Ref: 3265933		204.00	437.16
2 May	Balance carried forward			437.16
	Total Payments/Receipts	215.42	204.00	

Start balance	£448.58
Money out	£215.42
► Commission charges	£0.00
Money in	£204.00
► Gross interest earned	£0.00
End balance	£437.16

Your deposit is eligible for protection by the Financial Services Compensation Scheme.

Over the next few months you may notice a change to the numbering of your statements. For each of the accounts you hold, the page numbering will start from page 1. The issue date at the top right hand corner will help you sequence your statements. Please be aware you may receive this message more than once.

RECONCILIATION 2017

Anything wrong? If you notice any incorrect or unusual transactions, see the next page for how to get in touch with us.

GA 003311 6827 XUB2667A 1423334011 1 of 3