



Local Councils in England

Annual return for the year ended 31 March 2009

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 30 June 2009.

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.

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

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Section 1 – Statement of accounts for

ROSEDALE EAST AND WEST PARISH COUNCIL

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 2009.

| | Year ending | | Notes and Guidance |
|---|---------------|---------------|---|
| | 31 March 2008 | 31 March 2009 | |
| 1 Balances brought forward | 3,196 | 3,870 | 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 | 3,950 | 4,070 | Total amount of precept received in the year. |
| 3 (+) Total other receipts | 2,243 | 2,951 | Total receipts or income as recorded in the cashbook less the precept. Includes support, discretionary and revenue grants. |
| 4 (-) Staff costs | 1,243 | 1,165 | 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 borrowings (if any). |
| 6 (-) Total other payments | 4,276 | 5,072 | 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 | 3,870 | 4,654 | 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 | 3,870 | 4,654 | 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 | 268 | 268 | 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 | NIL | NIL | The outstanding capital balance as at 31 March of all loans from third parties (including PWLB). |
| 11 Trust funds (including charitable) disclosure note | N/A | N/A | 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 the statement of accounts contained in this annual return presents fairly the financial position of the council/meeting and its income and expenditure, or properly presents receipts and payments, as the case may be, for the year ended 31 March 2009.

Signed by Responsible Financial Officer



Date

14/5/09

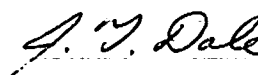
I confirm that these accounts were approved by the council/meeting and recorded as minute reference

05574

Date

16/5/09

Signed by Chair of meeting approving this statement of accounts



Date

14/05/2009

Section 2 – Annual governance statement

We acknowledge as the members of **ROSEDALE EAST AND WEST PARISH COUNCIL** 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 statement of accounts for the year ended 31 March 2009, that:

| | YES/NO | MEETS THE COUNCIL/MEETING |
|---|--------|---|
| 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. | 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'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. | 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 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 council/meeting and recorded as minute reference

05574.

dated 16/5/09

Signed on behalf of **ROSEDALE EAST AND WEST PARISH COUNCIL**

Signed by: Chair

G. V. Dale

Date 14/05/2009.

Signed by: Clerk

[Signature]

Date 14/05/2009.

*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.

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 2009 of

ROSEDALE EAST AND WEST 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 2009; 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).

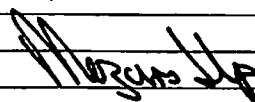
(continue on a separate sheet if required)

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

THE 2007/08 FIGURES IN SECTION 1 HAVE BEEN RESTATED TO SEPARATELY DISCLOSE £268 CONSOLIDATED STOCK IN BOX 9, WHICH WAS PREVIOUSLY INCLUDED WITHIN BOX 8.

(continue on a separate sheet if required)

External auditor’s signature



External auditor’s name

Mazars LLP, Southampton, SO15 2BE

Date

19/8/09

Note: The auditor signing this page has been appointed by the Audit Commission and is reporting to you that they have carried out and completed all the work that is required of them by law. For further information please refer to the Audit Commission’s publication entitled *Statement of Responsibilities of Auditors and of Audited Small Bodies*.

Section 4 – Annual internal audit report to

ROSEDALE EAST AND WEST PARISH COUNCIL

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 2009.

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.

| Internal control objective | Y. GREEN / PLEASE CHOOSE FROM ONE OF THE FOLLOWING YES / NO / N/A |
|--|---|
| 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 - no petty (Not covered) cash float or payments) |
| 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 Trust funds (including charitable) 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:

none

Name of person who carried out the internal audit

JOHN SWADLOW

Signature of person who carried out the internal audit

[Signature]

Date *09/05/2009*

***Note:** 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 2009 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 and may incur additional costs.
- 2 Use the checklist provided below. Use a second pair of eyes, perhaps a member 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 short-term 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 financial statements 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 2008) equals the balance brought forward in the current year (Box 1 of 2009).
- 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.

| Section | Checklist Item | Status |
|------------------|--|--------|
| | All green boxes have been completed? | ✓ |
| All sections | All information requested by the external auditor has been sent with this annual return? Please refer to your notice of audit. | ✓ |
| | Council approval confirmed by signature of Chair of meeting approving accounts? | ✓ |
| Section 1 | An explanation of significant variations from last year to this year is provided? | ✓ |
| | Bank reconciliation as at 31 March 2009 agreed to Box 8? | ✓ |
| | An explanation of any difference between Box 7 and Box 8 is provided? | NA |
| Sections 1 and 2 | Trust funds – all disclosures made if council is a sole managing trustee? NB: Do not send trust accounts unless requested. | NIA |
| 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? | ✓ |

*Note: *Governance and Accountability for Local Councils in England – A Practitioners' Guide 2008 edition*, is available from your local NALC and SLCC representatives or from www.nalc.gov.uk or www.slcc.co.uk

Rosedale East and West Parish Council

Bank Account Reconciliation

Financial Year ending 31 March 2009

Prepared by: A. Morley Parish Clerk and Responsible Financial Officer
Kalithea,
Rosedale Abbey,
Pickering,
North Yorks
YO18 8RA Tel: 01751 417663

Date: 25-Apr-09

| | £ | £ |
|--|-----------------|------------------------|
| Bank account reconciliation | | |
| Balance as per bank statements as at 31 March 2009: | | |
| Yorkshire Bank Current account | 5,295.28 | |
| Consolidated Stock | <u>0.00</u> | |
| | | 5,295.28 |
| Less Unpresented cheques at 31 March 2009 | | |
| Cheque no 382 | (176.25) | |
| 383 | (100.00) | |
| 384 | <u>(365.00)</u> | |
| | | (641.25) |
| Add: unbanked cash at 31 March 2009 | | |
| Net balance as at 31 March 2009 | | <u><u>4,654.03</u></u> |
| Cash book | | |
| Opening balance 1 April 2008 | 3,870.36 | |
| Add Consoliated Stock (excluded as now treated as a long term asset) | <u>0.00</u> | |
| | | 3,870.36 |
| Add: Receipts for the year | | 7,021.39 |
| Less: Payments in the year | | (6,237.72) |
| Closing balance per cash book as at 31 March 2009 | | <u><u>4,654.03</u></u> |

Rosedale East and West Parish Council

Explanation of Variances

Financial Year ending 31 March 2009

Prepared by: A. Morley Parish Clerk and Responsible Financial Officer

Date: 25-Apr-09

| Section 1 | 2007/08 Restated £ | 2008/09 £ | Variance £ | Detailed explanation of variances |
|---|--------------------------|--------------|---------------|--|
| Box 2 Precept | £3,950 | £4,070 | £120 | RPI increase on Parish Precept |
| Box 3 Other income | £2,243 | £2,951 | £708 | Increase in the grant received from National Park Authority for the Caretaker project |
| Box 4 Staff Costs | £1,243 | £1,165 | (£78) | 2007/08 covered 2 months of the previous year's costs. |
| Box 5 Loan interest/ capital | £0 | £0 | £0 | |
| Box 6 Other payments | £4,276 | £5,072 | £796 | Increased number of hours charged by Village Caretaker |
| Box 9 Fixed Assets and long term assets | £268 | £268 | £0 | Revised treatment of investment in British Government Stock (previously included in Bank balances) |
| Box 10 Total Borrowings | £0 | £0 | £0 | |

The 2007/08 Box 9 value has been restated to show the Consolidated Stock as a Long term asset.