

**Keighley Town Council**  
**Notice of the audit and right to inspect the Annual Return**  
**Annual Return for the year ended 31 March 2015**

Section 14 of the Audit Commission Act 1998, as transitionally saved

Accounts and Audit (England) Regulations 2011 (SI 2011/817), as transitionally saved

	Notes
<p>1. The audit of accounts for <b>Keighley Town Council</b> for the year ended 31 March 2015 has been carried out but cannot be concluded for the reasons stated in the auditor's report</p>	
<p>2. The Annual Return is available for inspection by any local government elector of the area of <b>Keighley Town Council</b> on application to:</p> <p>(a) <u>SAFIA KAUSER - ACTING TOWN CLERK/RFO</u>  <u>KEIGHLEY TOWN COUNCIL</u>  <u>KEIGHLEY CIVIC CENTRE, NORTH STREET</u>  <u>KEIGHLEY, BD21 3RZ</u></p>	<p>(a) Insert name, position and address of the person to whom local government electors should apply to inspect the Annual Return</p>
<p>3. Copies will be provided to any local government elector on payment of <u>£0.70</u> (b) for each copy of the Annual Return.</p>	<p>(b) Insert a reasonable sum for copying costs</p>
<p>Announcement made by: (c) <u>SAFIA KAUSER (ACTING TOWN CLERK / RFO)</u></p>	<p>(c) Insert name and position of person placing the notice</p>
<p>Date of announcement: (d) <u>01 OCTOBER 2015</u></p>	<p>(d) Insert date of placing of the notice</p>

# Section 1 – Accounting statements 2014/15 for

Enter name of reporting body here:

KEIGHLEY TOWN COUNCIL

Council/Meeting

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 2014 £	31 March 2015 £	
1 Balances brought forward	92,733	148,665	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	504,787	583,913	Total amount of precept received or receivable in the year. Excludes any grants received.
3 (+) Total other receipts	188,705	224,775	Total income or receipts as recorded in the cashbook less the precept received (line 2). Include any grants received here.
4 (-) Staff costs	199,355	215,114	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	57,063	57,063	Total expenditure or payments of capital and interest made during the year on the council's borrowings (if any).
6 (-) All other payments	381,141	460,460	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	148,665	234,716	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	119,245	217,816	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 other long term investments and assets	1,578,554	1,655,928	The original Asset and Investment Register value of all fixed assets, plus other long term assets owned by the council as at 31 March
10 Total borrowings	1,078,085	1,071,173	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).
11 Disclosure note 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 2015 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

S. Lawler

Date 01/06/2015

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

18/06/2015

and recorded as minute reference:

2015/173 (TC)

Signed by Chair of the meeting approving these accounting statements.

[Signature]

Date 22-06-2015

## Section 2 – Annual governance statement 2014/15

We acknowledge as the members of:

**KEIGHLEY TOWN COUNCIL**

Council/Meeting

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 2015, that:

	Agreed –		'Yes' means that the council:	
	Yes	No*		
1 We approved the accounting statements prepared in accordance with the requirements of the Accounts and Audit Regulations and proper practices.	✓		prepared its accounting statements in the way prescribed by law.	
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 the council 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 has given all persons interested the opportunity to inspect and ask questions about the council's accounts.	
5 We carried out an assessment of the risks facing the council 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 council 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 the council.	
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 the council 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 Trust funds (including charitable) – in our capacity as the sole managing trustee we discharged our responsibility in relation to the accountability 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 the council and recorded as minute reference

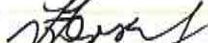
2015/173 (TC)  
dated 18/06/2015

Signed by:

Chair 

dated 22-06-2015

Signed by:

Clerk 

dated 23/06/2015

\*Note: Please provide explanations to the external auditor on a separate sheet for each 'No' response. Describe how the council will address the weaknesses identified.

# Section 3 – External auditor certificate and report 2014/15

## Certificate

We certify that we have completed our review of the annual return, and discharged our responsibilities under the Audit Commission Act 1998 as transitionally saved, for the year ended 31 March 2015 in respect of:

KEIGHLEY TOWN COUNCIL

Council/Meeting

### Respective responsibilities of the body and the auditor

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

- summarises the accounting records for the year ended 31 March 2015; and
- confirms and provides assurance on those matters that are important to our audit responsibilities.

Our responsibility is to review the annual return in accordance with guidance issued by the Audit Commission (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).

SEE ATTACHED REPORT

(continue on a separate sheet if required)

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

(continue on a separate sheet if required)

External auditor signature

External auditor name

Date

Note: The Audit Commission issued guidance in its Standing Guidance, which is applicable to external auditors' work on 2014/15 accounts.

**EXTERNAL AUDITOR'S REPORT 2014/15 TO KEIGHLEY TOWN COUNCIL**

We have audited the annual return of Keighley Town Council for the year ended 31 March 2015.

**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 2015; and
- confirms and provides assurance on those matters that are important to our audit responsibilities.

Our responsibility is to review the annual return in accordance with guidance issued by the Audit Commission (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.

The internal auditors have raised a number of concerns over the Council's internal control environment, which are reflected in the negative answers given by the Council on page 3 (Annual Governance Statement) of the return. We have received the detailed report issued by the internal auditor on 3<sup>rd</sup> June 2015 together with a detailed note from the Council setting out the reasons why the Council has given negative answers and the actions it proposes.

The internal auditors have confirmed that all recommendations they have made were agreed by the full Council in December 2014, with an agreed action plan for each recommendation, assigned responsibilities and timescales for each recommendation.

The internal auditors have acknowledged that given the significant nature of some of the findings from their work, it was not possible to introduce all remedial arrangements quickly.

We have noted the following comment from the internal auditors: *"We feel the Council has made satisfactory progress in addressing the weaknesses in the internal control environment. The key challenge in 2015/16 is to continue the progress made and also ensure the introduced policies and procedures are followed and embedded in everyday Council working practices."*

The Council must continue to implement its remedial action plan as a matter of priority to ensure it achieves a positive report from the internal auditors on the 2015/16 return, thus being able to give positive answers to the assertions on the Annual Governance Statement.

**Delay in certification of completion of the audit**

We are unable to certify completion of the audit until we have considered the challenge correspondence regarding the Council's accounts for the year ended 31 March 2014 and until we have considered the potential impact of the outcome of our work for the exercise of our statutory functions.

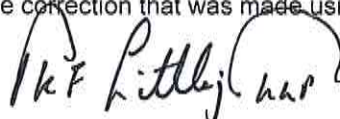
**Other matters not affecting our opinion which we draw to the attention of the Council:**

The Annual Return was not accurately completed before submission for review. Box 7 of Section 1 for the current year does not correspond to boxes 1+2+3-4-5-6, the difference being £20,000. The error would appear to be in box 3 which is overstated by this amount in comparison with other information provided to us.

We note that the copy of the Financial Regulations sent to us does not bear the date they were approved by the Council.

The RFO and Chair should initial the correction that was made using correcting fluid in box 11 of the return on page 2.

External auditor signature



External auditor name

PKF Littlejohn LLP

Date

30 September 2015

\*Note: The Audit Commission issued guidance in its Standing Guidance, which is applicable to external auditors' work on 2014/15 accounts.

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