



**City of Durham  
Charter Trust for the City of Durham**

Ref: PN

20 June 2012

To: The Mayor and Members of the  
**CHARTER TRUST FOR THE CITY OF DURHAM**  
(Councillors J Wilkinson, J Blakey, J Chaplow,  
J Cordon, R Crooks, N Foster, D Freeman, G Holland,  
K Holroyd, A Hopgood, N Martin, E Mavin, D Morgan,  
B Myers, M Plews, M Simmons, D J Southwell,  
D Stoker, P Taylor, L Thomson, J Turnbull, M Wilkes,  
M Williams, M Wood and C Woods).

Dear Sir/Madam

A Meeting of the **CHARTER TRUST FOR THE CITY OF DURHAM** will be held in the Committee Room 1A - County Hall, Durham, on Thursday 28 June 2012 at 4.30 pm.

**BUSINESS**

1. Apologies for Absence.
2. Minutes of the Meeting held on 23 May 2012. (Pages 1 - 4)
3. Royal Marine Band Service. (Pages 5 - 8)
4. Revenue Outturn for the year ended 31st March 2012. (Pages 9 - 16)
5. Annual Report for the year ended 31st March 2012. (Pages 17 - 26)

Yours faithfully

Clerk

17 Claypath, Durham, DH1 1RH  
Tel: (0191) 3727655 Fax: (0191) 3860625  
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**CHARTER TRUST FOR THE CITY OF DURHAM**

At the **Meeting** of the **Charter Trust for the City of Durham** held in the Main Hall - Town Hall, Durham, on Wednesday 23 May 2012 at 12.00 Noon

**Present:** The Right Worshipful the Mayor of Durham, Councillor Les Thomson (in the Chair) and Councillors G Holland, K Holroyd, A Hopgood, D J Southwell, D Stoker, M Wilkes, J Wilkinson, M Wood and C Woods

**1 Apologies for Absence.**

Apologies for absence were received from Councillors Blakey, Chaplow, Cordon, Martin, Morgan, Plews, Simmons, Turnbull and Williams.

**2 Recording of Proceedings.**

**Resolved:**

That the Charter Trustees consent to the taking of photographs during the Meeting.

**3 Election of Mayor.**

Councillor Southwell moved and Councillor Holroyd seconded:-

“That Councillor John Wilkinson, 10 Priestburn Close, Esh Winning, Durham, DH7 9NF, be and is hereby appointed Mayor of the City for the ensuing Municipal Year”.

The Motion on being put, was Carried and it was Resolved Accordingly.

**4 Appointment of Deputy Mayor.**

Councillor Wilkes moved and Councillor Southwell seconded:-

“That Councillor Hopgood, 3 Carlisle Road, Newton Hall, Durham, DH1 5XE, be and is hereby appointed Deputy Mayor for the City for the ensuing Municipal Year”.

On the Motion being put, Councillor Hopgood was declared duly appointed as Deputy Mayor.

**The Meeting adjourned at 12.25 pm and resumed at 12.35 pm.**

**5 Declaration of Acceptance of Office of Mayor.**

After being robed and invested with the Chain of Office and Seal, Councillor John Wilkinson made and delivered to the Clerk the Declaration of Acceptance of Office as Mayor, occupied the Chair and addressed the Charter Trustees.

## **6 Past Mayor and Mayoress Jewels.**

The Mayor presented to Councillor Thomson and Mrs Thomson the past Mayor and Mayoress Jewels as souvenirs to commemorate their year of office.

## **7 Vote of thanks to Retiring Mayor.**

On the motion of Councillor Holland it was:-

**Resolved:** That the Charter Trustees tenders to Councillor Thomson and Mrs Thomson it's sincere thanks for the courteous, efficient and admirable manner in which they have discharged the important and exacting duties of the Office of Mayor and Mayoress since May 2011.

## **8 Address by the Retiring Mayor.**

Councillor Thomson thanked Councillor Holland for his kind words. He also expressed his appreciation to Staff, the Chauffeur and the Bodyguard for the courtesy they had shown and the assistance which had been given to make his Year of Office a success.

## **9 Minutes.**

The Minutes of the Meeting held on 26 April 2012 were confirmed as a correct record and signed by the Mayor.

## **10 Mayor's Announcements.**

The Mayor announced that the Mayor's Evensong would be held on 17 June 2012 at 3.30 pm at Durham Cathedral.

Invites would be issued shortly and Trustees and Aldermen were kindly asked to attend.

The Mayor talked about his Charity Appeal which was Heel and Toe and Blind Life in Durham.

## **11 Appointment of the following Officers:-**

**Resolved:**

That the following Officers be appointed:-

- |     |               |   |
|-----|---------------|---|
| (a) | Pant Master   | Mr D Marrs  |
| (b) | Billet Master | Assistant Chief Superintendent Ivan Wood, Durham Constabulary |
| (c) | Macebearer    | Mr Petre  |
| (d) | Swordbearer   | Mr Baker  |

(e)	Deputy Bearer	Mr Bilton
(f)	Assistant Deputy Bearer	Vacant
(g)	Honorary Judicial Recorder	His Honour Judge Christopher Prince
(h)	Recorder	Mrs C Greenlay
(i)	Chaplain	Dean of Durham

## **12 Meetings of the Charter Trust for the City of Durham.**

The Clerk advised Members of the dates for future meeting of the Charter Trust for the City of Durham for the municipal year 2012/13.

### **Resolved:**

That the report be noted.

## **13 To Swear in Members of the Mayor's Bodyguard.**

The Charter Trust for the City of Durham had received two resignations being Mr Fleetham, the Swordbearer and Mr Lindlsey, Member of the Bodyguard, both resignations were due to ill health. The former Mayor had written to both gentlemen thanking them for their services to the Mayoralty and the Mayor asked for it to be placed on record the Trustees sincere thanks and best wishes for the future.

Due to the above resignations, Mr A Ribchester and Mr H Evans, were duly sworn in as Members of the Mayor's Bodyguard.

Members and Officers warmly applauded.

## **14 Presentation of Mayoral Service Medals.**

The Mayor presented Mayoral Service Medals to Mr Patience, Mr Petre and Mr Fleetham (Mr Watson collected the pin on behalf of Mr Fleetham), Members of the Bodyguard, in recognition of their service to successive Mayors.

Members and Officers warmly applauded.

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**CHARTER TRUST FOR THE CITY OF DURHAM**

**28 JUNE 2012**

**ROYAL MARINE BAND SERVICE**



City of Durham

**Report of Sharon Spence, Clerk to the Charter Trustees**

**Purpose of the Report**

1. At a previous meeting of the Charter Trustees held on 26 April 2012 it was suggested by the Mayor, that the Charter Trustees consider offering the Freedom of entry to the City to the Royal Marine Band Service in the Queens Jubilee Year. Consideration was deferred until the criteria previously use for granting freedoms was identified.

**Background**

2. Regulations permit the Charter Trustees to admit persons of distinction and persons who have in their opinion, rendered eminent services to the City as Honorary Freemen. The distinction and privilege of right of entry, 'Freedom of Entry' can be bestowed on a unit or regiment in recognition of the friendship and service that the units have contributed to the City and/or to the community at large or, for example, as a mark of respect and gratitude for the vital support the Service or Unit has given to our Sovereign and County.

**Freedom of Entry**

3. There appears to be no written criteria use previously for granting Freedoms but I set out below some of the wording on the scrolls:
  - The Rifles were granted the Freedom of Entry in recognition of the long and close association between the City of Durham and Durham Light Infantry.
  - HMS BULWARK was granted the Freedom of Entry in recognition of the close association with County Durham and as a mark of respect and gratitude for the vital support by County Durham's Affiliated Warship to our beloved Sovereign and County.

- The Most Reverend Desmond Tutu as being a person of distinction.
- Jeffrey Lodge in recognition of his long distinguished service and wholehearted commitment to his local community, the City of Durham and the Royal British Legion.

Links to the City are clearer in some of these examples than others.

### **Proposed Criteria**

3. If the Charter Trustees are looking to identify criteria when considering the granting of Freedom of entry perhaps consideration should be given to armed forces who have rendered conspicuous service and / or have links with the City.

### **Royal Marine Band Service**

4. In respect of links with the Royal Marine Band Service, Durham has links with the Royal Marines through HMS BULWARK. Durham has a strong heritage of Brass Band music.

Durham schools provide for future generations of musicians and the Royal Marine Band Service is undertaking workshops with young people from the County Durham Youth Music Service and a joint concert to celebrate Durham's Armed Forces Day is taking place on 24 June 2012. The Mayor is an invited VIP guest to this event which is taking place in the grounds at County Hall, Durham.

Lieutenant Colonel NJ Grace BMus(Hons) FLCM LRSM Royal Marines, the Principal Director of Music, Royal Marine Band Service, is also planning a major concert in Durham Cathedral in 2014 and an event in 2013.

Members will be aware of the service rendered by the Royal Marines to their Sovereign and County.

### **Recommendation and reason**

5. Instructions are requested as to whether the Charter Trustees would wish to offer the Freedom of Entry to the City, to the Royal Marine Band Service.

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**Contact: Sharon Spence Tel: 0191 383 3507**

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## **Appendix 1: Implications**

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**Finance** - There would be a cost to holding a meeting of the Charter Trustees to grant the Freedom and associated costs of a plaque. These costs can be met from existing budgets.

**Staffing** - staff time will be involved in the organisation of the Meeting but the costs can be met from existing budgets.

**Risk - None**

**Equality and Diversity / Public Sector Equality Duty - None**

**Accommodation - None**

**Crime and Disorder - None**

**Human Rights - None**

**Consultation - None**

**Procurement - None**

**Disability Issues - None**

**Legal Implications - None**

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**Charter Trust for the City of Durham**

**28 June 2012**

**Revenue Outturn for the year ended  
31<sup>st</sup> March 2012**



City of Durham

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**Report of Jeff Garfoot, Treasurer**

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**Purpose of the Report**

- 1 To provide information on the 2011/12 revenue outturn compared with the original budget.

**Comparison of Revenue Outturn with Budget**

- 2 The total net revenue expenditure for 2011/12 was £105,112; £10,373 or 8.98% less than the original budget of £115,485. This underspend has consequently been transferred to Reserves.
- 3 An analysis of the expenditure over subjective budget headings is set out in Appendix 2 and further detailed analyses of variable costs are provided in Appendix 3. The main reasons for variations from the budget are provided below:

**Transport - £807 (5.03%) Underspent**

- 6 This small underspend is mainly due to a lower number of miles travelled and subsequently charged by the chauffeuring service during the year than originally budgeted for.

**Supplies and Services - £4,561 (16.52%) Underspent**

- 7 Although the Mayor has had a busy year attending civic events, there have been fewer events organised internally than in previous years. This, in addition to a conscious effort to reduce refreshment costs generally, has resulted in an underspend within the supplies and services budget heading of £4,561.

### **Contingencies - £1,000 Under-spent**

- 9 The Charter Trust set aside £1,000 in contingencies to meet unforeseen items of expenditure, however there was no need to draw from this during the year.

### **Income - £3,807 Over-achieved**

- 10 Although there was no original budget for income, a number of tickets raising £3,807 were sold in March for the civic dinner.

### **Transfers to Reserves - £10,373**

- 11 The net underspend of £10,373 has been transferred to Reserves. After this transfer the balance of reserves as at 31/3/12 was £36,023, as shown in the Reserve Statement at Appendix 2.

### **Recommendations**

- 12 It is **RECOMMENDED** that the Charter Trustees note the outturn position for the financial year ended 31 March 2012.

**J Garfoot  
Treasurer**

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**Contact: Beverley White**

**Tel: 03000 261900**

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**RISKS AND IMPLICATIONS**

**Finance**

The report provides information about the Charter Trust for the City of Durham's revenue outturn for 2011/12.

**Staffing**

None

**Equality and Diversity**

None

**Accommodation**

None

**Crime and Disorder**

None

**Children's Act 2004**

None

**Human Rights**

None

**Stakeholder/Community Engagement**

None

## Appendix 2

### Revenue Outturn for the Charter Trust for the City of Durham 2010/11

Actual 2010/11  £		Original Estimate 2011/12	Actual 2011/12	Variation	
		£	£	£	%
	<b>EXPENDITURE</b>				
45,020	Employees	8,615	8,571	44	0.51
13,199	Premises	12,850	12,850	0	0.00
16,661	Transport	16,040	15,233	807	5.03
34,253	Supplies & Services	27,610	23,049	4,561	16.52
25,000	Support Services	49,370	49,216	154	0.31
0	Contingencies	1,000	0	1,000	100.00
134,133	Total Expenditure	115,485	108,919	6,566	5.69
	<b>INCOME</b>				
9,507		0	3,807	-3,807	
9,507	Total Income	0	3,807	-3,807	
124,626	<b>NET EXPENDITURE</b>	115,485	105,112	10,373	8.98
9,564	<b>Transfer to Reserves</b>	0	10,373	-10,373	
<b>134,190</b>	<b>TOTAL</b>	<b>115,485</b>	<b>115,485</b>	<b>0</b>	<b>0.00</b>

### Reserve Statement

	£
Opening Balance as at 1/4/11	25,650
Transfer in	10,373
Closing Balance as at 31/3/12	36,023

### Appendix 3

### Analysis of Variable Costs to 31 March 2012

	Payee	Amount	Description	
<b>Transport</b>	LEES COACHES	120.00	St Georges Day Parade	
	LEES COACHES	120.00	St Cuthbert's	
	LEES COACHES	120.00	St John's Ambulance - Cathedral	
	LEES COACHES	120.00	Matins for the Courts - Cathedral	
	LEES COACHES	120.00	Mayor's Evensong Cathedral	
	LEES COACHES	120.00	HMS Bulwark Parade	
	LEES COACHES	120.00	WHS 25 Anniversary - Palace Green	
	LEES COACHES	120.00	Remembrance Sunday	
	LEES COACHES	120.00	Founders & Benefactors	
	LEES COACHES	120.00	Bishop Enthronement	
	LEES COACHES	120.00	Carl Service at St Giles	
	LEES COACHES	120.00	Waddington Street URC	
	ONGUARD CHAUFFEUR	1,337.93	Apr	
	ONGUARD CHAUFFEUR	1,332.69	May	
	ONGUARD CHAUFFEUR	947.53	Jun	
	ONGUARD CHAUFFEUR	888.54	Jul	
	ONGUARD CHAUFFEUR	451.76	Aug	
	ONGUARD CHAUFFEUR	1,505.56	Sep	
	ONGUARD CHAUFFEUR	1,475.67	Oct	
	ONGUARD CHAUFFEUR	1,616.56	Nov	
	ONGUARD CHAUFFEUR	1,689.94	Dec	
	ONGUARD CHAUFFEUR	486.27	Jan	
	ONGUARD CHAUFFEUR	867.54	Feb	
	ONGUARD CHAUFFEUR	1,175.55	Mar	
	Les Thompson	17.10	Mayors Travelling Expenses	
		<b>Total Transport</b>	<b>15,232.64</b>	
	<b>Hospitality</b>	Various	47.52	Refreshments & Stock Gifts
DCC		51.70	Refreshments Recharge for July	
DARLINGTON BOR COUNCIL		100.00	Charity Ball tickets	
DCC		381.60	Catering provided 1st June	
DCC		123.10	Refreshments April	
DCC		225.00	Refreshments April	
DCC		117.96	Refreshments June	
DCC		337.89	Refreshments - events in May	
DCC		259.00	Catering recharge	
DCC		318.00	Catering for reception on 4 April	
DCC		318.00	Catering for reception on 13 April	
Cavaloe Heraldry		384.50	Heraldic Shields	
ROYAL BRITISH LEGION		500.00	Contribution - Remembrance Festival	
ROYAL BRITISH LEGION		50.00	Wreaths	
DCC		516.75	Catering Recharge	
T & I Bell		872.00	Evensong - Catering	
T & I Bell		1,332.00	Mayor Making - Catering	
DCC		144.12	Refreshments	
L THOMSON		62.75	Expenses	
STOCKTON ON TEES BC		100.00	Tickets - Civic Dinner	
DCC		150.35	Catering for Reception	
DCC	166.58	Hotel Charges - Portsmouth		

<b>Payee</b>	<b>Amount</b>	<b>Description</b>
Soccarena	550.00	Buffet - Under 16s 4 Nations Football
Great Aycliffe	55.00	Tickets - Great Aycliffe Dinner
Stepanie's Flowers	20.00	20th Anniversary
Stepanie's Flowers	12.50	Display - Founders & Benefactors
DCC	302.00	Printing - Xmas Cards
DCC	136.00	Refreshments - Remembrance Sunday
DCC	123.68	Refreshments Nov
T & I Bell	408.00	Catering
DCC	391.96	Town Hall Refreshments
DCC	238.50	Catering for reception 31 Jan
DCC	431.43	Catering
M&S	34.23	Refreshments
Ferryhill Town Council	48.00	Tickets to Ferryhill Town Council Dinner
Chilton Town Council	44.00	Tickets to Chilton Town Council Dinner
DCC	111.10	Town Hall Refreshments Feb
DCC	59.63	Town Hall Refreshments Mar
Direct Services	50.00	Installation of Mayoral Plaque town Hall
DCC	8.51	Engraving
DCC	9.16	Storage Boxes
DCC	11.67	Engraving
<b>Total Hospitality</b>	<b>9,604.19</b>	

<b>Functions</b>	<b>Amount</b>	<b>Description</b>
Arbor Timber	25.00	Mayoral Boards
Framing unlimited	29.50	FRAMING OF MAYORAL PORTRAIT
RICHARDSON DESIGNS	35.00	Rosettes
RICHARDSON DESIGNS	35.00	Rosettes
DCC	40.00	Service for the courts 10th July
DCC	60.00	Mayors Civic Service
Ede & Ravenscroft	71.67	Jabot
DCC	80.00	Civic receptions - May
GRAEME STEARMAN	100.00	Mayor Making - photography
MOMENTS	116.66	Mayor Making - floral displays
K WALKER.	140.00	MAYORS'S BOARD sign boarding
DCC	614.80	Printing for April and May
DCC	778.40	Past Mayor's Jewells
Charles Eagles	4.98	Civic Portraits
Boots	31.85	Civic Photographs
DCC	327.00	Printing - Carol Service Booklet
DCC	70.00	Janitor - Remembrance Sunday
DCC	40.00	Janitor - Founders & Benefactors
DCC	110.00	Functions
THOMAS FATTORINI LTD.	958.93	Past Mayors Jewels
DCC	275.00	Dais - Remembrance Sunday
DCC	273.00	Orders of Service
DCC	84.00	Civic Dinner Table Plans
DCC	119.00	Civic Dinner Menu Cards
T & I Bell	2,249.60	Civic Dinner Costs
Stephanie's Flowers	158.33	Floral Display - Civic Dinner
Boots	8.80	Photo Processing
Framing Unlimited	26.00	Reframing of Sword Charter
<b>Total Functions</b>	<b>6,862.52</b>	



<b>Payee</b>	<b>Amount</b>	<b>Description</b>
<b>General Office</b>		
Vodafone	120.75	Mobile Phone
BRAMWELLS	23.33	Repairs to Mace
DCC	70.65	Computer-stationery & requisites
DCC	121.31	Photocopying
DCC	146.45	Stationery
Post Office	156.45	Postages
DCC	75.00	Article in ABF-Remembrance Festival
Friends of Durham Cathedral	20.00	Annual Subscription
DCC	45.34	Photocopying
DCC	936.82	Postages
DCC	90.00	Printing
DCC	312.00	Printing of new letterhead
DCC	2.11	Ink Cartridges
DCC	7.17	Diary & Manuscript Book
Boots	23.25	Photoprocessing
Card Factory	1.46	Card
DCC	31.82	Stationery
DCC	79.00	Printing
DCC	20.00	Cost of Copy of Sword Charter
Cardtrix	1.00	Cards
DCC	1.94	Paint Brush
DCC	6.38	Padlocks
DCC	8.32	Dry Cleaning
Durham TIC	38.98	TIC items
<b>Total General Office</b>	<b>2,339.53</b>	

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## Charter Trust for the City of Durham

28 June 2012

Annual Report for the year ended 31<sup>st</sup>  
March 2012



City of Durham

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### Report of Jeff Garfoot, Treasurer

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#### Purpose of the Report

1. To seek approval of the Accounting Statements and Annual Governance Statement included in the attached Annual Return for the financial year ended 31 March 2012.

#### Background

2. In accordance with the Accounts and Audit Regulations 2003 (as amended) small relevant bodies in England with an annual turnover of £1 million or less must complete an annual return summarising their annual activities at the end of each financial year. To comply, the Annual Return must be approved by the Charter Trustees on or before 30 June 2012. The return is then subject to audit by our external auditors, the Audit Commission. On completion, the external auditors' report will be incorporated into the published version of the document at Section 3.

#### Annual Return

3. The annual return is made up of four sections :
  - Section 1 – Accounting Statements, to be signed by the Treasurer and Chair of the meeting approving the accounting statements;
  - Section 2 – Annual Governance Statement, to be signed by the Chair and Clerk of the meeting approving the statement;
  - Section 3 – External Auditor's certificate and opinion;
  - Section 4 – Annual internal audit report.
4. A copy of the annual return is attached at Appendix 2.

## **Outturn Report**

5. A separate revenue outturn report for the financial year ending 31 March 2012 is included within the agenda for today's meeting. This information is incorporated within Section 1 of the annual return.

## **Recommendations**

6. It is **RECOMMENDED** that the Charter Trustees approve the attached Annual Return (Sections 1 and 2) for the financial year ended 31 March 2012.

**Jeff Garfoot**  
**Treasurer**

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**Contact: Beverley White**

**Tel: 03000 261900**

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**RISKS AND IMPLICATIONS**

**Finance**

The report provides a summary of the financial activities of the Charter Trust for the City of Durham as at 31/3/12.

**Staffing**

None

**Equality and Diversity**

None

**Accommodation**

None

**Crime and Disorder**

None

**Children's Act 2004**

None

**Human Rights**

None

**Stakeholder/Community Engagement**

None

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# Small Bodies in England

## Annual return for the year ended 31 March 2012

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Small relevant bodies in England with an annual turnover of £6.5 million or less must complete an annual return summarising their annual activities at the end of each financial year.

The annual return on pages 2 to 5 is made up of four sections:

- **Sections 1 and 2** are completed by the person nominated by the body.
- **Section 3** is completed by the external auditor.
- **Section 4** is completed by the body's internal audit provider.

Each body must approve this annual return no later than **30 June 2012**.

### 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 sections highlighted in red. Do **not** leave any red box blank. Incomplete or incorrect returns require additional external audit work and may incur additional costs.

Send the annual return, together with your bank reconciliation as at 31 March 2012, an explanation of any significant year on year variances in the accounting statements and any additional information requested, to your appointed external auditor by the due date.

Your auditor will identify and ask for any additional documents needed for audit. Therefore, unless requested, do **not** send any original financial records to the external auditor.

Audited and certified annual returns will be returned to the body for publication or public display of sections 1, 2 and 3. You must publish or display the audited annual return by 30 September 2012.

It should not be necessary for you to contact the external auditor or the Audit Commission directly for guidance.

More guidance on completing this annual return is available in the Practitioners' Guides for either local councils or internal drainage boards. These publications may be downloaded from the National Association of Local Councils (NALC) or Society of Local Council Clerks (SLCC) websites ([www.nalc.gov.uk](http://www.nalc.gov.uk) or [www.slcc.co.uk](http://www.slcc.co.uk)) or from the members area of the Association of Drainage Authorities website ([www.ada.org.uk](http://www.ada.org.uk)).



## Section 1 – Accounting statements for:

Enter name of reporting body here:

*The Charice Trust for the City of Durham*

	Year ending		Notes and guidance
	31 March 2011 £	31 March 2012 £	
1 Balances brought forward	16,086	25,650	Total balances and reserves at the beginning of the year as recorded in the body's financial records. Value must agree to Box 7 of previous year.
2 (+) Income from local taxation and/or levy	134,190	115,485	Total amount of local tax and/or levy received or receivable in the year including funding from a sponsoring body.
3 (+) Total other receipts	9,507	3,807	Total income or receipts as recorded in the cashbook less income from taxation and/or levy (line 2). Include any grants received here.
4 (-) Staff costs	45,020	38,787	Total expenditure or payments made to and on behalf of all body 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 body's borrowings (if any).
6 (-) All other payments	89,113	70,132	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	25,650	36,023	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	- 17	45,670	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 and long term assets	0	0	The recorded book value at 31 March of all fixed assets owned by the body and any other long term assets e.g. loans to third parties and any long-term investments.
10 Total borrowings	0	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

I certify that for the year ended 31 March 2012 the accounting statements in this annual return present fairly the financial position of the body and its income and expenditure, or properly present receipts and payments, as the case may be.

Signed by Responsible Financial Officer:

Date

I confirm that these accounting statements were approved by the body on:

and recorded as minute reference:

Signed by Chair of meeting approving these accounting statements:

Date



## Section 2 – Annual governance statement

We acknowledge as the members of THE CHAIRS TRUST FOR THE CITY OF DURHAM 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 2012, that:

	Agreed –		'Yes' means that the body:
	Yes	No*	
1 We approved the accounting statements prepared in accordance with the requirements of the Accounts and Audit Regulations and proper practices.	YES		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 <b>and</b> reviewed its effectiveness.	YES		made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.
3 We 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 that could have a significant financial effect on the ability of the body to conduct its business or on its finances.	YES		has only done things that it has the legal power to do and has conformed to codes of practice and standards in the way it has done 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.	YES		during the year has given all persons interested the opportunity to inspect and ask questions about the body's accounts.
5 We carried out an assessment of the risks facing the body <b>and</b> took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	YES		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 body's accounting records and control systems.	YES		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 body.
7 We took appropriate action on all matters raised in reports from internal and external audit.	YES		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 body and where appropriate have included them in the accounting statements.	YES		disclosed everything it should have about its business activity during the year including events taking place after the year-end if relevant.

This annual governance statement is approved by the body and recorded as minute reference

dated

Signed by:

Chair

dated

Signed by:

Clerk

dated

**\*Note:** Please provide explanations to the external auditor on a separate sheet for each 'No' response. Describe how the body will 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 2012 of:

### 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 2012; 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 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 body:

(continue on a separate sheet if required)

External auditor’s signature

External auditor’s name

Date

**Note:** The auditor signing this page has been appointed by the Audit Commission and is reporting 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’s publication entitled *Statement of Responsibilities of Auditors and of Audited Small Bodies*.



## Section 4 – Annual internal audit report to

The body'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 2012.

Internal audit has been carried out in accordance with the body'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 the body.

Internal control objective	Agreed? Please choose from one of the following		
	Yes	No*	Not covered**
A Appropriate accounting records have been kept properly throughout the year.	✓		
B The body's financial regulations have been met, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C The body assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D The annual taxation or levy or funding 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 expenditure was approved and VAT appropriately accounted for.	✓		
G Salaries to employees and allowances to members were paid in accordance with body approvals, and PAYE and NI requirements were properly applied.	✓		
H Asset and investments registers were complete and accurate and properly maintained.			N/A
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 or income and expenditure), agreed to the cash book, were supported by an adequate audit trail from underlying records, and, where appropriate, debtors and creditors were properly recorded.	✓		

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

Print name of person who carried out the internal audit: PAUL McNAGHAN

Signature of person who carried out the internal audit: Paul McNaghan Date: 18/06/2012

**\*Note:** 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).



## Guidance notes on completing the 2012 annual return

- 1 Proper practices for preparing this annual return are found in the *Practitioners' Guides*\*. These publications are updated from time to time and contain everything you should need to prepare successfully for your financial year-end and the subsequent audit. Both NALC and SLCC have helplines if you want to talk through any problem you may encounter.
- 2 Make sure that your annual return is complete (i.e. no empty red boxes), and is properly signed and dated. Avoid making any amendments to the completed return. But, if this is unavoidable, make sure the amendments are drawn to the attention of and approved by the body, properly initialled and an explanation is provided to the auditor. Annual returns containing unapproved or unexplained amendments will be returned unaudited and may incur additional costs.
- 3 Use the checklist provided below. Use a second pair of eyes, perhaps a member or the Chair, to review your annual return for completeness before sending it to the auditor.
- 4 Do not send the auditor any information not specifically asked for. Doing so is not helpful. However, you must advise the auditor of any change of Clerk, Responsible Financial Officer or Chair.
- 5 Make sure that the copy of the bank reconciliation which you send to your auditor with the annual return covers **all** your bank accounts. If your body holds any short-term investments, note their value on the bank reconciliation. The auditor must be able to agree your bank reconciliation to Box 8 on the Statement of Accounts. **You must provide an explanation for any difference between Box 7 and Box 8.** More help on bank reconciliation is available in the *Practitioners' Guides*\*.
- 6 **Explain fully** significant variances in the accounting statements on page 2. Do not just send in a copy of your detailed accounting records instead of this explanation. The auditor wants to know that **you** understand the reasons for all variances. Include a complete analysis to support your explanation. There are a number of examples provided in the *Practitioners' Guides*\* to assist you.
- 7 If the 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.
- 8 Make sure that your accounting statements add up and the balance carried forward from the previous year (Box 7 of 2011) equals the balance brought forward in the current year (Box 1 of 2012).
- 9 **Do not complete section 3.** The external auditor will complete it at the conclusion of their audit.

Completion checklist – 'No' answers mean you may not have met requirements		Done?
All sections	All red boxes have been completed?	
	All information requested by the external auditor has been sent with this annual return? Please refer to your notice of audit.	
Section 1	Approval by the body confirmed by signature of Chair of meeting approving the accounting statements?	
	An explanation of significant variations from last year to this year is provided?	
	Bank reconciliation as at 31 March 2012 agreed to Box 8?	
	An explanation of any difference between Box 7 and Box 8 is provided?	
Section 2	For any statement to which the response is 'no', an explanation is provided?	
Section 4	All red boxes completed by internal audit and explanations provided?	

**\*Note:** *Governance and Accountability for Local Councils in England – A Practitioners' Guides*, is available from NALC and SLCC representatives or *Governance and Accountability for Internal Drainage Boards in England – A Practitioners' Guides*, is available from the ADA at The Association of Drainage Authorities, 12 Cranes Drive, Surbiton, Surrey, KT5 8AL or from the NALC, SLCC or ADA websites - see page 1 for addresses.