

Annual Internal Audit Report 2022/23

ALLONBY PARISH COUNCIL

www.allonby-pc.org.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 covered**
A. Appropriate accounting records have been properly kept throughout the financial year.		<input checked="" type="checkbox"/>	
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.		<input checked="" type="checkbox"/>	
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.		<input checked="" type="checkbox"/>	
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.		<input checked="" type="checkbox"/>	
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.		<input checked="" type="checkbox"/>	
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.		<input checked="" type="checkbox"/>	
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.		<input checked="" type="checkbox"/>	
H. Asset and investments registers were complete and accurate and properly maintained.		<input checked="" type="checkbox"/>	
I. Periodic bank account reconciliations were properly carried out during the year.		<input checked="" type="checkbox"/>	
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.		<input checked="" type="checkbox"/>	
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")		<input checked="" type="checkbox"/>	
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.		<input checked="" type="checkbox"/>	
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).		<input checked="" type="checkbox"/>	
N. The authority has complied with the publication requirements for 2021/22 AGAR (see AGAR Page 1 Guidance Notes).		<input checked="" type="checkbox"/>	

O. (For local councils only)	Yes	No	Not applicable
Trust funds (including charitable) – The council met its responsibilities as a trustee.			<input checked="" type="checkbox"/>

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

27/11/2023 DD/MM/YYYY DD/MM/YYYY

Name of person who carried out the internal audit

R. KELLY PSLCC, AATQB

Signature of person who carried out the internal audit

o Kelly

Date

27/11/2023

*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:

ALLONBY 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*		
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:

12/12/2023

and recorded as minute reference:

9(b)(iii)

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

Chairman

A. I. Jones

Clerk

J. Rae

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Section 2 – Accounting Statements 2022/23 for

ALLONBY PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2022 £	31 March 2023 £	
1. Balances brought forward	26837	RESTATED 19243	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	12000	12000	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	2683	5000	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	1414	2867	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	20863	15189 15713	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	19243	18187 17663	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	19243	18187	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	42045	42045	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

SIGNATURE REQUIRED

Date

25/11/2023

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

12/12/2023

as recorded in minute reference:

9(6)(iii)

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

SIGNATURE REQUIRED

ALLONBY PARISH COUNCIL

BANK RECONCILIATION 2022-23

Balance Cfwd	1.4.22	£19,243.28
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Income		£ 5,000.00
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Precept		£12,000.00
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Total		£36,243.28
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Expenditure		£18,579.80
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BALANCE 31 MARCH 2023		£17,663.48
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Written off/unpresented cheques		<u>£ 523.43</u>
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		£18,186.91
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Balance 31.3.23		
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HSBC Account		£ 1,268.79
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Unity Account		<u>£16,918.12</u>
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		£18,186.91
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Explanation of variances 2022/23

Name of smaller authority: ALLONBY PARISH COUNCIL

Insert figures from Section 2 of the AGAR in all Blue highlighted boxes

Now, 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 £500);
- variances of more than £100,000 must be explained even where this constitutes less than 15%;
- a breakdown of approved reserves on the next tab if the total reserves (Box 7) figure is more than twice the annual precept value (Box 2).

Please ensure variance explanations are quantified to reduce the variance excluding stated items below the 15% / £500 / £100,000 threshold

	2023 £	2022 £	Variance £	Variance %	Explanation Required? Is > 15% Is > £100,000	DO NOT OVERWRITE THE BOXES HIGHLIGHTED IN RED/GREEN	Explanation (must include narrative and supporting figures)
1 Balances Brought Forward	19,243	25,337					
2 Precept or Rates and Levies	12,000	12,000	0	0.00%	NO		
3 Total Other Receipts	5,000	2,553	2,317	86.36%	YES		
4 Staff Costs	2,857	1,414	1,453	102.76%	YES		
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO		
6 All Other Payments	15,713	20,853	-5,150	24.68%	YES		
7 Balances Carried Forward	17,653	19,243	-1,580	8.21%	NO		
8 Total Cash and Short Term Investments	18,187	19,243	-1,056	5.49%	NO		
9 Total Fixed Assets plus Other Long Term Investments and Assets	42,045	42,045	0	0.00%	NO		
10 Total Borrowings	0	0	0	0.00%	NO		
Excessive Reserves Ratio	1.47192	1.50358					

ALLONBY PARISH COUNCIL INCOME AND EXPENDITURE ACCOUNT – 2022-23

DATE	INCOME RECEIVED	AMOUNT	DATE	SUBJECT	AMOUNT	Chq. No
	BALANCE CFWD					
	BUSINESS A/C	£ 17,456.23				
	CURRENT A/C	£ 1,787.05				
	Balance Bfwd		23.5.22	Transfer to Unity Bank £500		687
			19.4.22	JR Cox - Maintenance	£ 56.00	688
1.4.22	Allerdale Brough Council - First Half Precept	£ 6,000.00	19.4.22	S Ringrose - Maintenance	£ 80.00	689
1.6.22	Grant -Cumbria County Council	£ 1,000.00	19.4.22	EON - Utilities	£ 56.61	690
3.10.22	Allerdale Borough Council- Second Half Precept	£ 6,000.00	19.4.22	WaterPlus - Utilities	£ 141.63	691
7.3.23	W. Taylor - Grant	£ 4,000.00	19.4.22	S. Anderson - Clerk's a/c/cleaning expenses	£ 681.69	692
			1.5.22	L. Richardson - Maintenance	£ 496.00	693
			Apr-22	HSBC BANK CHARGES	£ 28.00	
			May-22	HSBC BANK CHARGES	£ 13.00	
			1.5.22	EON - Utilities	£ 58.99	694
	TOTAL INCOME	£ 5,000.00	1.5.22	Tivoli - Grounds Maintenance	£ 264.00	695
	TOTAL PRECEPT	£ 12,000.00	1.5.22	CALC - Training	£ 40.00	696
			1.5.22	JR Cox - Maintenance	£ 16.00	697
			1.5.22	S Ringrose - Maintenance	£ 35.00	698
			1.5.22	Zurich Insurance - Annual Insurance	£ 921.78	699
			1.5.22	CALC - Annual Subscription	£ 138.06	700
			1.5.22	Cumbria Wildflowers - Donation	£ 170.00	701
			1.6.22	Transfer to Unity Bank £4000		702
			7.6.22	Unauthorised od fee	£ 10.00	
			6.6.22	Maintenance	£ 516.81	1
			30.6.22	UNITY BANK CHARGES	£ 18.00	
			28.6.22	L. Richardson - Maintenance	£ 522.45	2

	19.8.22	CALC - Training	£	26.66	3
	19.8.22	CALC - Training	£	35.00	4
		NOT PRESENTED			5
	8.7.22	Tivoli - Grounds Maintenance	£	264.00	6
	5.7.22	EON - Utilities	£	59.61	7
	13.7.22	S Ringrose - Maintenance	£	342.00	8
	28.7.22	J R Cox - Maintenance	£	144.00	9
	1.7.22	S Anderson - Clerk's account	£	362.32	10
		HSBC CHARGES JUNE	£	15.00	
		HSBC CHARGES JULY	£	12.00	
		HSBC CHARGES AUG	£	8.00	
	4.8.22	EON - Utilities	£	118.87	BACS
	4.8.22	L Richardson - Maintenance	£	445.17	BACS
	4.8.22	J Norman - Maintenance	£	465.00	BACS
	30.8.23	HMRC 1st Locate	£	273.80	BACS
	30.8.22	S Ringrose - Maintenance	£	220.00	BACS
	30.8.22	S Anderson - Clerk's account	£	279.55	BACS
	1.7.22	L Richardson - Maintenance	£	496.00	703
	SEPT	HSBC BANK CHARGES SEPT	£	9.00	
	SEPT	Maintenance	£	480.00	704
	5.9.22	ICO - Data Protection Fee	£	35.00	DD
	30.9.22	Debit Interest Charge	£	0.01	
	30.9.22	UNITY BANK CHARGES	£	18.00	
	1.11.22	EON 31.22 (Not presented)			705
	1.11.22	Tivoli - Grounds Maintenance	£	1,056.00	706
	1.11.22	S Anderson - Clerks account	£	629.16	707
	1.11.22	Value webdesign - Website	£	199.00	BACS
	OCT	HSBC BANK CHARGES	£	10.00	
	NOV	TFR £20,000 to Unity Bank			708
	7.11.22	L Richardson - Maintenance	£	96.00	BACS
	7.11.22	S Ringrose - Maintenance	£	287.50	BACS
	7.11.22	J R Cox - Maintenance	£	80.00	BACS
	7.11.22	EON 31.22 (Not presented)	£	132.39	BACS

			2.12.22	S Anderson - Clerks account	£	314.40	BACS	
			2.12.22	S Anderson - clerk's account	£	160.00	BACS	
			2.12.22	EON - Utilities	£	29.52	BACS	
			9.1.22	A Sim - Maintenance	£	4,020.00	BACS	
			9.1.23	S Anderson - clerk's account	£	310.40	BACS	
			9.1.23	EON - Utilities	£	28.16	BACS	
			31.12.22	UNITY BANK CHARGES	£	18.00		
			25.1.23	Playdale - Playpark equipment		£270.00	BACS	
			9.1.23	Mark Eve - Maintenance	£	196.32	BACS	
			27.1.23	S Anderson - clerk's account	£	284.60	BACS	
			25.1.23	S. Anderson - clerk's expenses	£	13.00	BACS	
			25.1.23	Eon - Utilities	£	28.73	BACS	
			4.2.23	ENV AGENCY - Licence	£	968.00	BACS	
			1.3.23	EON - Utilities	£	28.88	BACS	
			1.3.23	S Anderson - clerk's account	£	310.40	BACS	
			14.3.23	S Ringrose - Maintenance	£	593.90	BACS	
			14.3.23	EON - Utilities	£	81.43	BACS	
				HSBC BANK NOV CHARGES	£	10.00		
				HSBC BANK DEC CHARGES	£	9.00		
				HSBC BANK JAN CHARGES	£	8.00		
				HSBC BANK FEB CHARGES	£	8.00		
				HSBC BANK MARCH CHARGES	£	8.00		
			31.3.23	UNITY BANK CHARGES		£18.00		
					£	18,579.80		