

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:

ALTON 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 2016, 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	NA	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 this smaller authority and recorded as minute reference:

16

 dated 18/05/16

Signed by:

Chair

dated

14.06.2016

Signed by:

Clerk

dated

18/05/16

*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:

ALTON TOWN COUNCIL

	Year ending		Notes and guidance
	31 March 2015 £	31 March 2016 £	
1. Balances brought forward	-18,694	111,402	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	510,127	512,427	Total amount of precept or (for IDBs) rates and levies received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	305,826	354,860	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	344,744	367,394	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	341,413	422,953	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	111,402	188,342	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	127,385	277,699	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	REINSTATED 1,816,724	1,818,426	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. 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)	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 18/05/2016

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

18/05/2016

and recorded as minute reference:

16

Signed by Chair of the meeting approving these accounting statements.

Date 14.06.2016

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

(Except for the matters reported below)* 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 matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met. (*delete as appropriate).

(continue on a separate sheet if required)

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

(continue on a separate sheet if required)

External auditor signature

External auditor name

Date

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:

ALTON TOWN 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 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.

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 of 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.	Yes	No	Not applicable
			✓

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)

— N/A —

Name of person who carried out the internal audit P. REYNOLDS F. MAAT.

Signature of person who carried out the internal audit Date 4/5/16

*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).

Alton Town Council

Income and Expenditure Account for Year Ended 31/03/2016

31/03/2015		31/03/2016
	Operating Income	
0	Corporate Management	1,543
12,653	Central Support-Admin Costs	625
22,831	Central Support-Town Hall	24,308
572,280	Operating Income & Exp.	570,994
11,493	Other Properties	11,500
28,577	Anstey Park	41,962
28,749	Jubilee Playing Fields	30,141
0	Grounds Maintenance Team	1,635
2,965	The Butts	2,755
10,968	Public Gardens	12,251
4,458	Windmill Hill	3,972
13,740	Kings Pond	14,414
19,690	Chawton Park Road	20,905
430	Greenfields	430
7,482	Allotments	15,771
14,010	Tourism	15,173
1,670	Christmas Lights	2,010
2,910	Alton in Bloom	2,219
46,346	Assembly Rooms	44,100
4,201	Street Furniture	1,534
10,800	Neighbourhood Plan	9,047
0	Capital Expenditure	0
0	Projects	0
0	Reserves	40,000
<u>816,253</u>	Total Income	<u>867,287 ✓</u>
	Running Costs	
22,766	Corporate Management	31,589
4,000	Democratic Representation	14,574
189,719	Central Support-Admin Costs	205,326
12,361	Central Support-Town Hall	42,568
4,763	Other Properties	3,241
42,278	Anstey Park	53,661
34,065	Jubilee Playing Fields	32,317
203,715	Grounds Maintenance Team	197,021
1,554	The Butts	3,827
11,349	Public Gardens	21,216
505	Windmill Hill	0
2,302	Kings Pond	2,125
451	Holybourne Play Area	293
120	Greenfields	19
1,302	Flood Meadows	3,786
0	Other Open Spaces	51
130	Closed Churchyard	55
2,469	Allotments	15,435
20,023	Tourism	17,093
11,481	Christmas Lights	11,761
5,546	Alton in Bloom	5,045
25,050	Grants	25,700
64,467	Assembly Rooms	87,626
6,949	Street Furniture	5,293
18,792	Neighbourhood Plan	10,724

Alton Town Council

Income and Expenditure Account for Year Ended 31/03/2016

31/03/2015		31/03/2016
0	Capital Expenditure	0
0	Projects	0
0	Reserves	0
<u>686,157</u>	Total Expenditure	<u>790,347 ✓</u>
General Fund Analysis		
-62,920	Opening Balance	52,176 ✓
816,253	Plus : Income for Year	<u>867,287 ✓</u>
<u>753,333</u>		919,463 ✓
686,157	Less : Expenditure for Year	<u>790,347 ✓</u>
<u>67,176</u>		129,116 ✓
15,000	Transfers TO / FROM Reserves	<u>118,769 ✓</u>
<u>52,176</u>	Closing Balance	<u>10,347 ↓</u>

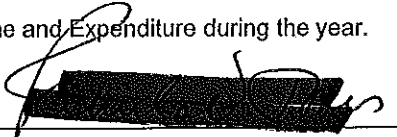
31/03/2015

31/03/2016

31/03/2015		31/03/2016	
Current Assets			
21,465 ✓	Debtors	11,107 ✓	
3,285 ✓	Debtor accruals	248 ✓	
10,658 ✓	Vat Control	13,242 ✓	
21,946 ✓	Prepayments	26,165 ✓	
100 ✓	Petty Cash	192 ✓	
126,285 ✓	Unity Trust Bank : Current A/c	277,508 ✓	
1,000 ✓	Card Imprest account	0 ✓	
<hr/>		<hr/>	
184,739		328,461	
184,739	Total Assets		328,461
Current Liabilities			
30,268	Creditors control ac	50,047 ✓	
19,905	Creditors	0	
0	Accruals	46,408 ✓	
22,114	Receipts in Advance	23,103 ✓	
1,050	Holding Deposits	20,561 ✓	
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73,337 ✓		140,119	
111,402	Total Assets Less Current Liabilities		188,342
Represented By			
52,176	Working Capital		10,346
15,000	Building Maintenance Reserve		0
0	Molson Coors Option Fee		40,000 ✓
0	EMR 3G Replacement Reserve		16,594 ✓
44,226	General Reserves		121,402 ✓
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111,402			188,342 ✓

The above statement represents fairly the financial position of the authority as at 31/03/2016 and reflects its Income and Expenditure during the year.

Signed :
Chairman



Date : 27.4.16

Signed :
Responsible
Financial
Officer



Date : 27/4/16