

# Annual Internal Audit Report 2019/20

## GILDEN MORDEN PARISH COUNCIL

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.	✓		
M. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes	No	Not applicable
* NO PETTY CASH TRANSACTIONS			✓

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

24.04.19

18.06.20

DD/MM/YY

ENTER NAME OF INTERNAL AUDITOR

JACQUE WILSON

Signature of person who carried out the internal audit

SIGNATURE REQUIRED

JACQUE WILSON

Date

18.06.20

\*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:

### GUILDEN MORDEN 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 2020, 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.	✓		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:

20/07/2020

and recorded as minute reference:

MINUTE REFERENCE 4-8

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

Chairman

Clerk

SIGNATURE REQUIRED

SIGNATURE REQUIRED

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

Authority web address

www.guildenmorden.gov.uk

AUTHORITY WEBSITE ADDRESS



## Section 2 – Accounting Statements 2019/20 for

### GILDEN MORDEN PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2019 £	31 March 2020 £	
1. Balances brought forward	117,070	122,999	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	33,775	36,385	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	9,475	14,553	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	4,119	2,638	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	33,202	41,971	Total expenditure or payments as recorded in the cash-book less staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	122,999	129,328	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	122,999	129,328	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	438,305	439,305	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

SIGNATURE REQUIRED

Date

21/04/2020

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

20/07/2020

as recorded in minute reference:

MINUTE REFERENCE

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

SIGNATURE REQUIRED

Rory J. Holman

**GUILDEN MORDEN PARISH COUNCIL CASH BOOK RECONCILIATION**  
**FY ENDING 31 MARCH 2020**

**Reconciliation from cash book**

B/F Bank & cash	£122,999.18	Payments (excl transfers)	£44,608.65
Receipts	£50,937.74	C/F	£129,328.27
	<u>173936.92</u>		<u>173936.92</u>
<b>BALANCE B/F</b>	<b>£122,999.18</b>	Unity Trust Bank Current Acc	£36,520.77
RECEIPTS (REC @ BANK)	£50,937.74	Unity Trust Bank Savings	-£147.58
PAYMENTS (REC @ BANK)	-£44,434.27	COMMUNITY ACCOUNT	£0.00
<b>BALANCE AT BANK</b>	<b>£129,502.65</b>	RESERVE ACCOUNT	£17,004.84
RECEIPTS O/S @ BANK	£0.00	CAMBS & COUNTIES ACCO	£76,124.62
		O/S @ BANK	-£174.38
PAYMENTS O/S @ BANK	-£174.38		
<b>TOTAL C/F</b>	<b>£129,328.27</b>	C/F	<u>£129,328.27</u>

LG  
Rfo 21/04/20

Ramy J. W. W.  
25/7/20



# Explanation of variances – pro forma

Name of smaller authority: **GILDEN MORDEN PARISH COUNCIL**  
County area (local councils and parish meet): **CAMBRIDGESHIRE**

**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);
- 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).

	2018/19 £	2019/20 £	Variance £	Variance %	Explanation Required?	Automatic responses trigger below based on figures input. <b>DO NOT OVERWRITE THESE BOXES</b>	Explanation from smaller authority (must include narrative and supporting figures)
1 Balances Brought Forward	117,070	122,999				Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	33,775	36,385	2,610	7.73%	NO		
3 Total Other Receipts	9,475	14,553	5,078	53.59%	YES		IN FY20 A GRANT WAS RECEIVED OF £3036.41 FROM THE TOWNLANDS CHARITY AND £1898.74 ADDITIONAL VAT WAS RECLAIMED.
4 Staff Costs	4,119	2,638	-1,481	35.96%	YES		IN FY19 £1407.71 WAS PAID TO EMPLOY AN ACTING CLERK TO COVER STAFF SICK LEAVE.
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO		
6 All Other Payments	33,202	41,971	8,769	26.41%	YES		IN FY20 ADDITIONAL \$137 PAYMENTS OF £2550 WERE MADE - FLOODLIGHT WORKS COSTING £1260, ADDITIONAL MAINTENANCE OF THE RECREATION GROUND £2093.09, STREETLIGHT ELECTRICITY INCREASED BY £2149.62 AND ADDITIONAL VAT PAID OF 732.09
7 Balances Carried Forward	122,999	129,328			YES	VARIANCE EXPLANATION NOT REQUIRED TO WHY CARRY FORWARD RESERVES ARE	
8 Total Cash and Short Term Investments	122,999	129,328				VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and Assets	438,305	439,305	1,000	0.23%	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**

## Explanation for 'high' reserves

(Please complete the highlighted boxes.)

Box 7 is more than twice Box 2 because the authority held the following breakdown of reserves at the year end:

	£	£	£
<b>Earmarked reserves:</b>			
Village Hall Fund	28572.90		
New Village Hall Fund	30000.00		
Worboys Grave Fund	2635.43		
Thompsons Meadow Fund (signed 4/4/97)	773.26		
P3 fund	1535.35		
Ruddery Pit grant	130.00		
Parish Plan	1931.74		
S106 23a Pound Green	2784.67		
Floodlight Fund	4187.06		
Training	370.00		
Highways Improvement Scheme	2500.00		
Pensions/Gratuity Fund	1251.79		
Tree Works	2070.00		
Notice board fund	500.00		
Car park fund - FY20	250.00		
Assets Maintenance - FY20	250.00		
		79742.20	
<b>General reserve</b>	49586.07		
		49586.07	
<b>Total reserves (must agree to Box 7)</b>			<b><u><u>129328.27</u></u></b>

## Contact details

Name of smaller authority: **GUILDEN MORDEN PARISH COUNCIL**

County Area (local councils and parish meetings only): **CAMBRIDGESHIRE**

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

	<b>Clerk/RFO (Main contact)</b>	<b>Chair</b>
<b>Name</b>	<b>Gail Stoehr</b>	<b>Barry Holme</b>
<b>Address</b>	<b>30 West Drive Highfields Caldecote Cambridge CB23 7NY</b>	<b>Sorbourne Cottage Church Street Guilden Morden Royston Herts SG8 0JD</b>
<b>Daytime telephone number</b>	<b>01954 210241</b>	<b>01763 852407</b>
<b>Mobile telephone number</b>	<b>n/a</b>	
<b>Email address</b>	<b>clerk@guildenmorden.gov.uk</b>	<b>barryholme@gmail.com</b>