

Annual Internal Audit Report 2023/24

IGHTHAM 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.	✓		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 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")			N/A
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)	Yes	No	Not applicable
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

08/06/2024 09/06/2024 12/06/2024

JULIA NEUER INTERNAL AUDITOR

Signature of person who carried out the internal audit

 SIGNATURE REQUIRED

Date 12/06/2024

*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:

IGHTHAM 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 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
			✓

***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:

18/06/2024

and recorded as minute reference:

MINUTE REFERENCE
8-4-2

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

Chair

R. G. Ellisonham
SIGNATURE REQUIRED

Clerk

[Signature]
SIGNATURE REQUIRED

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Section 2 – Accounting Statements 2023/24 for

IGHTHAM PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2023 £	31 March 2024 £	
1. Balances brought forward	241,262	282,673	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	127,350	129,516	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	21,746	18,334	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	9,154	10,813	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	98,531	79,271	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	282,673	340,439	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	282,673	340,439	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	1,581,678	1,583,353	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

SIGNATURE REQUIRED

Date 13/06/2024

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

18/06/2024

as recorded in minute reference:

MIN 8-4-3 REFERENCE

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

R.S. Whittingham SIGNATURE REQUIRED

Bank reconciliation.

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 **IGHTHAM PARISH COUNCIL**

Financial year ending **31 March 2024**

Prepared by **SARAH HUSEYIN, Clerk & Responsible Finance Officer**

Date **13/06/2024**

Balance per bank statements as at 31 March 2024:	£	£
Current account – Unity Trust Bank	94,681.21	
Current account – NatWest	91,010.20	
Deposit Account – NatWest	154,747.65	
Total		340,439.06
Less: unpresented cheques		0.00
Net balances as at 31 March 2024		340,439.06

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:

CASH BOOK

Opening Balance 1 April 2023	282,672
Add: Receipts in the year	147,850
Less: Payments in the year	90,084
Closing balance per cash book [receipts and payments book] as at 31 March 2024 (must equal net balances above)	340,439

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

Parish Council name: __IGHTHAM 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>	£127,350	£129,516	£ 2,166 +1.7%	N/A
Box 3 <i>Other income</i>	£21,746	£18,334	£ -3,412 -15.6%	One-off payment from the Tennis Club of £6,540) in 2022/3. Rental income increased from £5,890 to £6,190 in 2023/4. Interest increased from £1,279 to £2,489, VAT refund increased from £8,037 to £9,655 from in 2023/4
Box 4 <i>Staff costs</i>	£9,154	£10,813	£1,659 +18%	Clerk hourly rate increased from £18.05ph to £20.53, then to £21.53 per hour backdated to April 2023.

Box 5 <i>Loan interest/ capital</i>	0	0	0	N/A
Box 6 <i>Other payments</i>	£98,531	£79,271	£ - 19,260 -19.5%	Payment in 2022/3 towards the Tennis Club resurfacing and lights £16,229, no payments in 2023/4. S137 expenditure in reduced by £4,398 in 2023/4 and costs to the scout pavilion reduced by £3,320. Maintenance costs to village hall increased by £500 and repairs to the recreation ground increased by £4,220 in 2023/4. Other minor changes in routine expenditure account for difference.
Box 7 <i>Balances carried forward</i>	£282,673	£340,439	£ 57,766 +20%	If some of the year-end balances are earmarked for specific purposes rather than as a general reserve, please provide a breakdown. You do not need to explain the year-on-year variance for this box. Earmarked for: Village Hall Rebuild £255,000 Recreation Ground Ground work £55,000 Professional Fees £10,000 Nursery Extension £20,000 Highways Improvements £25,000 Fitness Equipment £15,000
Box 9 <i>Fixed assets & long-term assets</i>	£1,581,678	£1,583,353	£1,675	Explain <u>all</u> movements in this category and not just those above 15% Removal of old noticeboards £1,230 Addition of 2 new noticeboards £2,297 New bench £495 New Salt bin £113
Box 10 <i>Total borrowing</i>	0	0	0	N/A

Attachment 2

Local Council name: IGHTHAM PARISH COUNCIL

Confirmation of contact details

Please confirm the contact details for the Clerk, RFO (if not the clerk) and Chair, to assist us in ensuring that our records are kept up to date:

Clerk's name: SARAH KUSEYIN	RFO's name (if not clerk):	Chair's name: RODNEY WILLINGHAM
Clerk working hours (e.g. Mon-Fri 9-5pm) MON-THURS 9-4pm	RFO working hours (e.g. Mon-Fri 9-5pm):	
Parish Council registered address: GABLE COTTAGE ISMAYS ROAD IGHTHAM KENT TN15 9BE lghthamclerk@gmail.com	Parish Council registered address:	Chair contact postal and email address: 1 ROSE COTTAGE ISMAYS ROAD IGHTHAM KENT TN15 Email: rodandlinda.willingham@gmail.com
Telephone: Primary contact number: 01732 886402 Mobile/Alternative number: 07933 250185	Telephone: Primary contact number: Mobile/Alternative number:	Telephone: Primary contact number: 01732 810656 Mobile/Alternative number: 07887 524946
E-mail address for the Council/Meeting (please do not provide a personal e-mail address unless the clerk / RFO does not have a Council/Meeting e-mail address). lghthamclerk@gmail.com		

Please return this form via email together with the

Annual Governance & Accountability Return and other information requested