

Local Councils, Internal Drainage Boards and other Smaller Authorities in England Annual return for the year ended 31 March 2016

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 Sections 1 and 2 of this annual return no later than 30 June 2016.

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 2016, 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 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 2016.

It should not be necessary for you to contact the external auditor for guidance.

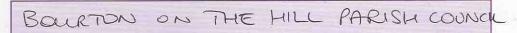
More guidance on completing this annual return is available in the Practitioners' Guides that can be downloaded from www.nalc.gov.uk or from www.slcc.co.uk or from www.ada.org.uk

*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 2015/16

We acknowledge as the members of:

Enter name of
smaller authority here:



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 2016, that:

		F	Agreed	'Yes'	
		Yes	No*	means that this smaller authority:	
1.	We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	1		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.	1		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.	1		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.	1		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. responded to matters brought to its attention by	
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 NA	has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts.	
	nis annual governance statement is approved by this naller authority and recorded as minute reference:		Signed by Chair		
do	finale 17.2 RENDE		dated Signed by	17/06/16	
ua	16/05/16		Clerk	the same of the same	
			dated	17/06/16	

*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 2015/16 for

Enter name of smaller authority here:

BOURTON ON THE HILL PARISH COUNCIL

		Year	ending	Notes and guidance		
		31 March 2015 £	31 March 2016 £	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.		
	Balances brought forward	RESTATED 3848	3800	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.		
	(+) Precept or Rates and Levies	3598	3804	Total amount of precept or (for IDBs) rates and levies received or receivable in the year. Exclude any grants received.		
	(+) Total other receipts	345	220	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	2192	1753	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.		
j	(-) Loan nterest/capital repayments	NIL	NIL	Total expenditure or payments of capital and interest made during the year on the smaller authority's borrowings (if any).		
	(-) All other payments	1799	1974	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).		
0.000	(=) Balances carried forward	3800	4096	Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6)		
a	Total value of cash and short term nvestments	3800	4096	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.		
ŗ	Total fixed assets blus long term nvestments and assets	14935	14935	The original Asset and Investment Register value of all fixed assets, plus other long term assets owned by the smaller authority as at 31 March		
10. T	Total porrowings	NIL	NIL	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).		
r	For Local Councils Only) Disclosure note re 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 2016 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

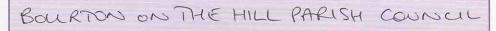
Date 17 06 16

I confirm that	these a	ccounting	statements were approved
by this smalle	r author	rity on this	s date:
,		*	
	.7	-	2016
	16	02	2016
and recorded			
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Fino	ince	7.	PERENCE
Signed by Ch	air of th	e meetin	g approving these accounting
statements.			
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Section 3 – External auditor certificate and report 2015/16 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 2016 in respect of:

Enter name of smaller authority here:



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 2016; 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.

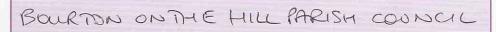
External auditor report

return is in accordance with	prized below)* on the basis of our réview of the annual return, in our opinion the information in the annual proper practices and no matters have come to our attention giving cause for concern that relevant equirements have not been met. (*delete as appropriate).
continue on a separate she	pet if required)
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(continue on a separate she	see attached.
External auditor signature	Grav Mah UK W

Note: The NAO issued guidance applicable to external auditors' work on 2015/16 accounts in Auditor Guidance Note AGN/02. The AGN is available from the NAO website (www.nao.org.uk)

Annual internal audit report 2015/16 to

Enter name of smaller authority here:



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 2016.

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.

Inte	Internal control objective		Agreed? Please choose onl one of the following			
		Yes	No*	Not covered**		
Α.	Appropriate accounting records have been kept properly throughout the year.	V				
В.	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.	/				
Н.	Asset and investments registers were complete and accurate and properly maintained.	/				
l.	Periodic and year-end bank account reconciliations were properly carried out.	1/				
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)		N/SI	Not		
	Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes	No	applicable		
	any other risk areas identified by this smaller authority adequate controls existed (list any other risk its if needed)	areas be	low or o	n separate		
				Ü.		
Na	me of person who carried out the internal audit PRINT DR CATHERING	BU1	2965	.2		
Sig	nature of person who carried out the internal a		16,0	06.16		
	the response is 'no' please state the implication of the response is 'no' please state the implication of the response is 'no' please state the implication of the response is 'no' please state the implication of the response is 'no' please state the implication of the response is 'no' please state the implication of the response is 'no' please state the implication of the response is 'no' please state the implication of the response is 'no' please state the implication of the response is 'no' please state the implication of the response is 'no' please state the implication of the response is 'no' please state the implication of the response is 'no' please state the implication of the response is 'no' please state the implication of the response is 'no' please state the implication of the response is 'no' please state s	·ol	identific	ed		

**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

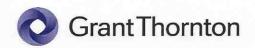
next planned, or, if coverage is not required, internal audit must explain why not (add separate sheets if needed).

Guidance notes on completing the 2015/16 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 unapproved or unexplained amendments will be returned and may incur additional costs.
 Smaller authorities must approve the annual governance statement before approving the accounts.
- Use the checklist provided below. Use a second pair of eyes, perhaps a Councillor or Board Member, to review the 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 tell the external auditor about any change of Clerk, Responsible Finance Officer
 or Chair.
- 5. 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*.
- 6. 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 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. From 2016 onwards, you must inform the auditor of the date set for the commencement of the period for the exercise of public rights.
- 8. Make sure that your accounting statements add up and the balance carried forward from the previous year (Box 7 of 2015) equals the balance brought forward in the current year (Box 1 of 2016).
- 9. 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 2016 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: Practitioners' Guides are 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.



This page is part of Section 3 - External auditor certificate and opinion 2015/16

Bourton-On-The-Hill Parish Council Audit Report for the year ended 31 March 2016

Matters reported

Certification by the RFO and Chair after the Annual governance statement and Accounting statements have been signed and approved

Regulation 12(1) of the Accounts and Audit Regulations 2015 stipulates that the Responsible Financial Officer must sign and date the Accounting statements to certify that it presents fairly the financial position of the authority and its income and expenditure, or properly presents receipts and payments as the case may be. Regulation (2) stipulates that when the Responsible Financial Officer has complied with paragraph (1) the authority must, in the following order:

- (a) consider the statement of accounts by the members meeting as a whole;
- (b) approve the statement of accounts by resolution; and
- (c) ensure the statement of accounts is signed and dated by the person presiding at the meeting at which that approval is given.

The Responsible Financial Officer must, therefore, certify the Accounting statements before the authority considers, approves and signs them.

The Responsible Financial Officer and Chair for Bourton in the Hill Parish Council has certified the Accounting statements on 17 June 2016, after the Council approved them on 16 May 2016. In future, the Bourton in the Hill Parish Council should ensure that the Responsible Financial Officer certifies the Accounting statements before the authority considers, approves and signs them in accordance with Regulation 12. In our view, the correct answer to Section 1, Assertion 1 is 'No'.



This page is part of Section 3 - External auditor certificate and opinion 2015/16

Bourton-On-The-Hill Parish Council
Audit Report for the year ended 31 March 2016
Other matters not affecting our opinion which we wish to draw to the attention of Bourton on the Hill Parish Council Matters reported for the year ended 31 March 2016

Order of signing the Annual Governance Statement (Section 1) and the Accounting Statements (Section 2)

Bourton-On-The-Hill Parish Council has considered, approved and signed the Annual Governance Statement (Section 1) and the Accounting Statements (Section 2) on the same day and under the same minute reference. The Accounts and Audit Regulations 2015 stipulate that the Annual Governance Statement must be considered, approved and signed before the Accounting Statements at Section 2 by resolution of members of the authority meeting as a whole. In future, Bourton-On-The-Hill Parish Council should ensure that the minute references clearly demonstrate that the Annual Governance Statement was considered, approved and signed before the Accounting Statements.

Grant Thornton UK LLP

Date Flallo

Our ref GLS035