

# Local Councils in England

## Annual return for the year ended

### 31 March 2006

Local councils in England (Parish Meetings, Parish and Town Councils) and Joint Committees thereof must complete an annual return summarising their annual activities at the completion of each financial year. Members are responsible for ensuring that financial management is adequate and effective and that the council has a sound system of internal controls.

The annual return on the following pages is made up of five sections. Sections 1 and 2 are to be completed by the person nominated by the council and Section 4 by the council's internal audit provider. Section 5 contains guidance on completion. Section 3 will be completed by the external auditor.

**Please complete all relevant sections, which are highlighted in green for your convenience. Do not leave any green box blank.** Incomplete or incorrect returns may require additional external audit work incurring additional costs charged in accordance with the Commission's approved skill related fee scale.

When Sections 1 and 2 have been approved by the council and Section 4 is complete, please send the annual return, together with any additional information requested, to your appointed external auditor who will add the certificate and opinion in Section 3.

**Unless requested, please do not send any original financial records to the external auditor. If required, your auditor will identify and ask for any documents needed for audit.**

Please complete this checklist		
Content	Key step	Done?
Section 1 Statement of Accounts	All green boxes have been completed?	YES
	Council approval confirmed by signature of Chair of meeting approving accounts?	YES
Section 1 Information requested in support	An explanation of significant variations from last year to this year is provided?	YES
	Bank reconciliation as at 31 March 2006 agreed to Box 8?	YES
	An explanation of any difference between Box 7 and Box 8 is provided?	YES
Section 2 Statement of Assurance	All green boxes have been completed?	YES
Section 2 Explanation of 'no' responses	For any statement to which the response is 'no', an explanation is provided?	N/A
Section 4 Internal Audit report	All green boxes completed by internal audit and explanations provided?	YES
All sections Completed return and requested supporting information	All information requested by the external auditor has been sent with this annual return? Please refer to your notice of audit.	YES

Audited and certified annual returns will be returned to the council for publication in accordance with the Accounts and Audit Regulations. There is no requirement for councils to publish internal audit's annual report although councils may choose to do so.

Guidance notes and instructions for completion are included at relevant points in the annual return. In the event that further guidance may be required, councils should refer to the NALC/SLCC practitioners' guide (*Governance and Accountability in Local Councils in England and Wales*) or contact NALC through County Associations or SLCC through the helplines set up for this purpose. It should not be necessary for councils to contact the external auditor or the Audit Commission directly for guidance.