

NORTHWAY PARISH COUNCIL

FIN/56/21 **Internal Auditor's Report**

Members received the second Internal Auditors Report provided by Adrian Shepherd-Roberts of Auditing Solutions Ltd. The Clerk referred to page 4 where it stated 'we note that the Council are approving some payments BY BACS which are approved, in most cases, prior to the funds being transmitted'. This was incorrect and had since been amended.

The only item raised was on the Petty Cash Account where the Internal Auditor concluded that 'No matters arise warranting formal comment or recommendation. We would, however, for good Housekeeping consider that the Clerk has the petty cash independently checked by an appointed member of the Council'.

The Clerk reminded Members that this was noted on the previous report and was now included in the Risk Assessment and Cllr Roberts had been appointed to undertake the checks which had now begun.

Cllr Ward PROPOSED that the Report was recommended to Full Council for approval. Cllr MacTiernan SECONDED.

FOR: UNANIMOUS

FIN/57/21 **Annual Governance and Accountability Return 2020/21 Part 3 (AGAR)**

i. **Annual Governance Statement 2020/21 (Section 1)** – Members went through the Statement and put together a draft to be tabled at Full Council with their recommendation of approval as follows:-

	Agreed- Yes or No	'Yes' Means that the council:
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	Yes	<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.	Yes	<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	Yes	<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 elector's rights in accordance with the requirements of the Accounts and Audit Regulations.	Yes	<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.	Yes	<i>considered and documented the financial and other risks it faces and dealt with them properly.</i>

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FIN/57/20 **Annual Governance Statement** (continued)

	Agreed- Yes or No	'Yes' means that the council:
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	Yes	<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.	Yes	<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 smaller authority and, where appropriate have included them in the accounting statements.	Yes	<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.	N/A	<i>has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts.</i>

Cllr Roberts PROPOSED that these responses were recommended to Full Council. Cllr MacTiernan SECONDED.

FOR: UNANIMOUS

- ii. **Annual Internal Audit Report 2020/21 (in AGAR)** – Members had a copy of the report attached to their Agenda and they went through the points. The objectives run from 'A' to 'O' and except for 'K' and 'L' all were ticked with a yes. 'K' stated *'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'* but this was not applicable as Northway Parish Council did not certify itself as exempt.

Objective 'L' stated *'If the authority has an annual turnover not exceeding £25,000, it 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'* – this was not relevant to Northway Parish Council as its annual turnover exceeded £25,000.00.

Cllr Terry PROPOSED the report was recommended to Full Council for approval.

FOR: UNANIMOUS

FIN/58/21 **Annual Governance and Accountability Return 2020/21 Part 3 (AGAR)**

- i. **Accounting Statements (Section 2)** – Members reviewed the Accounting Statements which had been re-stated from the previous year due to a change in staff costs, no queries were raised. The Clerk added that if Members looked at the draft copy attached to the Financial Statements, they would note a percentage at the side of each figure and explained that if any expenditures went above or below 15% these significant variances required explanation and she proceeded to inform Members what these were.

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FIN/58/21 **Annual Governance and Accountability Return 2020/21 Part 3 (AGAR)** (continued)

Cllr Ward PROPOSED the Accounting Statements were recommended to Full Council for approval.
Cllr Roberts SECONDED.

FOR: UNANIMOUS

- ii. **AGAR** – The Clerk reminded Members that the Return had to be approved by Full Council before 30th June 2021 so would be put to Full Council on the 9th June 2021. It needed to be submitted to the External Auditor for the 2nd July 2021.
- iii. **Public Rights Notice** – It had previously been agreed under Min Ref FIN/41/21 that the period for Notice of Public Rights would be from 1st July 2021 until 11th August 2021, as the period had to include the first ten working days of July 2021.

FIN/59/21 **Correspondence received after 27th May 2021**

No correspondence had been received.

As there was no further business the meeting ended at 7.16 p.m.