

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 1 – Annual governance statement 2016/17

We acknowledge as the members of:

Enter name of
smaller authority here:

FOSTON AND THORNTON - LE - CLAY P.C.

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 2017, that:

	Agreed		'Yes' 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	No	has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts.
		NA	

This annual governance statement is approved by this smaller authority on:

07/06/2017

and recorded as minute reference:

APCM

Signed by Chair at meeting where approval is given:



Clerk:



*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 1 – Annual governance statement 2016/17

We acknowledge as the members of:

Enter name of smaller authority here:

FOSTON AND THORNTON - LE - CLAY P.C.

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 2017, that:

	Agreed		'Yes' 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	No	has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts.
		NA	


This annual governance statement is approved by this smaller authority on:

07/06/2017


and recorded as minute reference:

APCM

Signed by Chair at meeting where approval is given:



Clerk:



*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 2016/17 for

Enter name of smaller authority here:

FOSTON AND THORNTON - LE - CLAY P.C.

	Year ending		Notes and guidance				
	31 March 2016 £	31 March 2017 £					
1. Balances brought forward	8842	8801	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	2500	2500	Total amount of precept (or for IDBs, rates and levies) received or receivable in the year. Exclude any grants received.				
3. (+) Total other receipts	1253	4191	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	1422	1314	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	2372	977	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	8801	13201	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	8801	13201	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	5103	5103	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)	<table border="1"> <tr> <td>Yes</td> <td>No</td> </tr> <tr> <td></td> <td>N/A</td> </tr> </table>		Yes	No		N/A	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.
Yes	No						
	N/A						

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:

RAH

Date

07/06/2017

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

07/06/2017

and recorded as minute reference:

ARCM

Signed by Chair at meeting where approval is given:

[Signature]

Section 3 – External auditor report and certificate

In respect of:

Enter name of
smaller authority here:

POSTON & THRENTON-LE-CLAY

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 (NY0211)

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.

Other matters not affecting our opinion which we draw to the attention of the smaller authority:

In the completion of the Annual Internal Audit Report the internal auditor has drawn attention to weaknesses in relation to the council's reserves policy. The smaller authority must ensure that action is taken to address these areas of weakness in a timely manner.

We note that the smaller authority did not comply with Regulation 15 of the Accounts and Audit Regulations 2015 as it failed to make proper provision during the year 2017/18 for the exercise of public rights, since the approval date was after the start of the period for the exercise of public rights. As a result, the smaller authority must answer 'No' to Assertion 4 of the Annual Governance Statement for 2017/18 and ensure that it makes proper provision for the exercise of public rights during 2018/19.

The smaller authority has confirmed that it has not complied with the governance assertion in Section 1, Box 5, but it has not provided the appointed auditor with an explanation for non-compliance and details of the actions necessary to address weaknesses identified. This weakness was also identified by the Internal Auditor in completion of the Annual Internal Audit Report.

3. 2016/17 External auditor certificate

We 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.

External auditor signature

AW Littlejohn

External auditor name

PKF Littlejohn LLP

Date

10-9-17

Note: The NAO issued guidance applicable to external auditors' work on 2016/17 accounts in Auditor Guidance Note AGN02. 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:

FOSTON AND THORNTON-LE-CLAY 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.	✓		
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.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
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) 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 MR CHRIS PILKINGTON

Signature of person who carried out the internal audit  Date 06/06/2017

*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.

Yorkshire Local Councils Associations Internal Audit Service Checklist for Year Ending 31 March 2017

Name of Council	Foston and Thornton-le-Clay Parish Council	Name of Clerk:	Fiona Hill
No. of councillors	7	Name of RFO (if different)	-
Quorum	3	Precept	£2,500
Electorate	234 (as of March 2015)	Gross budgeted income	£2,965

1. Book Keeping

1.1. Ledger maintained and up to date?	Yes		In the future all entries in the ledger need to match the dates when money is received in the Parish Council bank account(s). The bank charges from 25 March 2016 should have been included in the 2015/2016 accounts rather than in those for 2016/2017. ✓
1.2. Arithmetic correct?	Yes		The figures for the year balance. ✓
1.3. Evidence of Internal Control?	No		Little evidence of internal control checks was provided and what there was did not pick up any of the errors and discrepancies noted in this report. A robust system of internal control must be put in place by the Council and regular checks made by councillors. If there is not enough time at meetings of the Council to do this then they should be done between meetings. ✓
1.4. VAT evidence, recording and reclaimed?	Yes		The cashbook did not note all the VAT for 2016/2017 which should have been noted. For example the payment to the PKF Littlejohn but external audit work. ✓
1.5. Payments in ledger supported by invoices, authorised and minuted? (see schedule)	Yes		<p>Most but not all payments were supported by the appropriate invoices etc and the Council needs to ensure that in future there is some paperwork relating to every payment and receipt. For example there was no e-mail or invoice from the District Council relating to the polling station payment and defibrillator payments made to the Council and in invoices from the Village Hall for the use of their meeting room.</p> <p>Throughout the year salary payments to the Clerk noted in the minutes do not match the amounts on the relevant cheques (for example the September minutes record £91.03 but the payment made was for £93.38). I have explained to the Clerk that these figures need to match and that the Council needs to revisit these figures in case there has been an under or overpayment of PAYE to HMRC. In future the Council may wish to engage the services of a payroll services company to carry out this work.</p> <p>The bank used by the Council is applying charges to the account and the Council should establish what these charges are for. ✓</p>
1.6. S137 separately recorded and within limits?	Yes	No	Not applicable as the Council holds the General Power of Competence. ✓

1.7. S137 expenditure of direct benefit to electorate?	Yes	No	Not applicable as the Council holds the General Power of Competence. ✓
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2. Due Process

2.1. Standing Orders adopted since 2013?	Yes		Revised wording was adopted 6 July 2017 ✓
2.2. Standing Orders reviewed at annual meeting?		No	Revised at the July meeting ✓
2.3. Financial Regulations adopted?	Yes		
2.4. FRs properly tailored to council?		No	The Council appears to have adopted the NALC model financial regulations without tailoring them to the Council where options are given in the model document. The Council needs to address this. ✓
2.5. Equal Opportunities policy adopted?	Yes		
2.6. Adequate internal controls for payments?		No	Insufficient evidence of regular and robust internal controls was presented. For example cheque stub 100445 was for £91.03 whereas the payment made was for £93.03. If the controls had been in place then such errors should have been picked up. As mentioned above the Council needs to put in place a more robust process of internal control checks. ✓
2.7. List of member interests held?		No	The Council either needs to display copies of the register of interests on its website or provide a link to the relevant section of the Ryedale District Council website. ✓
2.8. Agendas signed, informative and displayed with 3 clear days notice?		No	No agendas for 2016/2017 were presented to me or are available on the Council's website. Under the Transparency Code for Smaller Authorities the agendas of meetings should be published on the website no later than three clear days before the relevant meeting. The Council therefore needs to start doing this as a matter of routine. ✓
2.9. Purchase orders raised for all expenditure?	Yes	No	N/A ✓
2.10. Purchasing authority defined in FRs?	Yes		
2.11. Legal powers identified in minutes and/or cashbook?	Yes	No	Not applicable during the year but for any new activity or projects they should be. ✓
2.12. Committee terms of reference exist and have been reviewed?	Yes	No	Not applicable as the Council does not have any committees. ✓

3. Risk Management

3.1. Does scan of minutes reveal any unusual activity?		No	
3.2. Annual risk assessment carried out?		No	Insufficient evidence of consideration of the financial and other risks facing the Council was supplied. ✓
3.3. Insurance cover appropriate and adequate?	Yes	No	Whether the cover is appropriate and adequate can be answered once more detailed consideration of risks facing the Council has taken place. For example the current cover is based on the Council holding less than £10k of assets but the asset register does not record the insurance (i.e. replacement) value of

			the current assets. ✓
3.4. Evidence of annual insurance review?		No	The Council should review its requirements once a year. ✓
3.5. Internal financial controls documented and evidenced?		No	See comments above. More rigorous internal control checks need to be made. ✓
3.6. Minutes initialled, each page identified and overall signed?	Yes		
3.7. Regular reporting and minuting of bank balance?	Yes		I understand that the figures are reported but the Council may wish to record the relevant bank balances in the minutes. ✓
3.8. S137 expenditure minuted?	Yes	No	N/A as we understand the Council holds the General Power of Competence. ✓

4. Budget

4.1. Annual budget to support precept?	Yes		
4.2. Has budget been discussed and adopted by council?	Yes		
4.3. Any reserves earmarked?		No	Whilst the Council has adopted a reserves policy in January 2017 it still needs to decide its required levels of allocated and unallocated reserves and note that information in its financial statements. ✓
4.4. Any unexplained variances from budget?		No	
4.5. Precept demand correctly minuted?	Yes		

5. Payroll – Clerk and other employees

5.1. Contract of employment?	Yes		The contract should be reviewed to make sure that its provisions are all up to date. ✓
5.2. Tax code issued / contracted out?	Yes		The Council operates its own payroll and the BR tax code is used. ✓
5.3. PAYE / NI/RTI evidence?	Yes		Please see comments in 1.5 regarding salary payments. ✓
5.4. Has council approved salary paid?	Yes		Please see comments in 1.5 regarding salary payments ✓
5.5. Other payments reasonable and approved by council?	Yes		
5.6. Wageslips and P60 evidence?			Wageslips were presented but no P60. A P60 for the year should be produced. ✓

6. Payroll – Other

6.1. Contract of employment?	Yes	No	N/A There are no other employees. ✓
6.2. Does council have public liability cover?	Yes		
6.3. Tax code(s) issued?	Yes	No	N/A There are no other employees. ✓
6.4. Minimum wage/National Living Wage paid?	Yes		
6.5. Pension obligations met?			The Council has a declaration of compliance. It is not clear though that it is sending regular updates to the Pensions Regulator. The Council should therefore seek advice from the Regulator as to what it should be sending to them and when. ✓
6.6. Complaints procedure in place?	Yes		

7. Asset Control			
7.1. Does council keep a register of all material assets owned?	Yes		
7.2. Is asset register up to date?	Yes		
7.3. Value of individual assets included?	Yes		The value of the assets needs to be reviewed to reflect purchase costs where known. Insurance (replacement) costs should also be included in the register. ✓
7.4. Inspected for risk and up to date inspection records exist	Yes		
7.5. Record of deeds, articles and land register references available?	Yes		

8. Bank Reconciliations			
8.1. Is there a bank reconciliation for each account?	Yes		
8.2. Reconciliation carried out on receipt of statement?	Yes		The Council does not receive monthly statements and may wish to consider registering for online banking so that up to date financial information can be printed off as and when required. ✓
8.3. Any unexplained balancing entries in any reconciliation?		No	

9. Year End Procedures			
9.1. Year end accounts prepared on correct accounting basis?	Yes		
9.2. Bank statements and ledger reconcile?	Yes		
9.3. Underlying financial trail from records to presented accounts?	Yes		Yes with a few exceptions as detailed in 1.1. ✓
9.4. Where appropriate, debtors and creditors properly recorded?	Yes	No	Not applicable as accounts prepared on a payments and receipts basis. ✓
9.5. Has council agreed, signed and minuted sections 1 & 2 of the annual return?		No	I understand that this will be done at the Council meeting on 7 June 2017. ✓


10. Miscellaneous			
10.1. Have points raised at the last audit been addressed?		No	Some actions have been undertaken but others not or only partially. The Council should revisit the recommendations of the last internal audit and make sure they are implemented in full. For example stronger evidence of internal control checks. ✓
10.2. Has the council adopted a Code of Conduct since July 2012?	Yes		
10.3. Is eligibility for General Power of Competence properly evidenced?	Yes		
10.4. Are all electronic files backed up?	Yes		On to a portable hard drive. ✓
10.5. Do arrangements for public inspection of council's records exist?	Yes		The Clerk reported that the appropriate notices are displayed. ✓
10.6. Is the Council compliant with the Transparency Code for Smaller Authorities?		No	I looked at the information displayed on the http://foston-thorntonleclay.ryedaleconnect.org.uk/ website and little or none of the required information for 2016/2017 was displayed. The Council should make sure that the website is updated with the information which the code requires to be displayed. ✓

Transaction Spot Check – NB All transactions during the year were looked at

Check No.	1	2	3	4	5	6
Ledger date						
Item / Budget heading						
Ref/cheque no.						
Order minute ref						
Delivery evidence						
Payment minute ref						
Invoice value						
Minute value						
Cheque value						
Statement value						
Timely payment						
VAT recorded						
S137 recorded in ledger						
S137 minuted						
Notes						

Annual Return

	Year ending 31 March 2016	Year ending 31 March 2017
1. Balances brought forward	8842	8801
2. Annual precept	2500	2500
3. Total other receipts	1253	4191
4. Staff costs	1422	1314
5. Loan interest/capital repayments	0	0
6. Total other payments	2372	977
7. Balances carried forward	8801	13201
8. Total cash and investments	8801	13201
9. Total fixed assets and long term assets	5103	5103
10. Total borrowings		

Internal audit carried out by		Chris Pilkington (YLCA)
Audit type (delete as appropriate)		Annual
Date	06 June 2017	

For auditor's use only	
Section 5 of Annual Return Form completed and signed	Yes
Report/letter sent to council	Yes
Copy of internal auditor's report sent to YLCA	N/A

Foston & Thornton-le-Clay Parish Council

Bank Reconciliation as at 31 March 2017

Balance b/f 01 April 2015	8800.61
Add receipts	6690.96
	<u>15491.57</u>
Less payments	2290.82
Balance c/f	<u><u>13200.75</u></u>

Balance at bank and in hand:

Investment account	2632.04
Current account	10216.71
Petty Cash	0.00
	<u>12848.75</u>

Unpresented items:

Ref	Amount
Big Breakfast	400.00
100456	24.00
100458	12.00
100460	12.00
	<u>48.00</u>
	<u><u>13200.75</u></u>

Big Breakfast:	
Income taken on day	875.45
Expenses	-285.98
Float	-30.00
Cleaning Products	-7.99
	<u>551.48</u>

Big Breakfast: £50.00
A Giving Account Cheque was received, which has been sent to the Charities Trust for clearance.

RDC Community Fund:
The Parish Clerk has submitted a grant application for £1250.00?

Annual Return:

Box 1	8801
Box 2	2500
Box 3	4191
Box 4	1314
Box 5	0.00
Box 6	977
Box 7	13201
Box 8	13201
Box 9	See Asset List
Box 10	0

Foston & Thornton-le-Clay Parish Council

Inc&Exp 6690.96
S/b Zero 0.00

RECEIPTS 2016 -2017

Date	Payer	Description	Reference	Amount	Precept	Rent	Neighbours	Interest	VAT	Defib Appeal	
11/04/2016	RAY	Good Neighbours Scheme	2	6690.96	2500.00	130.00	300.00	15.72	228.00	3337.24	180.00
26/04/2016	RDC	Precept	1	300.00							0.00
17/05/2016	HMRC	VAT Refund	3	1250.00	1250.00				228.00		0.00
01/07/2016	Parishioners	Defibrillator Appeal		300.00						300.00	0.00
14/07/2016	Parishioners	Defibrillator Appeal		20.00						20.00	0.00
26/07/2016	Parishioners	Defibrillator Appeal		250.00						250.00	0.00
26/07/2016	RDC	Polling (To Be Paid To VIII Hall)		120.00							120.00
03/08/2016	Parishioners	Defibrillator Appeal		50.00						50.00	0.00
25/06/2016	Jolly Jumblers	Defibrillator Appeal		169.74						169.74	0.00
06/09/2016	Parishioners	Defibrillator Appeal		120.00						120.00	0.00
22/08/2016	Parishioners	Defibrillator Appeal		20.00						20.00	0.00
28/09/2016	RDC	Precept	1	1250.00	1250.00						0.00
21/10/2016	YLCA	Refund of overpayment		60.00						60.00	0.00
28/09/2016	Garage Sale	Defibrillator Appeal		30.00						30.00	0.00
07/11/2016	Parishioners	Defibrillator Appeal		50.00						50.00	0.00
09/11/2016	Parishioners	Defibrillator Appeal		100.00						100.00	0.00
09/11/2016	NYCC	Defibrillator Appeal	5	1000.00						1000.00	0.00
01/12/2016	Parishioners	Defibrillator Appeal		30.00						30.00	0.00
31/10/2016	Big Breakfast	Defibrillator Appeal		551.48						551.48	0.00
01/01/2017	NS&I	Interest Capitalisation		15.72				15.72			0.00
25/01/2017	Bullys Fund	Defibrillator Appeal		646.02						646.02	0.00
01/03/2017	Kinglake	Allotment Rent	4	100.00		100.00					0.00
21/03/2017	Shipleys	Allotment Rent	4	30.00		30.00					0.00

Annual Return:
Box 2 2500.00
Box 3 4190.96
6690.96

Foston & Thornton-le-Clay Parish Council

PAYMENTS 2016 -2017

Incl&Exp 2290.82
5/6 Zero 0.00

Date	Payee	Description	Ref	Cheque	Amount	Insurance	Clerk	Rent	Subs	Expenses	Charges	Legal	Pension	Schemes	Training	Audit	Misc	S137	VAT	2290.82
06/04/2016	Fiona Hill	Clerks Salary	1	100425	2290.82	251.85	1252.56	252.00	118.00	61.32	9.75	0.00	0.00	43.74	0.00	156.00	0.00	121.33	24.27	2290.82
06/04/2016	Village Hall	Rental	2	100426	89.83	89.83	89.83	12.00												0.00
04/04/2016	YLCA	Subscription	3	100427	118.00			12.00	118.00											0.00
04/05/2016	Fiona Hill	Clerks Salary	4	100428	89.88	89.88	89.88													0.00
		Cancelled	5	100429																0.00
04/05/2016	Chris Walker	Key Cutting	6	100430	33.30			12.00		0.00				33.30						0.00
04/05/2016	Village Hall	Rental	7	100431	12.00															0.00
25/03/2016	HSBC	Bank Charges	8	DR	1.50					1.50										0.00
01/06/2016	Fiona Hill	Salary	9	100432	93.38		93.38													0.00
01/06/2016	HMRC	PAYE	10	100433	67.80		67.80													0.00
01/06/2016	Zurich	Insurance	11	100434	251.85	251.85														0.00
02/06/2016	YLCA	Internal Audit	12	100435	60.00															0.00
03/06/2016	RDC	Dog Bin	13	100436	145.60															0.00
24/06/2016	HSBC	Total Charges	14	DR	1.65					1.65										0.00
06/07/2016	Fiona Hill	Clerks Salary	15	100437	93.38		93.38													0.00
06/07/2016	Village Hall	Rental	16	100438	12.00			12.00												0.00
03/08/2016	Fiona Hill	Salary	17	100439	91.03		91.03													0.00
03/08/2016	Fiona Hill	Home Work Allow	18	100440	17.68					17.68										0.00
03/08/2016	Village Hall	Hire Fee	19	100441	12.00			12.00												0.00
03/08/2016	Village Hall	Polling Fee	20	100442	120.00			120.00												0.00
03/08/2016	Morpian	Carrier Bags	21	100443	10.44									10.44						0.00
03/08/2016	YLCA	Internal Audit	22	100444	60.00															0.00
07/09/2016	Fiona Hill	Salary	23	100445	93.03		93.03									60.00				0.00
07/09/2016	Village Hall	Hire Fee	24	100446	12.00			12.00												0.00
23/09/2016	HSBC	Total Charges	25	DR	3.00					3.00										0.00
05/10/2016	Fiona Hill	Salary	26	100447	88.68		88.68													0.00
05/10/2016	HMRC	PAYE	27	100448	90.40		90.40													0.00
05/10/2016	Village Hall	Rental	28	100449	12.00			12.00												0.00
05/10/2016	Fiona Hill	Expenses	29	100450	43.64					43.64										0.00
02/11/2016	Fiona Hill	Salary	30	100451	91.03		91.03													0.00
02/11/2016	Village Hall	Rental	31	100452	12.00			12.00												0.00
02/11/2016	Littlejohn LLP	External Audit	32	100453	36.00															0.00
07/12/2016	Fiona Hill	Salary	33	100454	91.03		91.03									36.00				0.00
23/12/2016	HSBC	Total Charges	34	DR	2.55					2.55										0.00
04/01/2017	Fiona Hill	Salary	35	100455	91.03		91.03													0.00
04/01/2017	Village Hall	Rental	36	100456	24.00			24.00												0.00
01/02/2017	Fiona Hill	Salary	37	100457	91.03		91.03													0.00
01/02/2017	Village Hall	Rental	38	100458	12.00			12.00												0.00
01/03/2017	Fiona Hill	Salary	39	100459	91.03		91.03													0.00
01/03/2017	Village Hall	Rental	40	100460	12.00			12.00												0.00
24/03/2017	HSBC	Total Charges	41	DR	1.05					1.05										0.00

Annual Return:
Box 4 1313.88
Box 5 0.00
Box 6 976.34
2290.82

