

Annual Internal Audit Report 2018/19

RUYTON XI TOWNS 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 2019.

The internal audit for 2018/19 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 2017/18, it met the exemption criteria and correctly declared itself exempt. (<i>"Not Covered" should only be ticked where the authority had a limited assurance review of its 2017/18 AGAR</i>)			✓
L. During summer 2018 this authority has correctly provided the proper opportunity for the exercise of public rights in accordance with the requirements of the Accounts and Audit Regulations.			Not applicable ✓
M. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.			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

Name of person who carried out the internal audit

26/04/19

Mr B Townson

Signature of person who carried out the internal audit

B.S.H. Johnson

Date

26/04/19

*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 2018/19

We acknowledge as the members of:

RUYTON XI TOWNS 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 2019, 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.	✓			<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.	✓			<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.	✓			<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.	✓			<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.	✓			<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.	✓			<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.	✓			<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.	✓			<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.	Yes	No	N/A	<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>
			✓	

*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 should be published with the Annual Governance Statement.

This Annual Governance Statement was approved at a meeting of the authority on:

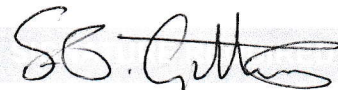
07/05/2019

and recorded as minute reference:

06.19 (b)

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

Chairman



Clerk



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

Authority web address

www.ruytonxitownsparishcouncil.org.uk

Section 2 – Accounting Statements 2018/19 for

RUYTON XI TOWNS PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2018 £	31 March 2019 £	
1. Balances brought forward	40,652	48,778	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	24,580	25,563	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	5,943	3,836	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	9,193	9,271	Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and employment expenses.
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	13,204	19,115	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	48,778	49,791	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	48,778	49,791	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	68,787	74,186	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 2019 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



Date

26/04/2019

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

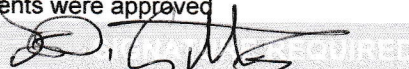
07/05/19

as recorded in minute reference:

06.19 (6) FINCE

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

SIGNATURE



RUYTON XI TOWNS BUDGET MONITORING YEAR END 2018-19

RECEIPTS & PAYMENTS

2018-19 2018-19

ACTUAL BUDGET Variance %
£ £

Receipts

Precept	25,563	24,771	792	103%	As agreed by Council
Interest	62	20	42		
VAT Refund	1,324	850	474	156%	Based on Year 2018 VAT Claim
Birch Grove STA&R Grant	2,250	-	2,250		Grants received not budgeted for
ST Light repair Donation	200	-	200		Invoiced for donation to repairs to st light
Total Receipts	29,399	25,641	3,758	115%	Receipts higher than expected

Payments

Clerk's Salary	9,271	8,765	506	106%	Over budget principally because of additional mileage costs; mileage costs were £242, (8 trips to RXI)
St Lighting Mice & Energy	1,636	2,500	864		Reduced requests for maintenance as LEDS expected to be installed
LED Installation	-	2,500	2,500		LED installation incomplete expect £20,000 payment next uyear
Fees & Subscriptions	598	500	98	120%	SLCC costs not incl in budget
Training - Councillors/Clerks	198	300	102	66%	Savings in training costs
Insurance	551	550	1		
Audit Fees	320	340	20		
Village Maintenance	1,145	1,500	355		Awaiting bills relating to work carried out.
New Play Equipment - Birch Grove	2,760	-	2,760		Costs of new play equipment principally funded by grants received in year, Cost to PC £510
AED Project	150	150	-		Grant to School for maintenance
Provision for funding Services prev funded by SC	-	9,580	9,580		Unspent, Council decided not to take on Recreational Spaces
Contingency (Website hosting & new lap top/software)	525	1,000	141	86%	Funded by Contingency, £300 however related to previous years lap top grant
New Notice Board - D Meadow & Repairs	334	-	334		Unforeseen cost, funded by Contingency
Village Floral Displays	1,350	600	750	225%	Budget did not include costs of watering/feeding
Administration Costs	910	800	110	114%	Use of Temporary Clerk
Local Grants	280	400	120	70%	
Youth Services Grants	500	500	-		Based on Questionnaire results in 2017 as parish has no Youth Club
Parish Plan, Neighbourhood Plan	-	1,000	1,000		Unspent as project not launched
Road Safety Schemes	153	4,000	3,848		Underspent as Council awaiting report from SRG
Cliffe Maintenance with SC	131	3,000	2,869	4%	Minor repairs to date; maintenance spending deferred till next year
VAT	1,039	-	1,039		
Cliffe Purchase 2018-19 & Maintenance Projects 2019-	6,282	-	6,282		Costs off set by SC grant last year and maintenance fee waived this year i.e £5,000
War Memorial	156	1,000	844	16%	Incidental expenditure on WW1 Event; W Memorial Project yet to be launched
Election Costs 2017	100	100	-		
Total Payments	28,386	39,085	10,699	73%	Savings principally due to Council decision not to take on recreational areas

Year's Surplus i.e. Receipts-Payments

Opening balance as at 1/4/2018	1,013
Closing Balance as at 31/3/2019	48,778
	49,791

RUYTON XI TOWNS PARISH COUNCIL
RECEIPTS 2017-18

No.	Item	Amount	Precept	Interest	Highway Maintenance	Other	VAT	Current Account
2018 208	Interest	4.24		4.24				4.24
2018 A	STA&R Grant for Birch Grove	750.00				750.00		750.00
2018 B	Shropshire Council Precept	25563.00	25563.00					25,563.00
2018 209	Interest	5.01		5.01				5.01
2018 210	Interest	5.51		5.51				5.51
2018 C	2017/18 VAT Refund	1324.28					1324.28	1,324.28
2018 211	Interest	5.61		5.61				5.61
2018 212	Interest	5.82		5.82				5.82
2018 d	Hilton Jones Trust Donations	1500.00				1500.00		1,500.00
2018 213	Interest	5.40		5.40				5.40
2018 214	Interest	5.31		5.31				5.31
2018 215	Interest	5.39		5.39				5.39
2018 216	Interest	5.08		5.08				5.08
2019 217	Interest	5.42		5.42				5.42
2019 218	Interest	4.68		4.68				4.68
2019 219	Interest	4.39		4.39				4.39
2019 CIT	Donation to steel light repairs	200.00				200.00		200.00
Totals		29399.14	25563.00	61.86	0.00	2450.00	1324.28	29,399.14

29399.14

Bank Reconciliation as at 29/3/2019 per Bank Statement 219		£
Bank Statement as at 29/3/2019	Opening Bal	48,778.34
Plus cash in transit	Receipts	29,399.14
Less unpresented cheques & Sps	Payments	28,386.06
		<u>49,791.42</u>
49,791.42	As prepared by Clerk 9/4/19	
	As checked by <i>[Signature]</i> <i>[Signature]</i>	

As approved & adopted by Parish Council Min Ref. *[Signature]*

ON XI TOWNS FIXED ASSET REGISTER

31/03/2019

2018/19 Movement

2013

2018

2019

	Cost if known £	2018/19 Movement	Insurance Value £	Insurance Value £	Insurance Value £
The Cliffe (36 acres?)	5,000	March Addition	5000		
War Memorial*	0		1,010		
Stone Cross*	0		22,165		
9 lamp light columns/steel/conc	0		11,000		
35 Lighting Fittings	0		11,200		
Older bus shelter	0		11,045		
New bus shelter	8,000		8,000		
Memorial Bench	550		550		
4 Parish Notice Boards	850	(Wykey/Elbridge/DrsMead Recent addition)	2,000		
(School now oldest board)					
1 Gates on Olden Lane	1,817		1,817		
		Total sum insured	73,787		

Equipment	Printer and Filing Cabinet	180	add purchase new lap top		
	NewHP lap top(Held by Clerk)	399	Jan Addition	399	

16,796

Value of fixed assets per Accounts i.e. AGAR
 Agreed with Mazars to use 2013 ins value figure as value of War Memorial and Cross and street lights unknown; figure does not increase annually as neither asset increases in value for accounts purposes.
 As prepared by the Clerk/RFO

18/04/2019