

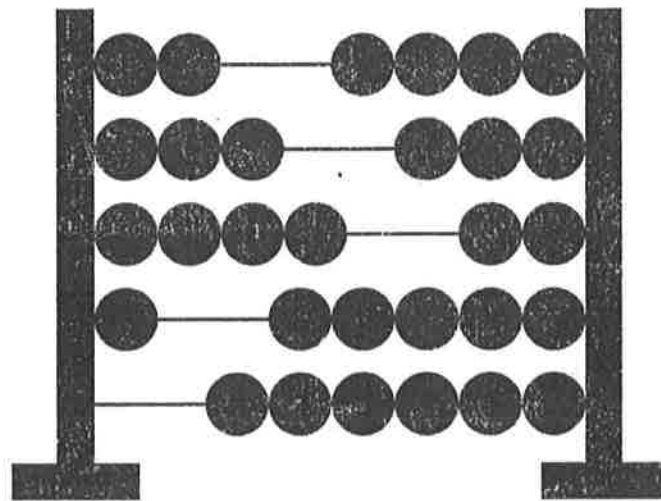


What to do now

Local Councils

Audit of 2014/15 accounts

Basic Audits



Section 1
Advertising the Audit - Notice of Appointment of Date for the Exercise of Electors Rights

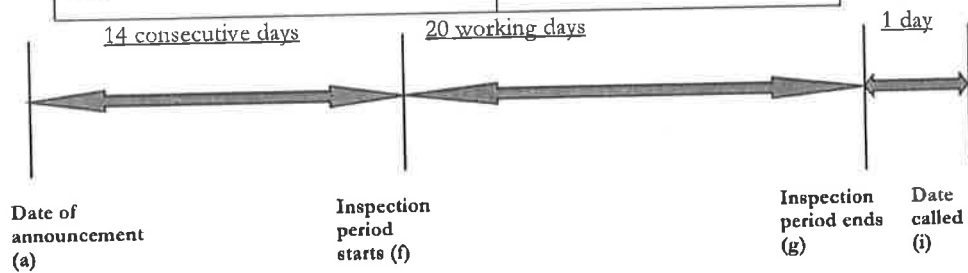
How do you advertise the audit?

If you cannot meet the appointed audit date (you can find this in the first paragraph on page 1 of your letter) please contact us **immediately** to arrange another date.

Complete the Notice of Appointment of Date for the Exercise of Electors' Rights (please use the pro forma notice included with your letter).

Examples of latest dates to use if clerk is available Monday to Friday each week are set out at Appendix 1 of your letter.

	Letter reference on Proforma Notice supplied
Date of announcement	(a)
Inspection period starts	(f)
And ends 20 working days later	(g)
Appointed audit date (Date called) must be at least 1 day after end of inspection period	(i)
Submit for audit	At end of inspection period



Use a calendar

Work backwards from the appointed audit date

Minimum **20 working days** for inspection

Exclude bank holidays, weekends and other days when inspection is not possible

Minimum **14 consecutive days** between date notice is advertised and start of inspection period

Display the completed notice and the notes which accompany it (Councils' Accounts: A Summary of Your Rights) in a conspicuous place from the date of announcement to the end of the inspection period.

Section 3 Fees

Audit fees

The scale of audit fees was set by the Audit Commission and published in "Audit of Small Bodies – Scale of fees 2012/13 to 2016/17". Your audit fee will be based on the greater of total income (box 2 plus box 3 on Section 1); and expenditure (box 4 plus box 5 plus box 6 on Section 1) in accordance with the scale of fees:

Audit fees 2012/13 to 2016/17

Income / Expenditure Band (£)	Fee excluding VAT (£)
0 to 10,000	No fee payable
10,001 to 25,000	100
25,001 to 50,000	200
50,001 to 100,000	300
100,001 to 200,000	400
200,001 to 300,000	600
300,001 to 400,000	800
400,001 to 500,000	1,000
500,001 to 750,000	1,300
750,001 to 1,000,000	1,600
1,000,001 to 2,000,000	2,000
2,000,001 to 3,000,000	2,400
3,000,001 to 4,000,000	2,800
4,000,001 to 5,000,000	3,200
5,000,001 to 6,500,000	3,600

Additional fees

Annual Returns that have to be returned to the council because they are not properly completed, or failure to send the requested information or the Annual Return to us on time may incur **additional fees** over and above the flat rate audit fees above, set by the Audit Commission.

Additional fees are charged at the following hourly rates:

Partner/Director	£325
Senior manager/manager	£180
Senior auditor	£115
Junior auditor	£85
Administrative staff	£85

If you have incurred a fee for your audit you will be invoiced a few days after you receive your audited Annual Return. All fees will have VAT charged at the standard rate of 20%.

Section 4
Information required for audit

a) Bank Reconciliation

What is a bank reconciliation?

A bank reconciliation is a control schedule prepared by the council that agrees the balance per the bank statement at the year end (31 March) to the bank balance per the council's own records. It is good practice for bank reconciliations to be prepared regularly throughout the year and approved by the council.

More than one bank account?

The bank reconciliation(s) should cover all the council's bank accounts. If the council has more than one bank account it is helpful if you can provide a summary of the bank reconciliations that agrees to box 8 on the Annual Return in addition to the detailed reconciliations prepared for each account.

It is helpful if the year-end bank reconciliation is set out and submitted to us based on the suggested format below.

If there are no outstanding items at the year-end you must still supply a bank reconciliation. A zero or "Nil" should be included in the relevant lines on the schedule or a clear statement should be made to that effect.

LOCAL COUNCIL NAME STOUGHTON PARISH Council
COUNTY LEICESTERSHIRE

BANK RECONCILIATION YEAR ENDED 31 MARCH 2015

		£
A	Balance on the bank statement at 31 March 2015 (taken from bank statement)	16,738
	Outstanding items	
B	Less unpresented cheques (to agree with attached list)	0
C	Plus uncleared payments into bank (to agree with attached list)	
D	Petty cash	
	Plus any petty cash balance held at 31 March 2015	0
E	Balance in the cash book (council's own records) at 31 March 2015 (Calculated as A-B+C+D=E and agrees with Box 8 on the Annual Return)	16,738

Section 4
Information required for audit

b) Explanations of significant variances - continued

Suggested layout for explanations

One sheet to be prepared for each variance that requires explanation.

BOX NO ³	£
Figure in 2014 column	745
Figure in 2015 column	3686
Variance (2014 figure less 2015 figure)	2941

Reasons (as many as are applicable)	Amount £
Reason 1 VAT PAYMENT RECEIVED IN 2014/15 BUT NOT IN 2013/14	3373 3373
Reason 2 HDC BONUS RECEIVED IN 2014/15 W/TH £36 LESS THAN IN 2013/14	-36
Reason 3 COUNCIL SUPPORT GRANT WAS RECEIVED OF £206 LAST YEAR BUT NOT REPEATED 2014/15	-206
Reason 4	
Unexplained	-190
Confirm unexplained amount is less than 15% of 2014 figure	LESS THAN 15%

Council Tax Support Grant

The Council Tax Support Grant, if received, is paid over at the same time as the Precept. Please note that **only the Precept should be recorded in box 2 (Annual Precept)** on the Annual Return.

Council Tax Support Grant should be included in box 3 (Total other receipts).

The Council Tax Support Grant, if paid, may be annotated separately on the documentation sent to the Council by the District/Borough Council when the payments are made. If it is not you will need to contact your District/Borough Council to find out how much Council Tax Support Grant has been paid for 2014/15.

Section 4
Information required for audit

b) Explanations of significant variances - continued

Suggested layout for explanations

One sheet to be prepared for each variance that requires explanation.

BOX NO 6	£
Figure in 2014 column	22,170
Figure in 2015 column	13,544
Variance (2014 figure less 2015 figure)	- 8,626

Reasons (as many as are applicable)	Amount £
Reason 1 EXPENDITURE OCCURRED TO REPAIR THE VILLAGE CLOCK IN 2013/14 BUT THIS WAS NOT REPEATED	- 3,982
Reason 2 CONSTRUCTION WORK DONE ON THE RECREATIONAL GROUNDS IN 2013/14 BUT THIS WAS NOT REPEATED IN 2014/15	- 2,487
Reason 3 A LARGE SHED PURCHASED IN 2013/14 BUT THIS WAS NOT REPEATED IN 2014/15	- 1,088
Reason 4	
Unexplained	- 1,069
Confirm unexplained amount is less than 15% of 2014 figure	LESS THAN 15%

Council Tax Support Grant

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Council Tax Support Grant should be included in box 3 (Total other receipts).

The Council Tax Support Grant, if paid, may be annotated separately on the documentation sent to the Council by the District/Borough Council when the payments are made. If it is not you will need to contact your District/Borough Council to find out how much Council Tax Support Grant has been paid for 2014/15.

Section 4
Information required for audit

d) Explanations for "No's" on Section 2 the Annual Governance Statement

If the council responds "no" to any of the 9 assertions on Section 2 of the Annual Return, you must supply us with an explanation and describe how the council will address the weaknesses identified.

Assertion (1 to 9)	Explanation for "No" response
9	THE COUNCIL DOES NOT OPERATE AS TRUST

e) Explanations for "No's" or "Not covered" on Section 4 the Internal auditors' report

If the response to any of the 11 internal control objective conclusions A to K at Section 4 of the Annual Return is "no", the internal auditor must provide the council and us with details of the implications and action being taken to address any weaknesses in control identified.

If the response is "not covered" the council and/or internal auditor must tell us when the most recent internal audit work was done in this area and when it is next planned or, if coverage is not required, the internal auditor must tell us why not.

Conclusion (A to K)	Explanation for "No" or "Not covered"
F	THE COUNCIL DOES NOT OPERATE PETTY CASH POLICY
K	THE COUNCIL DOES NOT ACT AS TRUSTEE NOR AS LETTING APPOINT

f) Details of any earmarked or restricted reserves held by the Council at 31 March 2015

Earmarked reserves are reserves set aside by the Council for specific purposes or savings for future projects. Restricted reserves are reserves that can only be used for certain purposes, for example the proceeds of an asset sale or the unspent part of a specific grant.

Amount held at 31 March 2015	Purpose of reserve
£	
£3480.71	THIS IS S106 MONEY FOR THE COMPLETION OF THE RECREATIONAL GROUND PROJECT. THE COUNCIL'S CONTRIBUTION TOWARDS THIS PROJECT IS IN THE REGION OF £14K

Section 1 – Accounting statements 2014/15 for

Enter name of reporting body here: **STOUGHTON PARISH COUNCIL** 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 £	
1 Balances brought forward	38,028,21,707		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	7,494,7906		Total amount of precept received or receivable in the year. Excludes any grants received.
3 (+) Total other receipts	745,3,686		Total income or receipts as recorded in the cashbook less the precept received (line 2). Include any grants received here.
4 (-) Staff costs	2,390,3017		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 council's borrowings (if any).
6 (-) All other payments	22,170,13544		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	21,707,16,738		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	21,707,16,738		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	131,014,135,363		The original Asset and Investment Register value of all fixed assets, plus other long term assets owned by the council as at 31 March
10 Total borrowings	0,0		The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).
11 Disclosure note Trust funds (including charitable)	yes	no	The council acts as sole trustee for and is responsible for managing trust funds or assets. N.B. The figures in the accounting statements above do not include any trust transactions.

I certify that for the year ended 31 March 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 Financial Officer

Date

27/4/15

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

12/05/15

and recorded as minute reference:

27 (minute ref)

Signed by Chair of the meeting approving these accounting statements.

Date

12/5/15

Stoughton Parish Council – Internal Auditor's Report - year ended 31 March 2015

I confirm that all anticipated income was fully received and VAT was appropriately accounted for. The figure for staff costs is somewhat higher than expected, due, in part, to errors by the previous payroll administrator only charging 11 months Clerk's salary in 2013/14. - this has been recouped in the current year. The new payroll administrator is providing the Council with an excellent service, with straight-forward paperwork -a great improvement

I confirm that the accounts accurately reflect the Council's income and expenditure for the year ended 31st March 2015 that the bank balances as at 31st March 2015 agree with the financial records and that the Council's fixed assets are as shown in the schedule.



Internal Auditor





11 May 2015