

Annual Internal Audit Report 2020/21

Etton Parish Council

www.ettonpc.org.uk

During the financial year ended 31 March 2021, 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 2020/21 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 2019/20, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2019/20 AGAR tick "not covered")	✓		
L. The authority publishes information on a website/webpage, up to date at the time of the internal audit, in accordance with the Transparency code for smaller authorities.	✓		
M. The authority, during the previous year (2019-20) 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 2019/20 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

25/05/21

Name of person who carried out the internal audit

T M RACKHAM

Signature of person who carried out the internal audit



Date

25/05/21

*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 2020/21

We acknowledge as the members of

Etton 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 2021, that:

	Agreed			Yes* means that this authority
	Yes	No		
1. We have put in place arrangements for effective financial management which have been used for the preparation of the accounting statements.	✓			prepared its accounting statements in accordance with the Accounting and Audit Regulations.
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud which could have a material effect on the accounts.	✓			made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.
3. We took all reasonable steps to ensure ourselves that there are no matters of actual or potential fraud, misfeasance or maladministration or irregularities that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	✓			was not aware of any such matters 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 Local Government Act 1972 and the Local Government Finance Act 1992.	✓			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 managed the financial and other risks of this authority with them properly.
6. We maintain at all times throughout the year an adequate and effective system of internal control of the accounting records and control systems.	✓			arranged for a competent person, independent of the finance of accounts 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 our accounts, including any irregularities.	✓			responded to matters brought to its attention by internal and external auditors.
8. We considered whether any irregularities, whether or not significant, which are relevant to the accounts of this authority and, where appropriate, have included them in the accounting statements.	✓			addressed everything it could have done about its queries and queries during the year or before the accounts are published after the year end if applicable.
9. For local councils only: Trust funds, including charitable, in our capacity as the sole managing trustee we discharged our accountability.	Yes	No	N/A	was not all of its responsibilities where it is a body corporate or is a sole managing trustee of a local trust or trust.
10. We have reported any irregularities to the appropriate authority or bodies.			✓	

*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

28/6/21

and recorded as minutes reference:

38/21

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

Chairman

Clerk

J.R. L. L. L.
An Bray

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
✓	

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Section 2 – Accounting Statements 2020/21 for

Etton Parish Council

	Year ending		Notes and guidance
	31 March 2020 £	31 March 2021 £	
1 Balances brought forward	5,549	6,919	Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 1 of previous year.
2 (-) Precept of Rates and levies	5,549	5,536	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3 (+) Total other receipts	614	400	Total income or receipts as recorded in the cashbook less the precept or rates levies receipt (line 2). Include any grants received.
4 (-) Staff costs	981	852	Total expenditure or payments made to and on behalf of an employees, include gross salaries and wages, employers' National Insurance, employer's pension contributions, gratuity and severance payments.
5 (-) Loan interest/capital repayments	0	0	Total interest and principal payments made during the year on the authority's borrowings, if any!
6 (-) All other payments	3,912	2,700	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).
7 (+) Reserves carried forward	6,919	9,304	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	6,919	9,304	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	24,960	25,996	The value of all the property the authority owns – it is made up of its fixed assets and long term investments as at 31 March.
10 Total borrowings	0	0	The outstanding capital balance on 31 March or at lower value if applicable.
11 (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	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 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.

On Bra

Date

28/6/21

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

28/6/21

as recorded in minute reference

39/21

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

J.R. Little