

## End of year Audit Report

(to be read in conjunction with Annual Internal Audit report in the Annual Governance and Accountability return

|                                  |                             |                                |             |
|----------------------------------|-----------------------------|--------------------------------|-------------|
| <b>Name of council:</b>          | <b>Eydon Parish council</b> |                                |             |
| <b>Name of Internal Auditor:</b> | Dianne Isaacs               | <b>Date of report:</b>         | 06/05/21    |
| <b>Year ending:</b>              | 31/03/21                    | <b>Date audit carried out:</b> | 5- 6/05 /21 |

*Internal audit is the periodic independent review of a council's internal controls resulting in an assurance report designed to improve the effectiveness and efficiency of the activities and operating procedures under the council's control. Managing the council's internal controls should be a day-to-day function of the staff and management and not left for internal audit. It would be incorrect to view internal audit as a detailed inspection of all records and transactions of a council to detect error or fraud. The report is based on the evidence made available to me and consequently the report is limited to those matters set out below*

**The Council is required to take appropriate action on all matters raised in reports from internal and external audit and to respond to matters brought to its attention by internal and external audit. Failure to take appropriate action may lead to a qualified audit opinion.**

***Due to COVID -19 restrictions the End of year audit will be carried out remotely this year.***

***Andrew Hartley is the Clerk and R.F.O. of the Council.***

***Cllr K Simmons was elected Chairman of the Council in May 2020***

***Cllr J Walker was elected Vice Chairman***

***No of Councillors:- 7 -***

***Quorum 3***

***Electorate***

**To the Chairman of the Council:**

**External audit 2019/20 Financial year**

Eydon Parish Council had gross income/expenditure less than £25,000 and was exempt from External audit.

The Clerk completed the Certificate of Exemption and published the required documents on the Council's web site.

### **Audit 2020/21**

The Council has Income over £25000 and is liable for a limited assurance review.

The Clerk to complete Part 3 of the AGAR and send the relevant documents to PKF and under the Accounts and Audits regulations 2015 to publish information on the Council's website.

### **Interim Internal audit report 03/01/2021**

The Interim audit report was noted at the Council meeting in January and there were no matters arising from the report.

### **Internal control**

Cllr Henson carries out internal control checks on behalf of the Council.

The Council reviewed the effectiveness of their Internal control procedures at the Annual meeting in May. Following a periodic review Cllr Henson reported to the March Council meeting that procedures were in order.

### **Minutes of Council meetings**

The Council meets to discuss its business on every month except for August.

I checked the minutes to 31.03.2021 and there were no unusual activities that came to my attention.

**Due to current Covid restrictions the Council is holding virtual meeting via Zoom video link to ensure that essential and statutory business can be actioned.**

### **Asset Register**

There are no additional assets purchased during the year

**Total fixed assets at 31/03/2021 - £30,154 AGAR Section2 (9)**

### **Due Process**

#### **Risk Management, Financial regulations and Standing orders**

The Council has reviewed their arrangements to manage identified risks and has a risk assessment document in place to achieve their objectives.

The Risk assessment, Financial regulations, Standing orders and a Complaints procedure was approved by the Council in May 2020.

### **Data Protection -**

The Council is registered with ICO and paid the fee - **£40.00** in May 2020

### **Insurance**

The Council reviewed their insurance through Came and Co at a cost of **£ 641.46**

Fidelity guarantee is set at **£ 150,000**.

### **Precept/Budget**

The Council agreed a precept of **£22646** to support its 2020/21 budget.

The precept is recorded correctly in the Receipts and Payments account

### **V.A.T**

The Clerk submitted a claim to H.M.R.C - **£ 787.09** for 2019/20 financial year.

This amount is recorded in the Accounts ledger

VAT on expenditure to 31/03/2021 - **£1,864.99**

### **Staff costs**

The Clerk is the sole employee of the Parish Council.

The Clerk's salary **£2,750** has been agreed by the Council, recorded in the minutes and the Receipts and Payments ledger. **£2750 is recorded in AGAR Section 2 (4)**

### **Banking**

Cllr Simmons, Cllr Collins, Cllr Coy and the Clerk are authorised Bank signatories on behalf of the Council

Internet banking has not been implemented to date.

#### **Account ledger to 31st March 2021**

The accounts for 2020/21 financial year have been prepared on the correct accounting procedure – Receipts and Payments basis.

An audit trail was carried out on several receipts and payments during the year and there are no unexplained entries from the accounts to the bank statements at 31.03.2021

#### **Balances at 31.03.2021**

|                 |           |
|-----------------|-----------|
| Current account | £ 3861.10 |
|-----------------|-----------|

|                 |            |
|-----------------|------------|
| Reserve account | £ 55121.53 |
|-----------------|------------|

|              |                    |
|--------------|--------------------|
| <b>Total</b> | <b>£ 58,982.63</b> |
|--------------|--------------------|

**£ 58983 is recorded in AGAR Section 2 ( 7 and 8)**

The Clerk presents current bank balances at the monthly Council meetings and records in the minutes of the Council.

**The Council must approve Section 1 AGAR before approving Section 2 and both must be approved and published on the website before 1st July 2021**

**Under the Accounts and Audit regulations 2015 the Council must publish relevant information on its website - Guidance notes AGAR Part 3.**

Dianne Isaacs

Internal Auditor to the Council - Ncalc

01327 831243

07790269798

The figures submitted in the Annual Return are:

|                                            | Year ending<br>31 March 2020 | Year ending<br>31 March 2021 |
|--------------------------------------------|------------------------------|------------------------------|
| 1. Balances brought forward                | 47032                        | 54132                        |
| 2. Annual precept                          | 22194                        | 22646                        |
| 3. Total other receipts                    | 894                          | 2501                         |
| 4. Staff costs                             | 2620                         | 2750                         |
| 5. Loan interest/capital repayments        | Nil                          | Nil                          |
| 6. Total other payments                    | 13368                        | 17546                        |
| 7. Balances carried forward                | 54132                        | 58983                        |
| 8. Total cash and investments              | 54132                        | 58983                        |
| 9. Total fixed assets and long term assets | 30154                        | 30154                        |
| 10. Total borrowings                       | Nil                          | Nil                          |

The proper practices referred to in Accounts and Audit Regulations are set out in *Governance and Accountability for Smaller Authorities in England (2020)*. It is a guide to the accounting practices to be followed by local councils and it sets out the appropriate standard of financial reporting to be followed. A copy of the guide is available for free download from:

# Annual Internal Audit Report 2020/21

EYDON PARISH COUNCIL

eydon-village.co.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.                                                                                                                                                                     | ✓   |    |             |
| 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. If the authority has an annual turnover not exceeding £25,000, it 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).                                                                                                                                                                                           | ✓   |    |             |
| <b>O. (For local councils only)</b>                                                                                                                                                                                                                                                                          |     |    |             |
| 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

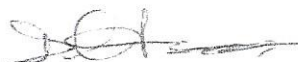
03/01/2021

06/05/2021

Name of person who carried out the internal audit

DIANE DETHES Internal Auditor Noted

Signature of person who carried out the internal audit



Date 06/05/2021

\*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).