

## Annual Internal Audit Report 2019/20

### Sutton on Trent Parish Council - NT0176

This authority's internal auditor, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls to be in operation **during** the financial year ended 31 March 2020.

The internal audit for 2019/20 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	Agreed? Please choose one of the following		
	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 and year-end bank account reconciliations were properly carried out.	✓		
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 2018/19, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2018/19 AGAR tick "not covered")			✓
L. The authority has demonstrated that during summer 2019 it correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations.	✓		
<b>M. (For local councils only)</b> 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

Name of person who carried out the internal audit

Signature of person who carried out the internal audit

Date

\*If the response is 'no' you must include a note to 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 2019/20

We acknowledge as the members of:

Sutton on Trent Parish Council - NT0176

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 2020, 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.	✓		<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
			✓

\*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:

12/05/2020

and recorded as minute reference:

200507 (a)

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

Chairman

M. S. Jank

Clerk

S. Akerman

### Other information required by the Transparency Codes (not part of Annual Governance Statement)

Authority web address

www.suttonontrent.org.uk

AUTHORITY WEBSITE ADDRESS



## Section 2 – Accounting Statements 2019/20 for

Sutton on Trent Parish Council - NT0176

	Year ending		Notes and guidance
	31 March 2019 £	31 March 2020 £	
1. Balances brought forward	82,095	94,662	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	23,057	24,210	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	65,336	48,364	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	4,229	3,932	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	71,596	60,625	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	94,662	102,680	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	94,662	102,680	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – <b>To agree with bank reconciliation.</b>
9. Total fixed assets plus long term investments and assets	59,381	59,521	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).
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 for the year ended 31 March 2020 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

S. Akerman

Date

12/05/2020

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

12/05/2020

as recorded in minute reference:

200507 (d)

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

M. S. J. and



Sutton-on-Trent Parish Council

Explanation of Significant Variations - more than 15% (not less than £200)

Box on Section 2 Accounting Statements	( a ) 2019 £	( b ) 2020 £	( c ) £	( d ) %	Explanation Required?
Box 2 - Precept or Rates & Levies	23,057	24,210	1153	5.0%	No
Box 3 - Total Other Receipts	65,336	48,364	- 16,971	-26.0%	Yes
Box 4 - Staff Costs	4,229	3,932	- 297	-7.0%	No
Box 5 - Loan Interest / Capital Repayments	-	-	-	0.0%	No
Box 6 - All Other Payments	71,596	60,625	- 10,971	-15.3%	Yes
Box 9 - Total Fixed Assets plus Long Term Investments and Assets	59,381	59,521	140	0.0%	No
Box 10 - Total Borrowings	-	-	-	0.0%	No

**Box 3 - Total Other Receipts**

Last Year (2018/19)	£65,336	This Year (2019/20)	£48,364	Variance	-£16,971	Variance	-26.0%
Cemetery - increase in fees received					2,169		
Gaits - income for the year not received prior to year end					- 132		
Bank Interest earned					20		
Other Receipts -					- 12,994		
Youth Club - funds received on closure in 2018/19				- 3,058			
Sports Club - reduction in final funding raised for refurbishment				- 17,741			
NCC Local Improvement Scheme funding received in 2019/20				7,030			
Contribution from Sutton Festival to purchase of new marquee				775			
				- 12,994			
VAT Reclaimed - previous year refund claim included significant spend on refurbishment of sports club					- 6,033		
					- 16,971		

**Box 6 - All Other Payments**

Last Year (2018/19)	£71,596	This Year (2019/20)	£60,625	Variance	-£10,971	Variance	-15.3%
Administration Costs - small decrease in admin costs over the year				- 57			
Allowances, Salary, Training - new councillor training				70			
Defibrillator - replacement battery purchased				145			
Village Hall - Flood Risk Assessment and Planning Application fees for hall project, printing for public consultation				3,855			
Other Expenses:				- 17,691			
Small changes in expenditure for cemetery and drainage board, Office 365 subscription not due in previous year				- 64			
Previous year included two years costs for dog bin emptying				- 1,102			
Increase in grass cutting and tree work				695			
Donation to Community Library in previous year				- 500			
Reduced expenditure for sports club refurbishment				- 18,016			
Pest Control expense allocated to Miscellaneous in previous year				780			
Expenditure on maintenance of parish clock				516			
				- 17,691			
Grants, Donations & S137 - increase in donations to village events, replacement marquee for village festival, replacement swing seat,					6,724		
Miscellaneous Expenses - difference on previous year expenditure on pest control, IT equipment and replacement bench.				- 1,872			
VAT Paid - reduced claim on previous year due to reduced expenditure				- 2,146			
				- 10,971			

# Sutton-on-Trent Parish Council

## Bank Reconciliation

		£
<b>A</b>	Balance as per bank statements dated 31/03/2020	
	National Westminster Business Current Account	51,403.87
	National Westminster Business Reserve Account	25,140.77
	Scottish Widows Clubs & Associations Account	26,134.92
		<u>102,679.56</u>
	<b>Outstanding Items</b>	
<b>B</b>	<b>Less</b> unpresented cheques	-
<b>C</b>	<b>Plus</b> uncleared payments into bank	-
	<b>Petty Cash</b>	
<b>D</b>	<b>Plus</b> any petty cash balance held at 31/03/2020	-
<b>E</b>	Balance per Cash Book (council's own records) at 31/03/2020 (Box 8 on Annual Return)	102,679.56