

# Annual Internal Audit Report 2020/21

EYKE PARISH COUNCIL  
ENTER NAME OF AUTHORITY

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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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
H. Asset and investments registers were complete and accurate and properly maintained.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I. Periodic bank account reconciliations were properly carried out during the year.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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")	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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).	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
N. The authority has complied with the publication requirements for 2019/20 AGAR (see AGAR Page 1 Guidance Notes).	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

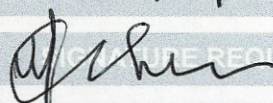
DD/MM/YYYY

DD/MM/YYYY

21/04/2021

MICHAEL JOHN FISHER

Signature of person who carried out the internal audit



Date

21/04/2021

\*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

We acknowledge as the members of:

EYKE PARISH COUNCIL  
ENTER NAME OF AUTHORITY

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	No	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	<input checked="" type="radio"/>	<input type="radio"/>	<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.	<input checked="" type="radio"/>	<input type="radio"/>	<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.	<input checked="" type="radio"/>	<input type="radio"/>	<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.	<input checked="" type="radio"/>	<input type="radio"/>	<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.	<input checked="" type="radio"/>	<input type="radio"/>	<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.	<input checked="" type="radio"/>	<input type="radio"/>	<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.	<input checked="" type="radio"/>	<input type="radio"/>	<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.	<input checked="" type="radio"/>	<input type="radio"/>	<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.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
	Yes	No	N/A
	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
			<i>has met all of its responsibilities where as a body corporate it is a sole managing trustee of a local trust or trusts.</i>

\*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:

17/05/2021

and recorded as minute reference:

MINUTE REFERENCE

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

Chairman

*J. R. POSEY*

Clerk

*J. R. POSEY*

### 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
<input checked="" type="radio"/>	<input type="radio"/>

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## Section 2 – Accounting Statements 2020/21 for

### EYKE PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2020 £	31 March 2021 £	
1. Balances brought forward	20464	24113	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	8300	9130	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	1537	359	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	2161	2161	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	4027	14048	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	24113	17393	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	24110	17390	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	48000	48000	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.
	<input checked="" type="radio"/>	<input type="radio"/>	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

SIGNED *J R Podley* RED

Date

17/05/2021

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

17/05/2021

as recorded in minute reference:

MINUTE REFERENCE

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

SIGNED *J R Podley* RED



# Bank reconciliation – pro forma

This reconciliation should include **all** bank and building society accounts, including short term investment accounts. It **must** agree to Box 8 in the column headed "Year ending 31 March 20xx" in Section 2 of the AGAR - and will also agree to Box 7 where the accounts are prepared on a receipts and payments basis. Please complete the highlighted boxes, remembering that unpresented cheques should be entered as negative figures.

Name of smaller authority:	Eyke Parish Council	
County area (local councils and parish meetings only):	Suffolk	
Financial year ending 31 March 20xx		
Prepared by (Name and Role):	Jacqueline Pooley, clerk to Eyke Parish Council	
Date:	05/05/2021	
		£ £
Balance per bank statements as at 31/3	21	
account 1		8,669.5
account 2		118.6
account 3		8,601.1
[add more accounts if necessary]		
		17,389.2
Petty cash float (if applicable)		-
Less: any unpresented cheques as at 31/3/xx (enter these as negative numbers)		
[add more lines if necessary]		
		-
Add: any un-banked cash as at 31/3/xx		
		-
Net balances as at 31/3/xx (Box 8)		17,389.2



# Explanation of variances – pro forma

Name of smaller authority: **Eyke Parish Council**

County area (local councils and p

**Suffolk**

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);

• New from 2020/21: variances of £100,000 or more require explanation regardless of the % variation year on year;

• 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).

	20xx/xx £	20xx/xx £	Variance £	Variance %					Explanation Required?	Automatic responses trigger below based on figures input, DO NOT OVERWRITE THESE BOXES	Explanation from smaller authority (must include narrative and supporting figures)
1 Balances Brought Forward	20,464	24,113								Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	8,300	9,130	830	10.00%	0	1	0	NO			
3 Total Other Receipts	1,537	359	-1,178	76.64%	1	0	1	YES			A VAT repayment of £1103 was received in the year ending March 2020
4 Staff Costs	2,161	2,161	0	0.00%	0	0	0	NO			
5 Loan Interest/Capital Repayment	0	0	0	0.00%	0	0	0	NO			
6 All Other Payments	4,027	14,048	10,021	248.85%	0	1	1	YES			The Parish Council made a donation of £10000 towards the village hall refurbishments.
7 Balances Carried Forward	24,113	17,393						NO		VARIANCE EXPLANATION NOT REQUIRED	
8 Total Cash and Short Term Investments	24,110	17,390								VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and Ass	48,000	48,000	0	0.00%	0	0	0	NO			
10 Total Borrowings	0	0	0	0.00%	0	0	0	NO			
Rounding errors of up to £2 are tolerable											
Variances of £200 or less are tolerable											
BOX 10 VARIANCE EXPLANATION NOT REQUIRED IF CHANGE CAN BE EXPLAINED BY BOX 5 (CAPITAL PLUS INTEREST PAYMENT)											