#### Local Councils in England Annual return for the financial year ended 31 March 2015

Local councils in England with an annual turnover of £6.5 million or less must complete an annual return in accordance with proper practices summarising their activities at the end of each financial year. In this annual return the term 'local council' includes a Parish Meeting, a Parish Council and a Town Council.

The annual return on pages 2 to 5 is made up of four sections:

- Sections 1 and 2 are completed by the person nominated by the local council.
- Section 3 is completed by the external auditor appointed by the Audit Commission.
- Section 4 is completed by the local council's internal audit provider.

Each council must approve this annual return no later than 30 June 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 sections highlighted in green. Do not leave any green box blank. Incomplete or incorrect returns require additional external audit work and may incur additional costs.

Send the annual return, together with your bank reconciliation as at 31 March 2015, an explanation of any significant year on year variances in the accounting statements and any additional information requested, to your external auditor by the due date.

Your external auditor will identify and ask for any additional documents needed for their work. Therefore, unless requested, do not send any original financial records to the external auditor.

Once the auditor has completed their work, certified annual returns will be returned to the local council for publication or public display of sections 1, 2 and 3. You must publish or display the annual return, including the external auditor's report, by 30 September 2015.

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 for local councils that can be downloaded from www.nalc.gov.uk or from www.slcc.co.uk

#### Section 1 - Accounting statements 2014/15 for

Enter name of reporting body here:

HESLINGTON

PAUSH

Council/Meeting

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

	:	Year	ending	Notes and guidance
		31 March 2014 £	31 March 2015 £	Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to underlying financial records.
1	Balances brought forward	9772	9181	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	10926	13 <del>5110</del> 6	Total amount of precept received or receivable in the year.  Excludes any grants received.
3	(+) Total other receipts	1747	1660	Total income or receipts as recorded in the cashbook less the precept received (line 2). Include any grants received here.
4	(-) Staff costs	3610	6640	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	1146	1051	Total expenditure or payments of capital and interest made during the year on the council's borrowings (if any).
6	(-) All other payments	850 <b>8</b>	2020	total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).
<b>7</b>	(=) Balances carried forward	9181	12826	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	1819	12826	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 other long term investments and assets	(5000	65200	Theoriginal Asset and Investment Register value of all fixed dissets, plus other long term assets owned by the council as at 31 March
10	Total borrowings	980	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).
11	Disclosure note To (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 2015 the accounting statements in this annual return present fairly the financial position of the council and its income and expenditure, or properly present receipts and payments, as the case may be

Signed by Responsible Financia/Office

Date 23/1/w/5

I confirm that these accounting statements were approved by the council on this date:

2311 mys.

and recorded as minute reference:

Signed by Chair of the meeting approving these accounting statements.

Date 25 |5 | 15

#### Section 2 – Annual governance statement 2014/15

We acknowledge as the members of:

#### HESLINGTON PARISH

Council/Meeting

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 2015, that:

		Agre Yes	ed – No*	'Yes' means that the council:
1	We approved the accounting statements prepared in accordance with the requirements of the Accounts and Audit Regulations and proper practices.	1	:	prepared its accounting statements in the way prescribed by law.
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 the council to conduct its business or on its finances.	<b>√</b>		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.	<b>\</b>		during the year has given all persons interested the opportunity to inspect and ask questions about the council's accounts
5	We carried out an assessment of the risks facing the council and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	<b>\</b>		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 council accounting records and control systems.	<b>✓</b>		arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of the council.
7	We took appropriate action on all matters raised in reports from internal and external audit.	$\sqrt{}$		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 the council and, where appropriate have included them in the accounting statements.	$\sqrt{}$		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 discharged our responsibility in relation to the accountability for the fund(s)/assets, including financia reporting and, if required, independent examination or audit.		no N/	has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts.

by the council and recorded as minute reference

Chair

dated

Signed by

Clerk

dated

\*Note: Please provide explanations to the external auditor on a separate sheet for each 'No' response. Describe how the council will address the weaknesses identified.

## Section 3 – External auditor certificate and report 2014/15 Certificate

We certify that we have completed our review of the annual return, and discharged our responsibilities under the Audit Commission Act 1998 as transitionally saved, for the year ended 31 March 2015 in respect of:

#### HESUNGTON PORISH

Council/Meeting.

#### Respective responsibilities of the body and the auditor

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

- summarises the accounting records for the year ended 31 March 2015; and
- confirms and provides assurance on those matters that are important to our audit responsibilities.

Our responsibility is to review the annual return in accordance with guidance issued by the Audit Commission (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.

External	auditor	report a	(ACNY0276)	Ì
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On the basis of or	ur review	of the a	annua	l return	, in	our	opinion t	he info	rmation	in t	he annua	l retu	irn is in a	ccordance	with
proper practices	and no r	matters	have	come	to c	our	attention	giving	cause	for	concern	that	relevant	legislation	and
regulatory require	ments ha	ve not b	een n	net.										_	

The figures in Box 1 and Box 3 have not been reinstated to £9,780 and £1,739 respectively for the prior year.
As a result of incorrect information supplied to the Council by the precepting authority, the Annual Return was not accurately completed before submission for audit. Section 1, Box 2, the annual precept, does not agree to the figure notified to us by the precepting authority. The figures in Boxes 2 and 3 should read £11,623 and £1733 respectively. Please ensure that the correct figures are used in next year's Annual Return when completing the comparatives. (NB: As notified in our letter of 9 March 2015, all the precept figures published by the precepting authorities each year are available for checking on our website prior to completion of the Annual Return.)

External auditor name PKE Littleio

PKF Littlejohn LLP

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

Date

13 September 2015

Note: The Audit Commission issued guidance in its Standing Guidance, which is applicable to external auditors' work on 2014/15 accounts.

#### Section 4 – Annual internal audit report 2014/15 to

HESLIHOTONI PARISH

Council/Meeting

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 2015.

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 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 the council.

Ini	ernal control objective		Please choose of the following
		Yes No*	Not covered**
Α	Appropriate accounting records have been kept properly throughout the year.	<b>/</b>	
В	The council's financial regulations have been met, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	<b>/</b>	
С	The council assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	$\checkmark$	et.
D	The annual precept requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓ ·	
Ε	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.		PERY CASH NOT HELD
G	Salaries to employees and allowances to members were paid in accordance with council approvals, and PAYE and NI requirements were properly applied.	/	
Н	Asset and investments registers were complete and accurate and properly maintained.	1	
ŀ	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, were supported by an adequate audit trail from underlying records, and where appropriate debtors and creditors were properly recorded.	/	
κ	Trust funds (including charitable) The council met its responsibilities as a trustee.	Yes No	Not applicable
			<b>✓</b>

For any other risk areas identified by the council (list any other risk areas below or on separate sheets if needed) adequate controls existed:

Name of person who carried out the internal audit JANET BENNETT SERVICES

Signature of person who carried out the internal audit Janet Beneto Date 01/06/2015

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 2014/15 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 audit. Both NALC and SLCC have helplines if you want to talk through any problem you encounter.
- 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 drawn to the attention of and approved by the council, properly initialled and an explanation is provided to the external auditor. Annual returns containing unapproved or unexplained amendments will be returned unaudited and may incur additional costs.
- 3 Use the checklist provided below. Use a second pair of eyes, perhaps a council member or the Chair, to review your annual return for completeness before sending it to the external auditor.
- Do not send the external auditor any information not specifically asked for. Doing so is not helpful. However, you must notify the external auditor of any change of Clerk, Responsible Finance Officer or Chair.
- 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 council 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 1). 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\*.
- 6 Explain fully significant variances in the accounting statements on page 2. 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 complete analysis to support your explanation. There are a number of examples provided in the Practitioners' Guide\* to assist you.
- 7 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.
- 8 Make sure that your accounting statements add up and the balance carried forward from the previous year (Box 7 of 2014) equals the balance brought forward in the current year (Box 1 of 2015).
- 9 Do not complete section 3. The external auditor will complete it at the conclusion of the audit.

Completion chec	cklist – 'No' answers mean you may not have met requirements	Done?
1	All green boxes have been completed?	<b>1</b>
All sections	All information requested by the external auditor has been sent with this annual return? Please refer to your notice of audit.	1
	Council approval confirmed by signature of Chair of meeting approving accounting statements?	1
Section 1	An explanation of significant variations from last year to this year is provided?	
	Bank reconciliation as at 31 March 2015 agreed to Box 8?	1
	An explanation of any difference between Box 7 and Box 8 is provided?	
Sections 1 and 2	Trust funds – all disclosures made if council is a sole managing trustee? NB: Do not send trust accounting statements unless requested.	1
Section 2	For any statement to which the response is 'no', an explanation is provided?	Si
Section 4	All green boxes completed by internal audit and explanations provided?	

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

# YORKSHIRE INTERNAL AUDIT SERVICES 26 STOCKWELL ROAD KNARESBOROUGH NORTH YORKSHIRE HG5 0JZ TELEPHONE 01423 797817

Mrs Fiona Hill
Clerk to Heslington Parish Council
The Byre
Fieldhouse Farm
Thornton-le-Clay
York
YO60 7QA

Dear Mrs Hill

### To the Chairman and Members of Heslington Parish Council Internal Audit of Accounts for the Financial Year ending 31 March 2015

I am pleased to tell you that the internal audit for 2014/15has been carried out in accordance with the internal audit plan. Appropriate tests and checks were carried out on the accounts, management arrangements and internal controls to ascertain if they are operating as expected, I can confirm that internal controls are operating as expected, with the exception of those noted below. Matters raised in last year's report have been addressed by the council and action taken. Further comment on one item is noted below.

There is one new matter to bring to members' attention detailed in the following paragraphs.

Section 4 of the Annual Return (the Annual Internal Auditors Report) has been completed as required.

#### **Authorisation of Payments**

An important internal control of the Council is the supervisory control of receipts and payments which are monitored by members. Payments made are listed with the relevant cheque number in the minutes and approved at the meeting.

Audit work in previous years showed that not all payments were minuted and in some instances values were incorrectly stated. Direct debits and standing orders were also omitted from the list of payments and were therefore not authorised. Last year's audit showed a little improvement but there were still a number of payments (including direct debits) omitted from the minutes and some incorrectly stated.

As part of this year's audit I again tested the authorisation and accuracy of payments reported in the minutes. Although the errors have reduced in number and all

payments have been recorded there were a few where the value approved in the minutes did not match the amount actually paid. The majority of these were for salary payments to the clerk and the lengthsman but in all instances the amounts actually paid were correct and lower than the amounts authorised. However although the actual payments made were for the correct values it is important that the minutes reflect accurately what has been approved by the Council.

It is the Council's responsibility to assure themselves that the information contained in the minutes is accurate and complete before approval and signature and I again recommend that the Council ensure that this is the case.

#### **Employment**

The Council has two employees, the clerk and the lengthsman who are paid in accordance with their contracts and at the rate approved by the Council. Both are subject to income tax, however no tax has been paid to Her Majesty's Revenue and Customs (HMRC) during the year on behalf of the lengthsman and no payments in respect of the clerk's tax have been made since October 2014. There were similar difficulties in 2013/14 due to problems with the introduction of the Real Time Information system but these should now be resolved. Although both employees have been paid net of tax and not been overpaid it is important that the Council as an employer ensures that their liability to HMRC for tax and National Insurance is met.

I would like to thank Mrs Hill for her assistance and attention during my visit.

Yours sincerely

JL Bennett July 2015 23

PARTNERS ~ KC Stephenson

RF Entwistle

Tel: 0113 2585610

Tel 01423 797817

PRINCIPAL AUDITOR ~ Mrs JL Bennett Tel: 01924 260573

#### **Heslington Parish Council**

#### Bank Reconciliation as as 31 March 2015

Balance brought forward at (	01 April 2014	9180.95
Add receipts		13355.78
		22536.73
Less payments		9710.55
		12826.18
Balance at bank and in hand		
Investment account	7194.02	
Current account	6113.96	
Petty Cash	0.00	
·	13307.98	
Unpresented items:		
Ref Amount		
1579	240.90	
1583	240.90	

0.00

481.80

12826.18

0.00

# **HESLINGTON PARISH COUNCIL**

# RECEIPTS 2014-2015

			Local					
Date Description	Reference Amount	Precept	Plan	DI	DT Interest Misc		VAT	13355.78
	13355.78	12910.00	0.00	0.00	10.81	0.00	0 434.97	00'0
03/01/2014 Gross Interest	3.63				3.63		-	300
30/04/2014 City Of York Council	6455.00	6455.00						0.00
04/07/2014 Gross Interest	3.56				3.56			0:30
30/09/2014 City Of York Council	6455.00	6455.00						4,30
27/10/2014 HMRC	434.97						434.97	0.00
02/01/2015 Gross Interest	3.62				3.62			00'0

HESLINGTON PARISH COUNCIL

PAYMENTS 2014-2015

					PAYNE	PAYMEN IS 2014-2015	£											
Date Description	Reference Meeting	Amount	Parish	40	_	insurance (									2	YAT	T 9710.56	9
		0,100	Clerk		Membership	AE 60	Expenses L	Letter N	Maint	Audit	Loan 1050 95	rojacts	Figure 6	SOUND 20.	22	9	\$6.08	
		"	3313.34	3083.53	415.00	420.00	ĺ			Т	2000	3	Ì	١			18	:
15/04/2014 Flona Hill			256.62	;	•												200	· ·
15/04/2014 David Murray				321.21													8 8	U
15/04/2014 YLCA		7			409.00												8.6	
15/04/2014 York Environment Forum	1544 15/04/2014				10.00												0.00	٠.
20/05/2014 Fiona Hill	1546 20/05/2014		256.62														0.00	=
20/05/2014 David Murray	1547 20/05/2014	4 256.97		256.97													00.0	7
20/05/2014 Zurich Municipal	1548 20/05/2014	4 458.60 V				458.60											0.00	2
17/06/2014 Fiona HIM	1549 17/06/2014	4 256.62.	256.62														0.00	4
17/06/2014 David Murray	1550 17/06/2014	4 256.97		256.97													0.00	4
17/06/2014 York Print Company	1551 17/06/2014	4 56.40 ~						56.40									0.00	-1
17/06/2014 Heslington Church	1552 17/06/2014	4 100.00 ~												100.00			00'0	٠.
17/06/2014 Hestington Church	1553 17/06/2014	200:00												00,00			0.00	:
15/07/2014 Fiona Hill	1554 15/07/2014	4 256.62 -	256.62														0.0	w
15/07/2014 David Murray	1555 15/07/2014			256.97													0.00	e.
15/07/2014 Yorkshire Internal Audit Services	1556 15/07/2014	Γ.								280.00							8:3	2
15/07/2014 Village Planters - Mr B McClean	1557 15/07/2014	4 13.50 <												-	13.50		0.00	v.
19/08/2014 Flona Hill	1558 19/08/2014	4 256.62	256.62														0.00	5
19/08/2014 Devid Murray	1559 19/08/2014	4 256.97 -	•	256.97													00.0	2
08/09/2014 Loan Repayment											537.37						00.0	-:
16/09/2014 Floba Hiki	1560		256.62														0.00	v
16/09/2014 David Murray				256.97													0.00	9
19/05/2014 David Mallay			783.73														0.00	13
ZI/IO/ZOI4 FIORA TIM			200000														00'0	
21/10/2014 HMRC	-		203.604				42.15										000	:
21/10/2014 Fiona Hill	1564 21/10/2014	43.16					43.16										200	
Cancelled																	000	
21/10/2014 Flona Hill							34.58										0.00	4
21/10/2014 David Murray	1567 21/10/2014			256.97													0.00	
21/10/2014 PKF LittleJohn	1568 21/10/2014									100,00							20.00	
18/11/2014 Fiona Hill	1569 18/11/2014		256.62														00'0	4
18/11/2014 David Murray		C		256.97													00.0	
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16/12/2014 Flona Hill			256.62														0.00	-=
16/12/2014 David Murray	1574 16/12/2014	~		240.91													0.00	Ð
16/12/2014 S Liddell	1575 16/12/2014								88.50								0.00	,
20/01/2015 Flone Hitl			256.62			J.•											0.00	÷
20/01/2015 David Murray	1577 20/01/2015			240.91													0.00	~
24/02/2015 Flona Hitl	1578 24/02/2015		265.61														00'0	ю
24/02/2015 David Murray	1579 24/02/2015	5 240.90		240.91													0.00	٠.
24/02/2015 Flona Hill - Website Domain Name	1580 24/02/2015														7.20		0.00	c
24/02/2015 P&F Hawkswell	1581 24/02/2015								110.00								22.00	r
09/03/2015 Loan Repayment	DDR 17/03/2015	5 513.58									513.58						0.00	ti.
17/03/2015 Fiona HiR	1582 17/03/2015		265.61														0.00	4
17/03/2015 David Murray	1583 17/03/2015	5 240,90		240.90													0.00	v

Income and Expenditure Account Year Ending 31 March 2015	th 2015				
31/03/2014	31/03/2015	Budget	Diff +/-	Ring Fenced Funds	
Посоте				1	
11950.00 CYC Precept	12910.00	12910.00	00.00	9/01628/FUL	at 361.72
Local Plan - Village Trust Contribution				II-Nov-11 ? Midgley House, Spring Lane	
	454.97				
11.49 Bank Interest	10.81				
Bank Charges Refunded					
1527 90 Total Income	13355.78	12910 00	-445.78		
TOTAL THEORIE					
Expenditure					
		3900.00	386.56		
3854.52 Lengthsman	3083.63	3900.00	816.37		
	458.60	\$50.00	91.40		
1145.51 Loan Repayments	1050.95	1300.00	249.05		-
	132.00	150.00	18.00		
İ	419.00	450.00	31.00		
1934.00 Local Plan		1000.00	1000.00		
	77.74	150.00	72.26		A. 19.
400.00 Audits	400.00	400.00	00'0		
	112.40	200.00	87.60		
	etc 162.79	250.00	87.21		
			The state of the s	AME TO MAKE TO	
		00000	0.000		
12524.18	9410.55	17730,00	7829.43	A CONTRACTOR OF THE CONTRACTOR	
239.97 Capital Projects - Shed, Filing Cabinet		300.00	300.00		
	300.00 €	\$00.00	200.00		
	V V V V V V V V V V V V V V V V V V V	90 900	00,000		
739.97	200,005	900.00	200.000		
0.00 Section 137 expenditure					
			77 0000		
13264.15 Total Expenditure	9710.55	13050.00	3339.45	f .	
-591 26 Surplus/(Deffect)	3645.23	-140.00	-3785.23		
	_				