

Annual Internal Audit Report 2023/24

Swynnerton Parish Council

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During the financial year ended 31 March 2024, 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 2023/24 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 KEPT		✓
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 2022/23, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2022/23 AGAR tick "not covered")			✓
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.	✓		
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 2023-24 AGAR period, were public rights in relation to the 2022-23 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).	✓		
N. The authority has complied with the publication requirements for 2022/23 AGAR (see AGAR Page 1 Guidance Notes).	✓		
O. (For local councils only) 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

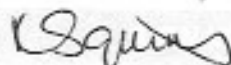
Name of person who carried out the internal audit

06/11/2023

30/04/2024

Kim Squires

Signature of person who carried out the internal audit



Date

30/04/2024

*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 2023/24

We acknowledge as the members of:

Swynnerton 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 2024, 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.	✓			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:

23/05/2024

and recorded as minute reference:

8.3

Signed by the Chair and Clerk of the meeting where approval was given

Chair

Clerk



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Section 2 – Accounting Statements 2023/24 for

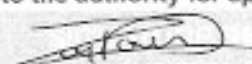
Swynnerton Parish Council

	Year ending		Notes and guidance
	31 March 2023 £	31 March 2024 £	
1. Balances brought forward	40,307	55,623	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	30,416	33,486	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	13,240	8,002	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	5,732	7,241	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	22,608	25,988	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	55,623	63,882	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	55,623	63,882	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	124,400	79,425	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 exclude any Trust transactions.

I certify that for the year ended 31 March 2024 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



Date

23/05/2024


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

23/05/2024

as recorded in minute reference:

8.4

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



Attachment 1.1

Bank reconciliation – Example.

This reconciliation must include **all** bank and building society accounts and other short-term investments*. It **must** agree to Box 8 in the column headed "Year ending 31 March 2024" in Section 2 of the Annual Return. It will also agree to Box 7 where the accounts are prepared on a receipts and payments (cash) basis, but not when an income and expenditure basis is used.

Parish Council: Name Swynnerton Parish Council

Financial year ending: 31 March 2024

Prepared by: L Davies - Responsible Financial Officer Date 11/05/2024

Balance per bank statements as at 31 March 2024:	£	£
e.g. Current account	12,121.42	
Instant access savings account	52,365.79	
		64,487.21
Less: any un-presented cheques at 31 March 2024 (normally only current account)		
Cheque number		
300103	(43.60)	
300104	(561.77)	
		(605.37)
Add: any un-banked cash at 31 March 2024		<u>0</u>
Net balances as at 31 March 2024		63,881.84
<i>The net balances reconcile to the Cash Book (a receipts and payments account, which should be maintained even if your authority uses income and expenditure accounting) for the year, as follows:</i>		
CASH BOOK		
Opening Balance 1 April 2023		55,622.57
Add: Receipts in the year		41,487.72
Less: Payments in the year		<u>(33,228.45)</u>
Closing balance per cash book [receipts and payments book] as at 31 March 2024 (must equal net balances above)		63,881.84

Attachment 1.2

Explanation of significant variances in the accounting statements – AGAR Section 2

Parish Council name: Swynnerton Parish Council

Please explain any variances of more than 15% between the totals for individual boxes in Section 2. We do not require explanations for variances of less than £200; however, in some cases there may be 'compensating' variances which leave the overall total for a box relatively unchanged – e.g. where there was a major one-off project in one year (e.g. contribution to village hall extension of £30,000), but a totally different expense of a similar size in the next (e.g. purchase of playground equipment of £28,000). In such cases, it would be helpful to provide an explanation of movements within each box. We also ask you to explain any change where there is a movement to or from zero. Please either use the proforma below, or complete a separate schedule if more space is required.

Section 2	2022/23 £	2023/24 £	Variance (+/-) £	Detailed explanation of variance (for each reason noted please include monetary values to nearest £100)
Box 2 <i>Precept</i>	30,416	33,486	£3,070	N/A
Box 3 <i>Other income</i>	13,240	8,002	£(5,238)	Reduction in income: £(1,700) – reduction in VAT reclaimed due to lower purchases incurring VAT in 2021/22 compared to 2022/23. £(3,700) – reduction of contributions from County Council for grass cutting. 2022/23 included 2 years of contributions (2021/22 not claimed in the year). £(400) – sale of speed indication device in 2022/23 not repeated in 2023/24 £(100) – refund from HMRC in 2022/23 no repeated in 2023/24 Increase in income: £400 – increase in bank interest received. £300 – grant received in 2023/24

Attachment 1.2

Box 4 <i>Staff costs</i>	5,732	7,241	1,509	<p>Increase in staff costs:</p> <p>£1,100 - in 2022/23 the Clerk was employed for 10 months of the year. In 2023/24 the Clerk was employed for 12 months.</p> <p>£400 - Pay rise in 2024</p>
Box 5 <i>Loan interest/capital</i>	0	0	0	N/A
Box 6 <i>Other payments</i>	22,608	25,988	3,380	<p>Decrease in spend in 2023/24:</p> <p>£(7,800) – spend on new notice boards and 2 x jubilee beacons in 2022/23 not repeated in 2023/24</p> <p>£(900) – decrease in spend on village hall projects (grant for wifi project in 2022/23 not repeated in 2023/25)</p> <p>£(2,200) – decrease spend on civic amenity visits as invoice for next year not received before the YE 2023/24</p> <p>£(800) – decrease in SPCA subscription costs (invoice not received before YE</p> <p>Increased spend in 2023/24</p> <p>£8,100 – spend on play areas including refurbishments for the end of lease requirements.</p> <p>£2,400 - increase in spend on grass cutting than in 2022/23</p> <p>£1,200 – gully cleaning costs not incurred in 2022/23</p> <p>£1,200 – increase in spend on asset repairs/improvements (bus shelters perches /cenotaph paving/salt bin) compared to 2022/23</p> <p>£500 – increase in VAT paid due to higher purchases with VAT payable</p> <p>£500 – training and election costs not incurred in 2023/24 not incurred in 2022/23</p> <p>£400 – supply and installation of community speed watch signs</p> <p>£800 – grants for coronation events / initiatives</p>

Attachment 1.2

Box 7 Balances carried forward	55,623	63,882	8,259	£20,000 – installation of new green space in the Parish. £2,200 – refurbishment of cenotaph. Works agreed in 2023/24 but will be carried out in 2024/25 £1,100 – installation of perches within 3 x bus shelter agreed in 2023/24 but will be installed in 2024/25.
Box 9 Fixed assets & long-term assets	124,400	79,425	(44,975)	£(45,780) - Play area lease ended and area has reverted to Borough Council. £45,780 of assets relating to this play area removed from asset list. £605 – 2 x bus shelter perches purchased and installed £80 – permanent community speed watch signs £120 – salt bin
Box 10 Total borrowing	0	0	0	N/A