

Annual Internal Audit Report 2022/23

STANNINGTON PARISH COUNCIL

www.stanningtonpc.co.uk

During the financial year ended 31 March 2023, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2022/23 has been carried out in accordance with this 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 authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This 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 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 bank account reconciliations were properly carried out during the year.	✓		
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, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K. If the authority certified itself as exempt from a limited assurance review in 2021/22, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2021/22 AGAR tick "not covered")			✓
L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.	✓		
M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations (during the 2022-23 AGAR period, were public rights in relation to the 2021-22 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).	✓		
N. The authority has complied with the publication requirements for 2021/22 AGAR (see AGAR Page 1 Guidance Notes).	✓		

O. (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 authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

Name of person who carried out the internal audit

26-5-2023

J Douglas

Signature of person who carried out the internal audit

[Signature]

Date 26-5-2023

*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, the annual internal audit report must explain why not (add separate sheets if needed).

Section 1 – Annual Governance Statement 2022/23

We acknowledge as the members of:

STANNINGTON PARISH COUNCIL

our responsibility for ensuring that there is a sound system of internal control, including arrangements for 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 2023, that:

	Agreed		
	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 authority to conduct its business or manage 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 authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		considered and documented the financial and other risks it faces and 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 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	N/A
			✓
			has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.

***Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.**

This Annual Governance Statement was approved at a meeting of the authority on:

21/6/2023

and recorded as minute reference:

21/11/23

Signed by the Chairman and Clerk of the meeting where approval was given:

Chairman

R.M. Tison

Clerk

J. Hall

ENTER PUBLIC WEBSITE ADDRESS www.stanningtonpc.co.uk

Section 2 – Accounting Statements 2022/23 for

ENTER NAME OF AUTHORITY

	Year ending		Notes and guidance
	31 March 2022 £	31 March 2023 £	
1. Balances brought forward	24345	26190	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	32550	35150	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	5808	8454	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	4786	5228	Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.
5. (-) Loan interest/capital repayments	0	0	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	31727	25211	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	26190	39355	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	26190	39355	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	158 093	160 850	The value of all the property the authority owns – it is made up of all its fixed assets and long term investments 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).

For Local Councils Only	Yes	No	N/A	
11a. Disclosure note re Trust funds (including charitable)				The Council, as a body corporate, acts as sole trustee and is responsible for managing Trust funds or assets.
11b. Disclosure note re Trust funds (including charitable)			<input checked="" type="checkbox"/>	The figures in the accounting statements above do not include any Trust transactions.

I certify that for the year ended 31 March 2023 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval

Signature: *[Signature]*
Date: 21/6/2023

I confirm that these Accounting Statements were approved by this authority on this date:

21/6/2023

as recorded in minute reference:

21/11/65

Signed by Chairman of the meeting where the Accounting Statements were approved

Signature: *R. M. Tabor*

Parish Council Name: Stannington Parish Council

Financial year ending 31 March 2023

Prepared by D Hal (Clerk/RFO) | Date 20.5.2023

Balance per bank statements as at 31 March 2023:	£	£
Bank of Ireland	32276.11	
Lloyds TSB	10350.00	
		42626.11
Petty cash float (if applicable)	N/A	
Less: any unpresented cheques at 31 March 2023 (normally only current account)		
	1344	-917.92
	1346	-110.00
	1351	-450.00
	1352	-200.00
	1353	-494.65
	1354	-255.60
	1355	-843.34
		-3271.51
Add: any un-banked cash at 31 March 2023	N/A	
Net balances as at 31 March 2023		39354.60

The net balances reconcile to the Cash Book (a receipts and payments account, which should be maintained even if your authority uses income and expenditure accounting) for the year, as follows:

CASH BOOK

Opening Balance 1 April 2022	26189.88
Add: Receipts in the year	43603.58
Less: Payments in the year	-30438.86
Closing balance per cash book [receipts and payments book] as at 31 March 2023 (must equal net balances above)	39354.60

Parish Council name: Stannington Parish Council

Please explain any variances of more than 15% between the totals for individual boxes in Section 2. We do not require explanations for variances of less than £200; however, in some cases there may be 'compensating' variances which leave the overall total for a box relatively unchanged – e.g. where there was a major one-off project in one year (e.g. contribution to village hall extension of £30,000), but a totally different expense of a similar size in the next (e.g. purchase of playground equipment of £28,000). In such cases, it would be helpful to provide an explanation of movements within each box. We also ask you to explain any change where there is a movement to or from zero. Please either use the proforma below, or complete a separate schedule if more space is required.

Section 2	2021/22. £	2022/23. £	Variance (+/-) £	% variance	Detailed explanation of variance +/-15% (for each reason noted please include monetary values (to nearest £100))
Box 2 Precept	32550	35150	2600	7.99%	N/A
Box 3 Other income	5808	8454	2646	45.56%	The Council received a donation of £3500.00 towards the cost of play equipment for the play area, (Tractor) which was bought in the prior year at a value of £3905.00. This was to commemorate the recent deceased Manager of Blagdon Farm
Box 4 Staff costs	4786	5228	442	9.24%	N/A
Box 5 Loan interest/ capital	0	0	0	0	N/A
Box 6 Other payments	31727	25211	-6516	-20.54%	In the prior year the Council spent £3905.00 on a piece of new play equipment. There was also a spend of £1906.30 on new litter bins. Total £5811.30 These purchases were not repeated in the current year.
Box 7 Balances carried forward	26190	39354	13164	N/A	If some of the year-end balances are earmarked for specific purposes rather than as a general reserve, please provide a breakdown. You do not need to explain the year-on-year variance for this box.
Box 9 Fixed assets & long term assets	158093	160850	2757	1.74%	Explain all movements in this category and not just those above 15% No disposals in the year but addition of WW1 War memorial plaque and notice boards £957.30
Box 10 Total borrowing	0	0	0	0	N/A

Local council name: Stannington Parish Council

Notice of appointment of date for the exercise of public rights

Accounts for the year ended 31st March 2023

The Local Audit and Accountability Act 2014, and
The Accounts and Audit (England) Regulations 2015 (SI 234)

<p>1. Date of announcement: 25.6.2023 (a)</p> <p>2. Any person interested has the right to inspect and make copies of the accounts to be audited and all books, deeds, contracts, bills, vouchers and receipts relating to them. For the year ended 31 March 2023 these documents will be available on reasonable notice on application to:</p> <p>(b) D Hall – Clerk/RFO, 2 Monmouth Ct, Widdrington, Morpeth, Northumberland, NE61 5QS</p> <p>commencing on (c) 26.6.23</p> <p>and ending on (d) 4.8.23</p> <p>3. Local Government Electors and their representatives also have:</p> <ul style="list-style-type: none">the opportunity to question the auditor about the accounts; andthe right to make objections to the accounts or any item in them. Written notice of an objection must first be given to the auditor and a copy sent to the Authority (f). <p>The auditor can be contacted at the address in paragraph 4 below for this purpose during the inspection period at 2 above.</p> <p>4. The auditor's limited assurance review is being conducted under the provisions of the Local Audit and Accountability Act 2014, the Accounts and Audit (England) Regulations 2015 and the National Audit Office' Code of Audit Practice. Your review is being carried out by:</p> <p>Mazars LLP, The Corner, Bank Chambers, 26 Mosley Street, Newcastle upon Tyne, NE1 1DF Email: local.councils@mazars.co.uk</p> <p>5. This announcement is made by (e) D Hall – Clerk/RFO</p>	<p>(a) Insert date of placing of this notice on your website.</p> <p>(b) Insert name, position and contact details of the Clerk or other person to whom any person may apply to inspect the accounts.</p> <p>(c) And</p> <p>(d) The inspection period must be 30 working days in total and commence no later than 3 July 2023.</p> <p>(e) Insert name and position of person placing the notice</p>
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