

Annual Internal Audit Report 2022/23

SHERBORNE ST. JOHN PARISH COUNCIL

www.sherbornestjohn-pc.gov.uk

ONLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

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.			Not covered
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)	Yes	No	Not applicable
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).

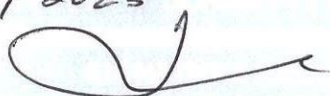
Date(s) internal audit undertaken

03/05/2023

Name of person who carried out the internal audit

J. K. MULLARY DHS FCPFA

Signature of person who carried out the internal audit



Date

03/05/2023

*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:

SHERBORNE ST. JOHN 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*	'Yes' means that this authority:
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
			✓

***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:

24 May 2023

and recorded as minute reference:

54/23 i) d.

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

Chairman

Clerk


M Camilleri

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Section 2 – Accounting Statements 2022/23 for

SHERBORNE ST. JOHN PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2022 £	31 March 2023 £	
1. Balances brought forward	106,911	144,242	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	41,303	43,370	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	88,523	89,990	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	18,947	20,228	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	73,548	184,158	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	144,242	73,216	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	144,242	73,216	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	472,603	536,997	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)			✓	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

McConnell

Date

16 May 2023

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

24 May 2023

as recorded in minute reference:

54/23 i) e.

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

[Signature]

Accounting statements 2022-23

By completing this box, the figures will pull through to the relevant tabs of the workbook to assist you in reporting on the significant variances

	Year ending		Variance £	Variance %	Notes and guidance	Explanation required
	31-Mar-22	31-Mar-23			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.	
1. Balances brought forward	106911	144242			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	41303	43370	2067	5%	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.	No explanation required
3. (+) Total other receipts	88523	89990	1466.85	2%	Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.	No explanation required
4. (-) Staff costs	18947	20228	1280.82	7%	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.	No explanation required
5. (-) Loan interest/capital repayments	0	0	0	0%	Total expenditure of payments of capital and interest made during the year on the authority's borrowings (if any).	No explanation required
6. (-) All other payments	73548	184158	110609.92	150%	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).	Please explain within the relevant tab
7. (=) Balances carried forward	144242	73216			Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).	No explanation required
	Bal c/f checker	Bal c/f checker				
8. Total value of cash and short term investments	144242	73216			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	472603	536997	64394	14%	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.	No explanation required
10. Total borrowings	0	0	0	0%	The outstanding capital balances as at 31 March of all loans from third parties (including PWLB).	No explanation required

All other payments

2021/22 73548 2022/23 184157.92

Difference 110609.92

% Change 150% Yes explain

Use the table below to breakdown your explanation

(consider any fixed assets that have been purchased and reflect in explanation in box 9 fixed assets)

2021/22	£	2022/23	£	Difference	Explanation (Ensure each explanation is quantified)
73548		184158		110610	2022/23:- Playground equipment purchased: £64,394 Professional services: HR Consultants (to handle staff disciplinary) + Locum Clerk through SLCC: £51,560 Total = £115,954
				0	
				0	
				0	
				0	
				0	
				0	
				0	
				0	
				0	
				0	
				0	
				0	
				0	
				0	
				0	
Total	73548	184158		110610	

Enter more lines as appropriate

Bank reconciliation

This reconciliation should include all bank and building society accounts, including short term investment accounts. It must agree to Box 8 in the column headed "Year ending 31 March 20XX" in the Accounting Statements of the A agree to Box 7 where the accounts are prepared on a receipts and payments basis. Please complete the highlight remembering that unpresented cheques should be entered as negative figures.

Name of smaller authority:

SHERBORNE ST.JOHN PARISH COUNCIL

County area (local councils and parish meetings only):

Hampshire

Financial year ending 31 March 20XX

Prepared by (Name and Role):

Melanie Camilleri: Locum Clerk & Responsible Financial Officer

Date:

21/04/2023

		£	£
Balance per bank statements as at 31/3/23			
	Current Account	73,282.6	
	account 2		
	account 3		
	account 4		
[add more accounts if necessary]	account 5		
	account 6		
	account 7		
	account 8		
			73,282.6
Petty cash float (if applicable)			-
Less: any unpresented cheques as at 31/3/23 (enter these as negative numbers)			
	item 1	CHQ183	(66.66)
	item 2		
	item 3		
	item 4		
[add more lines if necessary]	item 5		
	item 6		
	item 7		
	item 8		
			(66.66)
Add: any un-banked cash as at 31/3/23			
			-
Net balances as at 31/3/23			<u><u>73216</u></u>