

Section 1 - Statement of accounts

Rosemary Parkerton COUNCIL MEETING

In completing the boxes below please explain any significant variances, including any difference between Box 7 and Box 8, on a separate sheet and send this to the external auditor together with a copy of your bank reconciliation as at 31 March 2007. See page 6 and the Practitioners' Guide for further guidance.

	31 March 2006	31 March 2007	Notes and guidance for completors
1 Balances brought forward	41013 30099	35260	Please round all figures to nearest £. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to the council's underlying financial records for the relevant year. Total balances and reserves at the beginning of the year as recorded in the council's financial records. Value must agree to Box 7 of previous year.
2 (+) Annual precept	16009 20440	20652	Total amount of precept received in the year.
3 (+) Total other receipts	6019 4426	4940	Total income or receipts as recorded in the cashbook minus the precept. Includes support, discretionary and revenue grants.
4 (-) Staff costs	5382 4593	5190	Total expenditure or payments made to and on behalf of all council employees. Includes salaries and wages, PAYE and NI (employees and employers), pension contributions and related 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 (+) Total other payments	14762 35260	28811	Total expenditure of payments as recorded in the cashbook minus staff costs (line 4) and loan interest/capital repayments (line 5).
7 (-) Balances carried forward	35260	28811	Total balances and reserves at the end of the year. (Must equal (1+2+3) - (4+5+6))
8 Total cash and investments	38056 41157	23494	The sum of all current and deposit bank accounts, cash holdings and investments held as at 31 March - to agree with bank reconciliation.
9 Total fixed assets and long term assets	145974	211950	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.
10 Total borrowings	Nil	Nil	The outstanding capital balance as at 31 March of all loans from third parties (including PMLB).

Trust funds disclosure note - the council acts as sole trustee for and is responsible for managing (a) trust fund(s)/assets. (Readers should note that the figures above do not include any trust transactions.)

NO

I certify that the statement of accounts contained in this annual return presents fairly the financial position of the council and its income and expenditure, or properly presents receipts and payments, as the case may be, for the year ended 31 March 2007.

Signed by Responsible Financial Officer: [Signature]
Date: 13/12/07

I confirm that these accounts were approved by the council and recorded as council minute reference: Part B Item 1 13/12/07
Date: 13/12/07

Signed by Chair of meeting approving council's accounts: [Signature]
Date: 13/12/07

Section 4 - Annual internal audit report to

LAWSON PARKERSON COUNCIL MEETING

The council's internal audit, acting independently and on the basis of an assessment of risk, has included carrying out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ended 31 March 2007.

The 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, opposite, are the internal audit conclusions on whether, in all significant respects, the following control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the council:

	Agree: Please choose from one of the following Yes/No/Not covered
A. Appropriate books of account have been properly kept throughout the year.	NO
B. The council's financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for.	NO
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.	NO
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.	NO
J. Year-end accounts were prepared on the correct accounting basis (receipts and payments/income and expenditure), agreed with cash book, were supported by an adequate audit trail from underlying records, and, where appropriate debtors and creditors were properly recorded.	YES

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

Name of person who carried out the internal audit: Peter Dawson F.C.C.A.
Signature of person who carried out the internal audit: [Signature] Date: 26/11/2007

Note: This response is to be placed in the council's annual report and is subject to audit. It is not intended to address any weaknesses in controls identified and should not be used as a basis for any other action.

Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and what is next planned for. If coverage is not required, internal audit must explain why not (audit is not a requirement of the Act).

Section 2 - Annual governance statement

We acknowledge as the members of Ramsley & Parkston Parish COUNCIL/MEETING our responsibility for the preparation of the statement of accounts and for the council's internal controls, and confirm, to the best of our knowledge and belief, with respect to the council's statement of accounts for the year ended 31 March 2007 in section 1, that:

	Agreed Yes or No	Yes means that the council prepared its statement of accounts in the way prescribed by law.
1 we have approved the statement of accounts which has been prepared in accordance with the requirements of the Accounts and Audit Regulations and proper practices.	Yes	
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	
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 which could have a significant financial effect on the ability of the council to conduct its business or its finances.	Yes	
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	
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	
6 we have maintained throughout the year an adequate and effective system of internal audit of the council's accounting records and control systems and carried out a review of its effectiveness.	Yes	
7 we have taken appropriate action on all matters raised in reports from internal and external audit.	Yes	
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 statement of accounts.	Yes	
Trust funds - 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	

This annual governance statement is approved by the council and recorded as council minute reference Part B item 13/12/07 dated 13/12/2007

Signed on behalf of Ramsley & Parkston Parish COUNCIL/MEETING
 Signed by: Chair M. Evans Date 13/12/07
 Signed by: Clerk L. Vassling Date 13/12/07

Note: These provide operations to the external auditor on a separate sheet(s) and the names of those that have been given and describe what actions are 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 2007 of Ramsley & Parkston Parish COUNCIL/MEETING

Respective responsibilities of the council and the auditor

The council is responsible for the preparation of the accounts in accordance with the requirements of the Accounts and Audit Regulations and for the preparation of an annual return which:

- summarises the council's accounting records for the year ended 31 March 2007; 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 matters 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.

- In the Statement of Accounts for both years, the cash books prepared did not adequately record all transactions. The cash books and bank statements have been re-analysed and corrected figures for both years should be as follows:

	2005/06	2006/07
Box 1	41,073	38,056
Box 2	16,907	20,652
Box 3	22,419	4,394
Box 4	5,132	5,150
Box 5		
Box 6	37,051	32,043
Box 7	38,056	26,469
Box 8	38,056	26,469

- The Statement of Accounts has not been signed on or before 31 August 2007 as required by the Accounts and Audit Regulations 2003, as amended.
- The Council does not have separate Financial Regulations. We would recommend that the Council adopts such a document as soon as possible or at the very least uses NALC model formats for reference. We understand that these documents have been drafted but not yet approved.
- A documented assessment of all key risks faced by the Council in relation to its key activities has not been carried out. We understand that a risk assessment has been drafted but not yet adopted.
- In the Notice of Appointment of Date for the Exercise of Electors' Rights we noted that the notice period was not 14 working days and the inspection period was not 20 working days, as required by the Accounts and Audit Regulations 2003, as amended.

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

- The Council's fidelity guarantee insurance cover is considered to be low in view of the levels of income and bank account balances. Based upon the closing bank balances and the level of the annual precept, the level of fidelity guarantee insurance cover should have been approximately £36,000.

External auditor's signature Lubbock Fine Date 13/12/07
 External auditor's name LUBBOCK FINE Date 13/12/07

Note: The auditor signing this page has been appointed by the Audit Commission and is required 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 publication entitled 'Statement of Responsibilities of Auditors and Other Officers'.