

Annual Internal Audit Report 2020/21

MILWICH WITH FRADSWELL PARISH COUNCIL

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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.			N/A
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.	✓		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

16/04/2021

Name of person who carried out the internal audit

C.C. BULLMAN OBE, BSc, CEng, MICE, FCILT

Signature of person who carried out the internal audit



Date

16/04/2021

*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

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We acknowledge as the members of:

MILWICH WITH FRADSWELL 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 during the year, and for the preparation of the accounting statements.	YES		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.	YES		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.	YES		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.	YES		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.	YES		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.	YES		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.	YES		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.	YES		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.
	YES		

*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 04 2021

and recorded as minute reference:

21 / 9 6

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

Chairman

Angela EL

Clerk

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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

MILWICH WITH FRADSWELL PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2020 £	31 March 2021 £	
1. Balances brought forward	17,349	19,406	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	4,865	5,164	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	1,859	1,013	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	1,650	1,650	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	3,017	2,591	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	19,406	21,343	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	19,406	21,343	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	3,674	3,674	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 balances as at 31 March of all loans from third parties (including PWB).
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 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

[Signature]

Date 28.04.21

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

28.04.21

as recorded in minute reference:

21/9.7

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

[Signature]

MILWICH with FRADSWELL PARISH COUNCIL

Summary Receipts and Payments Account

Year Ended 31st March 2020 £	For Year Ended 31st March 2021	Year Ended 31st March 2021 £
Receipts		
4,864.83	Precept	5,164.42
135.17	Government Support Grant	135.58
528.00	Agency Services & SBC Concurrent Functions	528.00
	Loans / Capital Receipts	
300.00	Lease Rent Brick Kiln Pits Fishing Rights	325.00
21.09	Other Receipts	7.21
0.00	Interest	0.00
0.00	Donation	0.00
645.98	Sale of Assets	0.00
29.23	Gift for Play Area Fund from Music Festival	0.00
	VAT	18.00
<u>6,724.30</u>		<u>6,178.21</u>
Payments		
360.00	Parish Meetings - Hire of Village Halls	60.00
485.24	Insurance	550.11
75.00	Audit	75.00
190.00	General Data Protection Regulations (GDPR)	195.00
0.00	Training, Books and Publications	118.89
68.71	Clerk's Expenses	101.58
1,650.00	Clerks Salary (Including PAYE)	1,650.00
90.00	Accountants Payroll Services Fee	90.00
10.00	a137 payments	10.00
283.00	Community Transport Shopper Bus	283.00
528.00	SBC Concurrent Function Allowance	528.00
199.00	Subscriptions (SPCA)	199.00
0.00	Website Fee	0.00
0.00	Chairman's Allowance	0.00
250.00	Refurbish 12 Bench Seats - Always Milwich	0.00
292.00	Milwich Play Area Costs	550.00
168.07	Parish Council Election May 2019 Re-charge	0.00
18.00	VAT	28.00
<u>4,667.02</u>		<u>4,241.76</u>
Receipts and Payments Summary		
17,349.46	Balance Brought Forward at 1st April	19,406.74
<u>6,724.30</u>	ADD Total Receipts	<u>6,178.21</u>
24,073.76		25,584.95
<u>4,667.02</u>	LESS Total Payments	<u>4,241.76</u>
19,406.74		21,343.19
These Cumulative Funds are represented by:		
2,711.40	Current Account 01858766 at NatWest Bank	3,676.97
963.67	Less Unpresented Cheques	0.00
<u>17,659.01</u>	Reserve Account 55022073	<u>17,666.22</u>
19,406.74		21,343.19

Chairman

Responsible Financial Officer

31st March 2021

MILWICH WITH FRADSWELL PARISH COUNCIL

Income and Expenditure Estimates 2021 - 2022

At Year Ended 31st March 2021

Income	£	Expenditure	£
Balance brought forward 1st April 2021	21,343.19		
Concurrent Function Allowance Milwich	366.00	Concurrent Function Allowance	366.00
Fradswell	162.00		162.00
Precept (Council Tax Supplement) Milwich	4,031.38	Meetings, Audit, Insurance	1,135.00
Band D Equivalent Charge £20.27 No increase		SPCA	210.00
Government Support Grant	103.02	Election Contingency	200.00
		Expenses	200.00
Fradswell	1,172.24	Clerks Salary	1,925.00
Band D Equivalent Charge £13.83 No increase		Data Protection Regulations	300.00
Government Support Grant	33.76	Accountant Payroll Services	150.00
		Training (Seminars & Courses)	100.00
		Chairman's Allowance	0.00
		Community Link - Shopper Bus	300.00
		Milwich Play Area	821.00
			5,341.00
Brick Kiln Pits			
Izaak Walton Angling Assoc. Rent	350.00		
Customs & Excise VAT Refund	28.00		
Reserve Account Interest (Est.)	2.00		
		Allocated Funds as 31st March 2021	
		Fradswell Village Maintenance	1,250.00
		Fradswell Election Contingency	1,000.00
		Milwich Election Contingency	1,200.00
		Brick Kiln Pits Maintenance	3,731.60
		Milwich Road Signs	279.18
		Milwich Village Maintenance	368.00
		Milwich Play Area	8,928.60
			18,293.61
		Unallocated Funds as 31st March 2021	
			3,049.22