

Section 1 – Accounting statements for

ENTER WARMINSTER COUNCIL HERE

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 2010 £	31 March 2011 £	
			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	420,623	400,146	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	434,245	447,279	Total amount of precept received or receivable in the year.
3 (+) Total other receipts	112,278	572,615	Total income or receipts as recorded in the cashbook less the precept received (line 2). Include any grants received here.
4 (-) Staff costs	-260,178	-193,319	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 the council's borrowings (if any).
6 (-) All other payments	-366,822	-355,890	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	400,146	879,831	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	365,994	871,988	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	2,054,086	2,147,387	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	500,000	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).
11 Trust funds (including charitable) disclosure note	No	No	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 for the year ended 31 March 2011 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

H. H. Bennett

Date 14/06/2011

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

18/07/2011

and recorded as minute reference:

M124 REFERENCE

Signed by Chair of the meeting approving these accounting statements.

P. Andrew CHAIRMAN

Date 18/07/2011

Section 2 – Annual governance statement

We acknowledge as the members of **WARMINSTER TOWN COUNCIL** 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 2011, that:

	Agreed – Yes or No?	'Yes' means that the council:
1 We have approved the accounting statements prepared in accordance with the requirements of the Accounts and Audit Regulations and proper practices.	YES	prepared its accounting statements 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 that 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 accounting records and control systems.	YES	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 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 accounting statements.	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 body and recorded as minute reference

124 REFERENCE
dated 18/07/2011.

Signed by:

Chair *P. Rudolph* **REQUIRED**
dated 18/07/2011.

Signed by:

Clerk *Hu Abanethu*
dated 18/07/2011

***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 2011 of

WARMINSTER TOWN COUNCIL HERE

Respective responsibilities of the council and the auditor

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

- summarises the accounting records for the year ended 31 March 2011; 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 matter 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.

1. The Council failed to approve the Annual Return by 30 June 2011, the date required by the Accounts and Audit (England) Regulations 2011.

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

N/A

External auditor’s signature: Mazars LLP

External auditor’s name: Mazars LLP, Southampton, SO15 2BE Date: 20/9/2011

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

WALMINGTON TOWN 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 2011.

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.

Internal control objective	Agreed? Please choose from one of the following Yes/No*/Not covered**
A Appropriate books of account have been kept properly 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.	Yes
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 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.	Yes
K Trust funds (including charitable) The council 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:

Name of person who carried out the internal audit E A Giles for Auditing Solutions Ltd
PRINT NAME

Signature of person who carried out the internal audit Quinn A. Giles Date 09/05/2011

***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 2011 annual return

- 1 Proper practices for preparing this annual return are found in the *Practitioners' Guide**. 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 should you wish to talk through any problem you may encounter.
- 2 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 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 off to the auditor.
- 4 Please do not send the auditor any information not specifically asked for. Doing so is not helpful. You must, however, notify the auditor with details of any change of Clerk, Responsible Finance Officer or Chair.
- 5 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 reconciliation is available in the *Practitioners' Guide**.
- 6 Please **explain fully** significant variances in the accounting statements. Do not just send in a copy of your detailed accounting records instead of this explanation. The auditor wants to know that **you** understand the reasons for all variances. Please include a complete analysis to support your explanation. There are a number of examples provided in the *Practitioners' Guide** to assist you.
- 7 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.
- 8 Please make sure that your accounting statements add up! Please ensure that the balance carried forward from the previous year (Box 7 of 2010) equals the balance brought forward in the current year (Box 1 of 2011).
- 9 **Do not complete section 3.** The external auditor will complete it at the conclusion of the audit.

Completion checklist – 'No' answers mean you may not have met requirements		Done?
All sections	All green boxes have been completed?	YES <input checked="" type="checkbox"/>
	All information requested by the external auditor has been sent with this annual return? Please refer to your notice of audit.	YES <input checked="" type="checkbox"/>
Section 1	Council approval confirmed by signature of Chair of meeting approving accounting statements?	YES <input checked="" type="checkbox"/>
	An explanation of significant variations from last year to this year is provided?	YES <input checked="" type="checkbox"/>
	Bank reconciliation as at 31 March 2011 agreed to Box 8?	YES <input checked="" type="checkbox"/>
	An explanation of any difference between Box 7 and Box 8 is provided?	YES <input checked="" type="checkbox"/>
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.	N/A <input checked="" type="checkbox"/>
Section 2	For any statement to which the response is 'no', an explanation is provided?	N/A <input checked="" type="checkbox"/>
Section 4	All green boxes completed by internal audit and explanations provided?	YES <input checked="" type="checkbox"/>

*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

