

# Annual Internal Audit Report 2022/23

US THORPE & HUTTON MILLSIDE PARISH COUNCIL

US THORPE PARISH COUNCIL - CR. 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 applicable
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.			✓ no petty cash system
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).	✓		
<b>O. (For local councils only)</b>	Yes	No	Not applicable
Trust funds (including charitable) – The council met its responsibilities as a trustee.			X

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: 20/04/2023  
 Name of person who carried out the internal audit: NOEL STOKOE  
 Signature of person who carried out the internal audit: [Signature]  
 Date: 20/04/2023

\*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:

*U S TAMPE & HUTTON NUTSGRAVE 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:

	Answer		The response that will appear
	Yes	No	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i>
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.</i>
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i>
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.</i>
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>considered and documented the financial and other risks it faces and dealt with them properly.</i>
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>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.</i>
7. We took appropriate action on all matters raised in reports from internal and external audit.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>responded to matters brought to its attention by internal and external audit.</i>
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>
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.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> <i>has met all of its responsibilities where as a body corporate it is a sole managing trustee of a local trust or trusts.</i>

\*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:

*05/05/2023*

and recorded as minute reference:

*10/11/23*

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

Chairman *[Signature]*

Clerk *[Signature]*

## 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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
---	-------------------------------------	--------------------------

*lightgreenparishcouncil.org.uk*

**Section 2 – Accounting Statements 2022/23 for**

WESTHOUSE Hutterston P.C

	Year ending		Notes and guidance
	31 March 2022 £	31 March 2023 £	
1. Balances brought forward	1796	2575	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	1749	1836	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	2023	2405	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	1079	1546	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	zero	zero	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	1914	3145	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	2575	2125	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	2575	2125	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – <b>To agree with bank reconciliation.</b>
9. Total fixed assets plus long term investments and assets	6205	6206	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	zero	zero	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)			X	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]*

Date 15/04/2023

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

03/05/2023

as recorded in minute reference:

10/12/10

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

*[Signature]*

**Explanation of variances – pro forma**

Name of smaller authority: **Warrington**  
 County area (local authority): **Warrington**  
 Internal figures from Section 2 of the AGAR in all blue highlighted boxes

Next, please provide full explanations, including numerical values, for the following that will be flagged in the green boxes where relevant:

- variances of more than 15% between totals for individual boxes (except variances of less than £200)
- New from 2022/23 onwards: variances of £100,000 or more require explanation regardless of the % variation year on year.
- a breakdown of approved reserves on the next tab if the total reserves (Box 7) figure is more than twice the annual precept/rates & levies value (Box 2).

	2021/22 £	2022/23 £	Variance £	Variance %	Explanation Required?	Explanation from smaller authority (must include narrative and supporting figures)
1 Balances Brought Forward	1,738	9,375				
2 Precept or Rates and Levies	1,748	1,888	87	4.97%	NO	
3 Total Other Receipts	2,102	2,445	382	18.88%	YES	Model Agreement 21/22 2023 41 vs Model Agreement 2022/23 2082 12, No VAT 126 claim made 21/22 vs VAT 126 claim of 323.00 in 22/23
4 Staff Costs	1,073	1,448	467	43.31%	YES	21/22 - short periods of no Clerk in situ, no other information known 22/23 Clerk appointed May 2023 at 10 hours per month on N/C STOP Scale 13. Figures in table correspond to narrative
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO	
6 All Other Payments	814	3,145	1,231	64.32%	YES	22/23 YLCA Sub 118, Web hosting @ 114 each for 21/22 & 22/23; St Ann & Christ Church 361.00 each for grass cutting (model agreement); 248 laptop upgrade; 40.00 ICO DPA Fee, Internal Audit fee 50.00; Stationery 64.09, New Seal Topper 300.00 (model agreement) VS 21/22 Church Grass cutting 451.00 (model agreement), seat maintenance 104.00 (model agreement)
7 Balances Carried Forward	2,575	2,115			NO	
8 Total Cash and Short Term Investments	4,214	4,125				
9 Total Fixed Assets plus Other Long Term Investments	1,105	1,208	1	0.02%	NO	
10 Total Borrowings	0	0	0	0.00%	NO	

Rounding errors of up to £2 are tolerable  
 Variances of £200 or less are tolerable

**UGTHORPE & HUTTON MULGRAVE PARISH COUNCIL**  
**Financial Year Ending 31 March 2023**

**UGTHORPE & HUTTON MULGRAVE PARISH COUNCIL BANK RECONCILIATION FOR ANNUAL RETURN  
 2022/23 BASED ON RECEIPTS & PAYMENTS**

**CASH BOOK SPREADSHEET**

Opening Balance brought forward at 1 April 2022	2575.28	
Less unrepresented Cheques @ 31/3/22	0.00	
	<u>2575.28</u>	(Box 7 & 8 Annual Return form 2021/22)
Add Receipts 2022/23	4241.12	
Less Payments for 2022/23	4691.48	
<b>Closing Balance at 31 March 2023</b>	<u><u>2124.92</u></u>	<b>(Box 7 &amp; 8 Annual Return form 22/23)</b>
<b>As per cash book (receipts &amp; payments spreadsheet)</b>		

**BANK ACCOUNT STATEMENTS**

Balance in Bank Account 1/4/2022	2575.28	
Less unrepresented Cheques @ 31/3/22	0.00	
net balance 31/3/22	<u>2575.28</u>	(Box 7 & 8 Annual Return form 2021/22)

<b>Balance in Bank Account @ 31/3/23</b>	<u><u>2774.02</u></u>	
<b>as per bank statements</b>		
Less unrepresented Cheques @ 31/3/23	485      469.10	
	486      180.00	

No unbanked cash  
 No petty cash

<b>Net Balances as at 31 March 2023</b>	<u><u>2124.92</u></u>	<b>(Box 7 &amp; 8 Annual Return form 22/23)</b>
---	-----------------------	---

Prepared by Victoria Pitts, Clerk & RFO  
 Date: 15/04/2023