Annual Internal Audit Report 2022/23

SHORWELL PARISH COUNCIL

W.W.W. Parish-council.com | Shorwell

During the financial year ended 31 March 2023, 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 2022/23 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 2021/22, it met the exemption criteria and correctly declared itself exempt. *(If the authority had a limited assurance review of its 2021/22 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 2022-23 AGAR period, were public rights in relation to the 2021-22 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 2021/22 AGAR *(see AGAR Page 1 Guidance Notes).*	✓		

O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes	No	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

19/05/2023

Name of person who carried out the internal audit

BARRY TOWNSEND

Signature of person who carried out the internal audit

B.A. Townsend

Date 19/05/2023

*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).

Certificate of Exemption – AGAR 2022/23 Form 2

To be completed by smaller authorities where the higher of gross income or gross expenditure did not exceed £25,000 in the year of account ended 31 March 2023, and that wish to certify themselves as exempt from a limited assurance review under Section 9 of the Local Audit (Smaller Authorities) Regulations 2015

There is no requirement to have a limited assurance review or to submit an Annual Governance and Accountability Return to the external auditor, **provided** that the authority has certified itself as exempt at a meeting of the authority after 31 March 2023 and a completed Certificate of Exemption is submitted no later than **30 June 2023** notifying the external auditor.

SHORWELL PARISH COUNCIL

certifies that during the financial year 2022/23, the higher of the authority's total gross income for the year **or** total gross annual expenditure, for the year did not exceed **£25,000**

Total annual gross income for the authority 2022/23: 16 448

Total annual gross expenditure for the authority 2022/23: 9153

There are certain circumstances in which an authority will be **unable to certify itself as exempt,** so that a limited assurance review will still be required. If an authority **is unable to confirm the statements below then it cannot certify itself as exempt** and it **must** submit the completed Annual Governance and Accountability Return Form 3 to the external auditor to undertake a limited assurance review for which a fee of **£210 +VAT** will be payable.

By signing this **Certificate of Exemption** you are confirming that:

- The authority was in existence on 1st April 2019
- In relation to the preceding financial year (2021/22), the external auditor **has not:**
  - issued a public interest report in respect of the authority or any entity connected with it
  - made a statutory recommendation to the authority, relating to the authority or any entity connected with it
  - issued an advisory notice under paragraph 1(1) of Schedule 8 to the Local Audit and Accountability Act 2014 ("the Act"), and has not withdrawn the notice
  - commenced judicial review proceedings under section 31(1) of the Act
  - made an application under section 28(1) of the Act for a declaration that an item of account is unlawful, and the application has not been withdrawn nor has the court refused to make the declaration
- The court has not declared an item of account unlawful after a person made an appeal under section 28(3) of the Act.

If the above statements apply and the authority neither received gross income, nor incurred gross expenditure, exceeding £25,000, then the Certificate of Exemption can be signed and a copy submitted to the external auditor **either** by email **or** by post (not both).

The Annual Internal Audit Report, Annual Governance Statement, Accounting Statements, an analysis of variances and the bank reconciliation plus the information required by Regulation 15 (2), Accounts and Audit Regulations 2015 including the period for the exercise of public rights still need to be fully completed and, along with a copy of this certificate, published on the authority website/webpage* before 1 July 2023.
Signing this certificate confirms the authority will comply with the publication requirements.

Signed by the Responsible Financial Officer

Date 02.05.2023

Signed by Chairman

Date 02 05 2023

I confirm that this Certificate of Exemption was approved by this authority on this date: 02/05/2023

as recorded in minute reference: FINANCE

Generic email address of Authority: clerk@shorwellparishcouncil.org.uk

Telephone number: 07957945828

*Published web address: www.parish-council.com/Shorwell

ONLY this Certificate of Exemption should be returned EITHER by email OR by post (not both) as soon as possible after certification to your external auditor, but no later than 30 June 2023. Reminder letters for late submission will incur a charge of £40 + VAT.

Shorwell Parish Council
Cash Book 2022-2023

	Wadlow Legacy		11.28							
	Charity Donations Held		15.90							
	Balance of Youth Club account		420.92							
			448.10							
	SPC Working Balance		12788.61							
	Balance Brought Forward		13236.71	✓						
Date	Item	Account	Income	Outgoings	VAT	Total	Cheque	Bnk Stmt	Minute	Budgeted amount
05/04 22	Clerk's Wages(March)	Admin		192.76		192.76	001801	1	05-Apr	£241.00
	Tax Ded(HMRC)	Admin		48.20		48.20	001802	1	05-Apr	
	Dog Bins(Sepr-May)	Misc		79.50	15.90	95.40	001803	1	05-Apr	80.00
11/04/22	Precept		15000.00					1		
22/04/22	Match fees for Football	Rec	200.00							
24-May	Maint-Rec Mar/April	Rec		515.00		515.00	001804	3	24-May	515.00
	Clerk's Wages(April)	Admin		147.18		147.18	001805	2	24-May	184.00
	Tax Ded(HMRC)	Admin		36.60		36.60	001806	2	24-May	
	Defibrillator Pad replacement	Misc		56.99	11.40	68.39	001807	2	24-May	
	Bus Services at CAS Ltd-Insce	Admin		327.29		327.29	001808	3	24-May	327.00
	K. Ritchie	Admin		175.00		175.00	001809	3	24-May	165.00
07-Jun	SWAY-Donation	Misc		500.00		500.00	001810	3	07-Jun	
	Data Prot Reg.	Admin		40.00		40.00	001811	3	07-Jun	40.00
	Safety Inspection	Rec		77.00	15.40	92.40	001812	3	07-Jun	76.00
	Tree Survey-Dell	Misc		620.00		620.00	001813	3	07-Jun	
	Clerk's Wages-May	Admin		163.40		163.40	001814	3	07-Jun	204.00
	Tax Ded(HMRC)	Admin		40.80		40.80	001815	3	07-Jun	
	Maint-Rec May	Rec		400.00		400.00	001816	3	07-Jun	400.00
	Repairs-Swings	Rec		42.93		42.93	001817	3	07-Jun	
	Jubilee Picnic	Misc		15.98		15.98	001818	3	07-Jun	
05-Jul	Maint Rec-June	Rec		420.00		420.00	001819	4	05-Jul	420.00

Shorwell Parish Council

Cash Book 2022-2023

05-Jul	Clerk's Wages-June	Admin		142.88		142.88	001820	4	05-Jul	179.00
	Tax Ded(HMRC)	Admin		35.80		35.80	001821	4		
05-Sep	Clerk's Wages-July	Admin		134.67		134.67	001822	5	05-Sep	168.00
	Tax Ded(HMRC)	Admin		33.80		33.80	001823	5	05-Sep	
	Footpath Maint(G. Alldred)	Misc		55.00						
	Bridge Closure(G.Alldred)	Misc		56.30		111.30	001824	7	05-Sep	111.00
	Maint Rec-July	Rec		110.00		110.00	001825	5	05-Sep	110.00
	Clerk's Wages-Aug	Admin		94.02		94.02	001826	5	05-Sep	117.00
	Tax Ded(HMRC)	Admin		23.40		23.40	001827	5	05-Sep	
23-Sep	Donation Mid-Summer Fayre	Rec	900.00					5		
29-Sep	Rec Ground Rent	Rec		50.00		50.00	SO	5		50.00
03-Oct	Maint Rec-Aug	Rec		110.00		110.00	001828	6	03-Oct	110.00
	Clerk's Wages-Sep	Admin		126.66		126.66	001829	6	03-Oct	158.00
	Tax Ded(HMRC)	Admin		31.60		31.60	001830	6	03-Oct	
	Admin Exp Mar-Sep	Admin		20.76		20.76	001831	6	03-Oct	
07-Nov	Maint Rec-Sep/Oct	Rec		485.00		485.00	001832	7	07-Nov	485.00
	WW T & PC	Admin		64.00		64.00	001833	7	07-Nov	64.00
	Spanglefish	Misc		24.96	4.99	29.95	001834	7	07-Nov	30.00
	Clerk's Wages-Oct	Admin		142.88		142.88	001835	7	07-Nov	178.00
	Tax Ded(HMRC)	Admin		35.80		35.80	001836	7	07-Nov	
	Island Roads-Dog Bins 4-9/22	Misc		127.60	25.52	153.12	001837	7	07-Nov	128.00
	Dryad (Emergency tree felling)	Misc		100.00		100.00	001838	7	07-Nov	
05-Dec	Clerk's Wages-Nov	Admin		155.19		155.19	001839	8	05-Dec	194.00
	Tax Ded(HMRC)	Admin		38.80		38.80	001840	9	05-Dec	
	Maint-Rec	Rec		430.00		430.00	001841	8	05-Dec	430.00
	D. Russell-Xmas Tree	Misc		110.00		110.00	001842	9	05-Dec	90.00
16/01/23	KC Treework-Dell	Misc		1051.00	210.20	1261.20	001843	9	16-Jan	1051.00
	Clerk's Wages-dec	Admin		126.66		126.66	001844	9	16-Jan	158.00
	Tax Ded(HMRC)	Admin		31.60		31.60	001845	9	16-Jan	
18/01/23	Refund VAT paid		138.37					9		
06/02/23	IWALC annual sub.	Admin		163.36		163.36	001846	10	06-Feb	146.00.
	Clerk's Wages-Jan	Admin		153.04		153.04	001847	10	06-Feb	191.00
	Tax Ded(HMRC)	Admin		38.40		38.40	001848	10	06-Feb	
06/03/23	Maint-Rec	Rec		90.00		90.00	001849	11	06-Mar	90.00

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	Donation-The Newsletter	Misc		100.00		100.00	001850	11	06-Mar	100.00
	Clerk's Wages-Feb	Admin		126.66		126.66	001851	11	06-Mar	158.00
	Tax Ded(HMRC)	Admin		31.60		31.60	001852	11	06-Mar	
	Dog Bins(Sepr-Mar)	Misc		87.00	17.40	104.40	001853	11	06-Mar	87.00
24/03/23	Refund VAT paid		210.20							
31/03/23	Hall Booking fees	Admin		195.00		195.00	001854			195.00
	Admin Exp Oct-Mar	Admin		20.26		20.26	001855			20.00
			29685.28	8852.33	300.81	9153.14				6983.00
			20532.14							
						CASH BOOK BALANCE 31/3				20532.14
						STATEMENT BAL.				20747.40
	VAT to be claimed					CHQS NOT PRESENTED				
	I Roads	17.40				1854	195—			
						1855	20.26			
							215 26			215.26
						RECONCILIATION.				20.532 14

Breakdown of Expenditure 2022/3

Clerks Wages	Tax Ded.	Dog Bins	Rec Ground	Defib Pads	Totals
192.76	48.20	79.50	515.00	56.99	1706.00
147.18	36.60	127.60	400.00		426.40
163.4	40.80	87.00	420.00		294.10
142.88	35.80	294.10	110.00	Ann. Insce	2560.00
134.67	33.80		110.00	327.29	56.99
94.02	23.40		485.00		327.29
126.66	31.60		430.00	Audit Costs	175.00
142.88	35.80		90.00	175.00	500.00
155.19	38.80		2560.00		40.00
126.66	31.60				77.00
153.04	38.40	Donation-SWAY	Data Prot.	Safety Insp	163.36
126.66	31.60	500.00	40.00	77.00	1771.00
1706.00	426.40				42.93
					15.98
					100.00
IWALC	Dell	Repair Swings	Jub. Picnic	Newsletter	55.00
163.36	100.00	42.93	15.98	100.00	56.30
	1051.00				50.00
	620.00	Footbridge Maint	Bridge Closure	Rent-Rec	110.00
	1771.00	55.00	56.30	50.00	41.02
					64.00
Xmas Tree	Admin Exp	WWT&PC	Website	Hire Hall	24.96
110.00	20.76	64.00	24.96	195.00	195.00
	20.26				8852.33
	41.02				

SHORWELL PARISH COUNCIL 2022/23

Balance CF 1st April 2022	13236.71	
Precept Received	15000.00	
Football match fees	200.00	
Donation MSF	900.00	
	29336.71	29336.71
		29336.71
Expenditure		
Clerk's Wages	1706.00	
Tax Deducted	426.40	
	2132.40	2132.40
		27204.31
OTHER EXPENDITURE		
Admin expenses reimbursed to Clerk	41.02	
Annual Inspection-Rec. Ground	77.00	
Maintenance Rec. Ground	2602.93	
Data Protection Registration	40.00	
Insurance	327.29	
West Wight T & PC membership	64.00	
Xmas Tree	110.00	
Website fees	24.96	
Dell-Survey & Repairs	1771.00	
Donations	500.00	
IWALC annual sub.	163.36	
Emptying Dog Bin	294.10	
Audit costs	175.00	
Recreation Ground rent	50.00	
Hire of Village Hall/zoom Subs	195.00	
Sundries	184.27	6719.93
Donation-Newsletter	100.00	20484.38
	6719.93	
Adjustment VAT received relating to prev yr. (Received £348.57 less paid£300.81)	47.76	47.76
CASH BOOK BALANCE 31/3/2023		20532.14

VARIANCES IN EXPENDITURE BETWEEN 2021/22 & 2022/23

ALL FIGURES NET OF VAT

OTHER PAYMENTS-VARIANCES

	2022/23	2021/22	Plus	Minus
Admin Expenses	41.02	44.19		3.17
Audit Costs	175.00	165.00	10.00	
Data Prot Reg.	40.00	40.00		
Insurance	327.29	360.96		33.67
Rec Ground Maint	2602.93	2580.00	22.93	
Rec Ground Safety Inspection	77.00	75.50	1.50	
Dell-Survey & Repairs	1771.00		1771.00	
Newsletter donation	100.00	100.00		
IWALC-annual sub	163.36	157.76	5.60	
Hedge Cutting-Rec		600.00		600.00
Sundries	184.27	102.00	82.27	
Dog Bins	294.10	223.26	70.84	
Christmas Tree.	110.00	90.00	20.00	
Hire of Village Hall/Zoom	195.00	166.97	28.03	
West Wight T & PC Sub	64.00	64.00		
Website fees	24.96	24.96		
Donations	500.00	400.00	100.00	
New Bins		350.13		350.13
Recreation Ground Rent	50.00	50.00		
	6719.93	5594.73	2112.17	986.97