

Annual Internal Audit Report 2021/22

Ramsey & Parkeston Parish Council

www.ramseyparkeston-pc.gov.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.			N/A
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.			/

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

09/06/2022

Name of person who carried out the internal audit

Val Evans PSLCC

Signature of person who carried out the internal audit

Val Evans

Date

09/06/2022

*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).

INTERNAL AUDIT REPORT 1 April 2021 – 31 March 2022

RAMSEY & PARKESTON PARISH COUNCIL

In order to ensure compliance with proper practices, the audit follows the guidance in the Joint Panel on Accountability and Governance (JPAG) Practitioners' Guide March 2021. The internal audit was carried out from supplied documents, invoices/vouchers, information in EXCEL spreadsheets, the Council's website and discussions with the Clerk/RFO. The impact of COVID should not be overlooked.

Internal Control Objective A

Appropriate accounting records have been properly kept throughout the financial year.

Sample checking of 44 financial transactions was carried out matched to: cash book, invoices, vouchers, bank statements, reports and bank reconciliations. The Council has one bank account with The Co-operative Bank, a Community Directplus account.

Internal Control Objective B

This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was properly accounted for.

The Council complies with its financial regulations. Expenditure is formally approved by Council. Payments are formally approved at Council meetings, invoices and/or supporting documents having been checked by the Chairman and two other councillors; the Clerk/RFO sets up the payments online (BACS) for authorisation by 2 councillor signatories. A debit card is occasionally used, financial regulation 5.1.5 refers.

The VAT reclaim is submitted towards the end of the financial year; payment of £7630.97 was received in March 2022.

Internal Control Objective C

This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these

The Council's risks both financial and for the cemetery were reviewed and approved unchanged at the May 2021 Council meeting.

The Council's insurance is with Hiscox through Came & Company and was renewed in September 2021.

Internal Control Objective D

The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.

The Council's budget process for 2021/22 started in October 2020, a specific budget Council meeting in December 2020 and final approval of the precept, £72,418, at the January 2021 Council meeting. A year end and budget report to assist the budget process is prepared by the Clerk/RFO and is published on the website. Financial reports are provided for each Council meeting.



Reserves are for the upkeep of the Cemetery and related buildings and include a general contingency. A business plan is being drawn up for the Cemetery.

Internal Control Objective E

Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.

Apart from the precept other income is for the Cemetery and rent of the Cemetery Lodge; paid directly into the bank account or by a posted payment slip with cheque. Cemetery charges were reviewed and increased as from 1 April 2021; December 2020 Council meeting. The tenancy agreement for the Lodge was reviewed and the rent increased, see Council minutes July 2021. The Council is not registered for VAT.

Internal Control Objective F

Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.

This Council does not operate a petty cash system.

Internal Control Objective 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

The sole employee is the Clerk/RFO whose salary is in line with NJC Salary Scales as agreed by the Council. The payroll is outsourced, all payments including salary, PAYE and NI, are made by the Council using BACS. Allowances to members are detailed in the 'Scheme of Allowances' which states that any tax implications are the individual's responsibility.

Internal Control Objective H

Asset and investments registers were complete and accurate and properly maintained.

The Asset Register is maintained and kept up to date with new purchases and was approved at the May 2021 Council meeting.

There are no long term investments.

There is no borrowing.

Internal Control Objective I

Periodic bank account reconciliations were properly carried out during the year.

Bank account reconciliations to the cash book are carried out monthly, checked by the Chairman and reported to Council.

Internal Control Objective 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.

The Council operated a receipts and payments system which is entered and recorded on an EXCEL spreadsheet. Regular monitoring and reporting is carried out by the Clerk/RFO.



Internal Control Objective K

If the authority certified itself as exempt from a limited assurance review in 2020/2021, it met the exemption criteria and correctly declared itself exempt.
Not applicable

Internal Control Objective 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.

The Council publishes information on its website which is consistent with transparency requirements and/or best practice.

Internal Control Objective 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.

Notices with accompanying documents are published on the Council's website.

Internal Control Objective N

The authority has complied with the publication requirements for 2020/21 AGAR
Documents are on the Council's website.

Internal Control Objective O

Trust funds (including charitable) – The Council met its responsibilities as a trustee.

Not applicable

Thanks go to the Clerk/RFO for her input and time afforded to me. Thanks also to the Council for the opportunity to carry out the Council's Internal Audit which I trust meets with your approval and requirements. Should you need any further information or assistance please do not hesitate to contact me.

Val Evans PSLCC
The Magpies Epping Green Essex
07831 283472

June 2022



Section 1 – Annual Governance Statement 2021/22

We acknowledge as the members of:

Ramsey & Parkeston 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.
			✓	

*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:

14 April 2022

and recorded as minute reference:

M110A

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

Chairman

SIGNATURE REQUIRED

Clerk

SIGNATURE REQUIRED

www.ramseyparkeston-pc.gov.uk ONLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

Section 2 – Accounting Statements 2021/22 for

Ramsey & Parkeston Parish Council

	Year ending		Notes and guidance	
	31 March 2021 £	31 March 2022 £		
			<i>Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to underlying financial records.</i>	
1. Balances brought forward	95,455	103,585	<i>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.</i>	
2. (+) Precept or Rates and Levies	71,108	72,418	<i>Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.</i>	
3. (+) Total other receipts	17,633	16,661	<i>Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.</i>	
4. (-) Staff costs	15,187	15,802	<i>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.</i>	
5. (-) Loan interest/capital repayments	0	0	<i>Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).</i>	
6. (-) All other payments	65,424	67,994	<i>Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).</i>	
7. (=) Balances carried forward	103,585	108,868	<i>Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).</i>	
8. Total value of cash and short term investments	103,585	108,868	<i>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.</i>	
9. Total fixed assets plus long term investments and assets	219,422	219,928	<i>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.</i>	
10. Total borrowings	0	0	<i>The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).</i>	
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	N/A	<i>The Council, as a body corporate, acts as sole trustee for and is responsible for managing Trust funds or assets.</i>
			✓	<i>N.B. The figures in the accounting statements above do not include any Trust transactions.</i>

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

SGNATURE REQUIRED
Kestring

Date

10 April 2022

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

14/04/2022

as recorded in minute reference:

M110(B) REFERENCE

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

SGNATURE REQUIRED
[Signature]

Explanation of variances – pro forma

Name of smaller authority: **Ramsey & Parkston Parish Council**
County area (focal councils and Essex)

	2020/21 £	2021/22 £	Variance £	Variance %	Explanation Required?	Automatic responses trigger below based on figures input. DO NOT OVERWRITE THESE BOXES	Explanation from smaller authority (must include narrative and supporting figures)
1 Balances Brought Forward	95,455	103,585				Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	71,108	72,418	1,310	1.84%	NO		
3 Total Other Receipts	17,633	16,661	-972	5.51%	NO		
4 Staff Costs	15,187	15,802	615	4.05%	NO		
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO		
6 All Other Payments	65,424	67,994	2,570	3.93%	NO		
7 Balances Carried Forward	103,585	108,668			NO	VARIANCE EXPLANATION NOT REQUIRED	
8 Total Cash and Short Term Investments	103,585	108,668				VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and	219,422	219,928	506	0.23%	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

Bank reconciliation

Name of smaller authority: Ramsey & Parkeston Parish Council

County area: Essex

Financial year ending 31 March 2022

Prepared by: Lin Keating Clerk/RFO

Date: 01/04/2022

	£	£
Balance per bank statements as at 31/3/2022:	<u>108,867.7</u>	108,867.7
Less: any un-presented cheques as at 31/3/21	0.00	
Add: any un-banked cash as at 31/3/21	-	
Net balances as at 31/3/22 (Box 8)		<u><u>108,867.7</u></u>

Ramsey & Parkeston 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>10th May 2022</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) Mrs L Keating, Clerk/Responsible Financial Officer 1 Adelaide Street, Parkeston CO12 4PL Tel: 01255 502616 Email: clerk@ramseyparkeston-pc.gov.uk</p> <p>commencing on (c) <u>Monday 13 June 2022</u></p> <p>and ending on (d) <u>Friday 22 July 2022</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) Mrs L Keating</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>