

Annual Internal Audit Report 2020/21

LITTLE MARLOW PARISH COUNCIL

www.littlemarlowparishcouncil.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.			No Petty Cash Held.
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)	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

26/05/2021

Name of person who carried out the internal audit

E. G. NEWHOUSE

Signature of person who carried out the internal audit



Date

26/05/2021

*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:

ENTER NAME OF AUTHORITY

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	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.			✓		<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.			✓		<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.			✓		<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.			✓		<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.			✓		<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.			✓		<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.			✓		<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.			✓		<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.	Yes	No	N/A		<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>
				✓	

*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:

22 June 2021

and recorded as minute reference:

2247121/b1

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

Chairman

Valerie Brownridge

Clerk

J Murray

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Section 2 – Accounting Statements 2020/21 for

LITTLE MARLOW PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2020 £	31 March 2021 £	
1. Balances brought forward	87,265	112,212	<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	52,283	53,851	<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	56,856	34,169	<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	23,912	26,555	<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	60,280	74,621	<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	112,212	99,056	<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	106,142	96,688	<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	713,137	726,331	<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	<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 2021 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

J. May

Date

220621

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

22 June 2021

as recorded in minute reference:

2247/21/12

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

Valerie Brownridge

18/05/2021

11:47

Little Marlow Parish Council

Balance Sheet as at 31st March 2021

31st March 2020

31st March 2021

Current Assets

1,579	Debtors	1,413
3,437	Vat	1,092
1,372	Prepayments	363
48,115	Bank Current Account	5,074
281	Petty Cash Account	0
44,149	Premier Interest Account	44,160
13,597	Precept Account	47,454

112,530

99,556

112,530 Total Assets

99,556

Current Liabilities

0	Receipts in advance	500
318	Accruals	0

318

500

112,212 Total Assets Less Current Liabilities

99,056

Represented By

92,641	General Reserve	81,387
0	EM Reserves - Burial Ground	5,800
19,571	EM Reserves - Pavillion Rec	9,868
0	EMR Road Safety	2,000

112,212

99,056

The above statement represents fairly the financial position of the authority as at 31st March 2021 and reflects its Income and Expenditure during the year.

Signed :
Chairman

Valerie Brownridge Date : 22 June 2021

Signed :
Responsible
Financial
Officer

Johnny Date : 22 June 2021

Little Marlow Parish Council

Bank - Cash and Investment Reconciliation as at 31 March 2021

		<u>Account Description</u>	<u>Balance</u>
<u>Bank Statement Balances</u>			
1	31/03/2021	Lloyds Bank	5,073.85
2	28/02/2021		0.00
3	31/03/2021	Reserves Account	44,160.04
4	31/03/2021	Precept Account	47,453.73
			96,687.62
<u>All Cash & Bank Accounts</u>			
1		Bank Current Account	5,073.85
2		Petty Cash Account	0.00
3		Premier Interest Account	44,160.04
4		Precept Account	47,453.73
5		Country Park Accounts	0.00
		Other Cash & Bank Balances	0.00
		Total Cash & Bank Balances	96,687.62

Little Marlow Parish Council

Income and Expenditure Account for Year Ended 31st March 2021

31st March 2020		31st March 2021
	Income Summary	
52,283	Precept	53,851
52,283	Sub Total	53,851
	Operating Income	
29	Administration	517
12,079	Grants	0
10,802	Abbotsbrook Hall	3,520
921	Allotments	1,526
24,990	Burial Ground	24,343
6,268	Pavilion/Recreation Ground	2,496
1,767	Devolved Services	1,767
109,139	Total Income	88,020
	Running Costs	
35,193	Administration	36,979
0	Grants	400
7,709	Abbotsbrook Hall	11,946
433	Allotments	662
10,403	Burial Ground	15,579
23,156	Pavilion/Recreation Ground	26,033
3,332	Street Lighting	4,571
3,966	Devolved Services	5,006
84,192	Total Expenditure	101,177
	General Fund Analysis	
75,194	Opening Balance	92,641
109,139	Plus : Income for Year	88,020
184,333		180,661
84,192	Less : Expenditure for Year	101,177
100,141		79,485
7,500	Transfers TO / FROM Reserves	(1,903)
92,641	Closing Balance	81,387

Explanation of variances – pro forma

Name of smaller authority: **Little Marlow Parish Council**
County area (local councils and parish meetings only): **Buckinghamshire**

Insert 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 2020/21:** 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).

	2019/20 £	2020/21 £	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	87,265	112,212				Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	52,283	53,851	1,568	3.00%	NO		
3 Total Other Receipts	56,856	34,169	-22,687	39.90%	YES	Income down due to loss of hall hire income	
4 Staff Costs	23,912	26,555	2,643	11.05%	NO		
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO		
6 All Other Payments	60,280	74,621	14,341	23.79%	YES	Hand sanitiser stations, new boiler installation	
7 Balances Carried Forward	112,212	99,056			NO	VARIANCE EXPLANATION NOT REQUIRED	
8 Total Cash and Short Term Investments	106,142	96,688				VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and	713,137	726,331	13,194	1.85%	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

Little Marlow Parish Council

Working Detail for Reserves Reconciliation for ANNUAL RETURN 31 March 2021

Explains the difference between boxes 7 & 8 on the Annual Return

<u>Code</u>	<u>Description</u>	<u>Last Year £</u>	<u>This Year £</u>
	Total Reserves	112,212.06	99,055.57
101	Debtors	1,579.00	1,413.16
105	Vat	3,436.61	1,091.69
110	Prepayments	1,372.23	363.10
	Less Total Debtors	6,387.84	2,867.95
505	Receipts in advance	0.00	500.00
510	Accruals	318.00	0.00
	Plus Total Creditors	318.00	500.00
	Equals Total Cash and Bank Accounts	106,142.22	96,687.62
201	Bank Current Account	48,115.42	5,073.85
202	Petty Cash Account	281.12	0.00
203	Premier Interest Account	44,148.57	44,160.04
204	Precept Account	13,597.11	47,453.73
	Total Cash and Bank Accounts	106,142.22	96,687.62

NOTICE OF PUBLIC RIGHTS AND PUBLICATION OF UNAUDITED ANNUAL GOVERNANCE & ACCOUNTABILITY RETURN

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

Local Audit and Accountability Act 2014 Sections 25, 26 and 27

The Accounts and Audit Regulations 2015 (SI 2015/234)

The Accounts and Audit (Coronavirus) (Amendment) Regulations 2020 (SI 2020/404)

NOTICE	NOTES
<p>1. Date of announcement Wednesday 23rd June 2021 (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 2020, these documents will be available on reasonable notice by application to:</p> <p>(b) Jo Murray – Clerk to the Council, Little Marlow Parish Council, The Pavilion, Church Road, Little Marlow, Buckinghamshire SL7 3RS</p> <p>commencing on (c) Friday 25th June 2021</p> <p>and ending on (d) Thursday 5th August 2021</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-littlejohn.com)</p> <p>5. This announcement is made by (e) Jo Murray – Clerk to the Council</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 start on or before 1 September 2020.</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>

Contact details

Name of smaller authority:

Little Marlow Parish Council

County Area (local councils and parish meetings only):

Buckinghamshire

Please complete this form and send it back to us with the AGAR or exemption certificate

	Clerk/RFO (Main contact)	Chair
Name	Jo Murray	Valerie Brownridge
Address	Little Marlow Parish Council Community Offices The Pavilion Church Road Little Marlow Buckinghamshire SL7 3RS	Little Marlow Parish Council Community Offices The Pavilion Church Road Little Marlow Buckinghamshire SL7 3RS
Daytime telephone number	01628 890301	01628 523367
Mobile telephone number	07907 014377	07966 462684
Email address	clerk@littlemarlowparishcouncil.org.uk	valeriebrownridge@littlemarlowparishcouncil.org.uk