

LOCAL COUNCILS IN ENGLAND AND WALES

**ANNUAL RETURN**

FOR THE YEAR ENDED 31 MARCH 2003

HESSAY PARISH

COUNCIL/MEETING

**SECTION 1 – THE STATEMENT OF ACCOUNTS**

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 period ended 31 March 2003.

(Responsible Financial Officer) LINDA CARISS Date 22/7/03

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

ANNUAL PARISH MEETING dated 14/4/03 Signed on behalf of the above council

(Chair of meeting approving council's accounts) Robert Cariss Date 22/7/03

**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 2003. See page 6 for guidance.**

	Year ending		Notes and Guidance for Compilers
	31 March 2002 £	31 March 2003 £	
1 Balances brought forward	3620	3546	<b>General:</b> Please round all figures to nearest £. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to the council's underlying financial records for the relevant year. Total balances and reserves at the beginning of the year as recorded in the council's financial records.
2 (+) Annual precept	259	264	Total amount of precept income received in the year.
3 (+) Total other receipts	1577	1534	Total income or receipts as recorded in the cashbook minus the precept.
4 (-) Staff costs	180	238	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	0	0	Total expenditure or payments of capital and interest made during the year on the council's borrowings (if any).
6 (-) Total other payments	1730	990	Total expenditure or payments as recorded in the cashbook minus staff costs (line 4) and loan/interest expenditure/payments (line 5).
7 (=) Balances carried forward	3546	4116	Total balances and reserves at the end of the year. (Must equal (1+2+3) – (4+5+6))
8 Total cash & investments	3546	4116	The sum of all current and deposit bank accounts, cash holdings and investments held as at 31 March – to agree with bank reconciliation.
9 Total fixed assets	0	0	The recorded current book value at 31 March of all tangible fixed assets owned by the council as recorded in the asset register.
10 Total borrowings	0	0	The outstanding capital balance as at 31 March of all loans from third parties (usually PWLB).

## SECTION 2 – STATEMENT OF ASSURANCE

We acknowledge as the members of HESSAY PARISH Council/Meeting

our responsibility for the preparation of the accounts and confirm, to the best of our knowledge and belief, with respect to the council's accounts for the year ended 31 March 2003, that:

Agreed – Yes or No*	'Yes' means that the council:
1 we have approved the accounts which have been prepared in accordance with the requirements of the Accounts and Audit Regulations and proper practices.	prepared its accounts in the way prescribed by law.
YES	
2 we have maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption.	made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.
YES	
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.	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.
YES	
4 we have provided proper opportunity for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	has given all persons interested the opportunity to inspect and ask questions about the council's accounts.
YES	
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.	considered the financial and other risks it faces in the operation of the council and has dealt with them properly.
YES	
6 we have maintained an adequate and effective system of internal audit of the council's accounting records and control systems.	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.
YES	
7 we have taken what we consider to be appropriate action on all matters raised in previous reports from the internal and external auditors.	has taken appropriate action in response to matters brought to its attention by auditors.
YES	
8 we are not aware of any litigation, liabilities or commitments, events or transactions, occurring either during or after the end of the financial year being reported, other than those included in the accounts.	disclosed everything it should have about its business during the year including events taking place after the year-end if relevant.
YES	

This Statement of Assurance is approved by the council and recorded as council minute reference

ANNUAL PARISH MEETING dated 14/4/03

Signed on behalf of HESSAY PARISH Council/Meeting

Signed by: Chair [Signature] Date 22/7/03

Signed by: Clerk [Signature] Date 22/7/03

**\*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 of   
 Council/Meeting for the year ended 31 March 2003.

### 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 2003; 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 wish to draw to the attention of the council/meeting;

(continue on a separate sheet if required)

External Auditor’s signature

External Auditor’s name  Date

#### **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 Local Councils and their Auditors*.

# SECTION 4 – ANNUAL INTERNAL AUDIT REPORT TO

**HESSAY PARISH** **COUNCIL/MEETING**

The council's internal audit, acting independently and on the basis of an assessment of risk, has included carrying out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ended 31 March 2003.

The 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 control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the council.

- Appropriate books of account have been properly kept throughout the year.
- The council's financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for.
- The council assessed the significant risks to achieving its objectives and had adequate arrangements to manage these.
- The annual precept requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.
- Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.
- Petty cash payments were properly supported by receipts, expenditure was approved and VAT appropriately accounted for.
- Salaries to employees were paid in accordance with council approvals and PAYE and NI requirements were properly applied.
- Asset and investments registers were complete and accurate and properly maintained.
- Periodic and year-end bank account reconciliations were properly carried out.
- Year end accounts were prepared on the correct accounting basis (receipts & payments/income & expenditure), agreed with cash book, were supported by an adequate audit trail from underlying records, and, where appropriate debtors and creditors were properly recorded.
- For any other risk areas identified by the council (list any any other risk areas below or on separate sheets if needed) adequate controls existed:

**Agreed?** Please choose from one of the following Yes/No\*/Not covered\*\*

Yes
Yes
Yes
Yes
Yes
N/A No petty cash kept
Yes
Yes
Yes
Yes
Yes

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Name of person who carried out the internal audit **MRS S SMITH**

Signature of person who carried out the internal audit: *Shirley Smith* Date: **1-10-03**

\* 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).  
 \*\*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, explain why not (add separate sheets if needed).