

Annual Internal Audit Report 2021/22

SUTTON UPON DERWENT PARISH COUNCIL

www.suttonuponderwent.org.uk

During the financial year ended 31 March 2022, 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 2021/22 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 2020/21, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2020/21 AGAR tick "not covered")	✓		
L. The authority publishes information on a free to access website/webpage up to date at the time of the internal audit in accordance with any relevant transparency code requirements	✓		
M. The authority, during the previous year (2020-21) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set).	✓		
N. The authority has complied with the publication requirements for 2020/21 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

10/05/2022.

Name of person who carried out the internal audit

DAVID BRISTOW

Signature of person who carried out the internal audit

D Bristow

Date 10/5/22

*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 2021/22

We acknowledge as the members of:

SUTTON UPON DERWENT 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 2022, that:

	Agreed		'Yes' means that this authority:
	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.
	✓		

*For any statement to which the response is 'no', an explanation must be published

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

10/05/22

and recorded as minute reference:

119/22/i

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

Chairman

Clerk



J.C. Gibson

Other information required by the Transparency Code (not part of the Annual Governance Statement)

The authority website/webpage is up to date and the information required by the Transparency Code has been published.	Yes	No
	✓	

www.suttonuponderwent.org.uk

Section 2 – Accounting Statements 2021/22 for

SUTTON UPON DERWENT PARISH COUNCIL

	Year ending		Notes and guidance	
	31 March 2021 £	31 March 2022 £		
1. Balances brought forward	17335	19219	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	12119	12119	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.	
3. (+) Total other receipts	518	14631	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	3779	3436	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	NIL	NIL	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).	
6. (-) All other payments	6974	15278	Total expenditure or payments as recorded in the cash-book less staff costs (line 4) and loan interest/capital repayments (line 5).	
7. (=) Balances carried forward	19219	27255	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	19219	27254	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	11664	12129	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	NIL	NIL	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).	
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	N/A	The Council as a body corporate 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 2022 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

J.C. G. G. G. G.

Date

18/05/22

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

10/05/22

as recorded in minute reference:

119/22ii

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

[Signature]

Section 3 – External Auditor’s Report and Certificate 2021/22

In respect of

SUTTON UPON DERWENT PARISH COUNCIL

1 Respective responsibilities of the auditor and the authority

Our responsibility as auditors to complete a **limited assurance review** is set out by the National Audit Office (NAO). A limited assurance review is **not a full statutory audit**, it does not constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and hence it **does not** provide the same level of assurance that such an audit would. The UK Government has determined that a lower level of assurance than that provided by a full statutory audit is appropriate for those local public bodies with the lowest levels of spending.

Under a limited assurance review, the auditor is responsible for reviewing Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with NAO Auditor Guidance Note 02 (AGN 02) as issued by the NAO on behalf of the Comptroller and Auditor General. AGN 02 is available from the NAO website – <https://www.nao.org.uk/code-audit-practice/guidance-and-information-for-auditors/>.

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2022; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

2 External auditor’s limited assurance opinion 2021/22

(Except for the matters reported below)* on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return, in our opinion the information in Sections 1 and 2 of the Annual Governance and Accountability Return is in accordance with Proper Practices and no other 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 authority:

(continue on a separate sheet if required)

3 External auditor certificate 2021/22

We certify/do not certify* that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2022.

*We do not certify completion because:

External Auditor Name

ENTER NAME OF EXTERNAL AUDITOR

External Auditor Signature

SIGNATURE REQUIRED

Date

DDMMYY

BANK RECONCILIATION

SUTTON UPON DERWENT PARISH COUNCIL

Financial Year ending 31st March 2022

Prepared by Y C Eggleston (Clerk & Responsible Financial Officer)

22nd April 2022

Balance as per bank statements as at 31st March 2022

Community Account	23648.61
Deposit Account	<u>3605.53</u>
	27254.14

Less - unpresented cheques

Nil	0.00
-----	------

Net Balances as at 31 st March 2022	<u>27254.14</u>
--	-----------------

=====

CASH BOOK

Opening Balance 1 st April 2021	19218.67
Plus - receipts for year	26749.94

	<u>45968.61</u>
--	-----------------

Less payments for the year	18714.47
----------------------------	----------

Closing Balance as per Cash Book	<u>27254.14</u>
----------------------------------	-----------------

=====

Annual Return for the year ended 31 March 2022

Explanation of Significant Variances arising in the year ending amounts of Section 2

Box	y/e 2021	y/e 2022	Difference	15%	Explanation
2. Precept	12119	12119	Nil	Nil	None Req'd
3. Total Other Receipts	518	14631	+ 14113	+2724.5 2%	1.
4. Staff Costs	3779	3436	-343	-9.98%	None Req'd
5. Interest/Repayments	0	0	0		
6. All Other Payments	6974	15278	+8304	+54.35%	2.
9. Total Fixed Assets	11664	12129	+ 465	+3.83%	None Req'd

(Please note all values are rounded to the nearest £)

Explanations:

- Revenue received from Fireworks Display + £1557 (1556.51)
Increase in claimed VAT received + £86 (86.14)
Decrease in interest received - £1 (1.29)
Grant received from ERYC for Playing Field paid into wrong account + £5000
Lottery grant for Playing Field paid into wrong account + £7768

NB One-off items in 2020-21:

Transfer of defibrillator fund from Village Hall Comm + £124

ERYC for Tour de Yorkshire 2021 cancelled - £500

No refunds on repair materials received + £674 (673.97)

- Increase in Public Liability Insurance + £3 (3.49)
Increase in cuts of Beacon Green grass + £865 (864.80)
Increase in ERNLLCA fees + £64 (63.78)

Increase in grant to village Hall + £138.00
Decrease in other grants - £1600
Decrease in training & travel - £36
Decrease in postage and stationery - £69 (68.94)
Decrease in Zoom charges for virtual meetings -
£30
Increase in purchase of sundries for Womble Group + £19 (19.21)
Decrease in anti-virus subscription - £30 (29.99)
New gate to Beacon Green + £1180
Laptop upgrade + £40 (39.59)
Increase in purchase of evoucher for competition + £20
Purchase of fireworks + £1584
Purchase of accessible swing on behalf of Playing Field from grant paid into incorrect
account + £6052 (£6051.60)

Increase in sundries purchases + £50 (£50.05)
Decrease in email domain fee - £9 (8.50)

NB – one off payments in 2020-21

Covid 19 sundries - £15 (14.99)
Purchase of replacement battery & pads for defibrillator - £290 (290.40)
Xmas light adaptor Beacon Green - £20 (19.75)
Purchase of laminator and sundries - £46 (45.98)
Installation of commemorative bench - £30
Microsoft subscription - £10 (spreadsheet error)

Mrs Yvonne Eggleston – Clerk and RFO

Cllr. Nick Baines (Chair)

Smaller authority name: **SUTTON UPON DERWENT PARISH COUNCIL**

**NOTICE OF PUBLIC RIGHTS AND PUBLICATION OF
UNAUDITED ANNUAL GOVERNANCE & ACCOUNTABILITY
RETURN**

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

**Local Audit and Accountability Act 2014 Sections 26 and 27
The Accounts and Audit Regulations 2015 (SI 2015/234)**

NOTICE	NOTES
<p>1. Date of announcement <u> </u> 11TH June 2022 <u> </u> (a)</p> <p>2. Each year the smaller authority's Annual Governance and Accountability Return (AGAR) needs to be reviewed by an external auditor appointed by Smaller Authorities' Audit Appointments Ltd. The unaudited AGAR has been published with this notice. As it has yet to be reviewed by the appointed auditor, it is subject to change as a result of that review.</p> <p>Any person interested has the right to inspect and make copies of the accounting records for the financial year to which the audit relates and all books, deeds, contracts, bills, vouchers, receipts and other documents relating to those records must be made available for inspection by any person interested. For the year ended 31 March 2022, these documents will be available on reasonable notice by application to:</p> <p>(b) <u> </u> The Clerk <u> </u> <u> </u> the clerk:suttonuponderwent.org.uk <u> </u> <u> </u> 01904 608453 <u> </u></p> <p>commencing on (c) <u> </u> Monday 13 June 2022 <u> </u></p> <p>and ending on (d) <u> </u> Friday 22 July 2022 <u> </u></p> <p>3. Local government electors and their representatives also have:</p> <ul style="list-style-type: none">• The opportunity to question the appointed auditor about the accounting records; and• The right to make an objection which concerns a matter in respect of which the appointed auditor could either make a public interest report or apply to the court for a declaration that an item of account is unlawful. Written notice of an objection must first be given to the auditor and a copy sent to the smaller authority. <p>The appointed auditor can be contacted at the address in paragraph 4 below for this purpose between the above dates only.</p> <p>4. The smaller authority's AGAR is subject to review by the appointed auditor under the provisions of the Local Audit and Accountability Act 2014, the Accounts and Audit Regulations 2015 and the NAO's Code of Audit Practice 2015. The appointed auditor is:</p> <p>PKF Littlejohn LLP (Ref: SBA Team) 15 Westferry Circus Canary Wharf London E14 4HD sba@pkf-l.com</p> <p>5. This announcement is made by (e) <u> </u> <u> </u> Y.C. Eggleston <u> </u></p>	<p>(a) Insert date of placing of the notice which must be not less than 1 day before the date in (c) below</p> <p>(b) Insert name, position and address/telephone number/ email address, as appropriate, of the Clerk or other person to which any person may apply to inspect the accounts</p> <p>(c) Insert date, which must be at least 1 day after the date of announcement in (a) above and at least 30 working days before the date appointed in (d) below</p> <p>(d) The inspection period between (c) and (d) must be 30 working days inclusive and must include the first 10 working days of July.</p> <p>(e) Insert name and position of person placing the notice – this person must be the responsible financial officer for the smaller authority</p>

