

Annual Internal Audit Report 2019/20

BAMBURGH 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 2020.

The internal audit for 2019/20 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.	Y		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	Y		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	Y		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	Y		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	Y		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	Y		
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.	Y		
H. Asset and investments registers were complete and accurate and properly maintained.			Y
I. Periodic and year-end bank account reconciliations were properly carried out.	Y		
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.	Y		
K. IF the authority certified itself as exempt from a limited assurance review in 2018/19, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2018/19 AGAR tick "not covered")			Y
L. The authority has demonstrated that during summer 2019 it correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations.			Y
M. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes	No	Not applicable
			Y

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

03/06/20

Northumberland Accountants Limited
Russell House, Greenwell Road
Alnwick, Northumberland
01666-605603
info@northumberlandaccountants.co.uk

Name of person who carried out the internal audit

MICHAEL W REED

Signature of person who carried out the internal audit

Date

03/06/20

*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 2 – Accounting Statements 2019/20 for

BAMBURGH PARISH Council

	Year ending		Notes and guidance
	31 March 2019 £	31 March 2020 £	
1. Balances brought forward	22488	31340	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	6750	7750	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	17963	35690	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	3330	3432	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	NIL	NIL	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	12471	51583	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	31340	19765	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	31340	19765	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	70963	70963	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	NIL	NIL	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 2020 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



Date 10/06/20.

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

10/06/20

as recorded in minute reference:

5.1.

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

SIGNATURE REQUIRED

Section 1 – Annual Governance Statement 2019/20

We acknowledge as the members of:

BAMBURGH 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 2020, 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.	✓		<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 must be published with the Annual Governance Statement.

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

10/06/20

and recorded as minute reference:

5.1

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

Chairman

Clerk

SIGNATURE REQUIRED

[Signature]

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

Authority web address

www.bamburgh.org.uk.

Section 3 – External Auditor Report and Certificate 2019/20

In respect of

BAMBURGH PARISH COUNCIL

1 Respective responsibilities of the body and the auditor

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2020; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

Our responsibility is to review Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with guidance issued by the National Audit Office (NAO) on behalf of the Comptroller and Auditor General (see note below). Our work **does not** constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and **does not** provide the same level of assurance that such an audit would do.

2 External auditor report 2019/20

(Except for the matters reported below)* on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return, in our opinion the information in Sections 1 and 2 of the Annual Governance and Accountability Return is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met. (*delete as appropriate).

(continue on a separate sheet if required)

Other matters not affecting our opinion which we draw to the attention of the authority:

(continue on a separate sheet if required)

3 External auditor certificate 2019/20

We certify/do not certify* that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2020.

*We do not certify completion because:

External Auditor Name

ENTER NAME OF EXTERNAL AUDITOR

External Auditor Signature

SIGNATURE REQUIRED

Date

IDENTITY

*Note: the NAO issued guidance applicable to external auditors' work on limited assurance reviews in Auditor Guidance Note AGN/02. The AGN is available from the NAO website (www.nao.org.uk)

Bamburgh Parish Council

Year Ending 2019/20

Current Account

Opening balance		18940.91
Add lodgements	43415.31	62356.22
Less withdrawals/Exp	55015.34	<u>7340.88</u>

Bamburgh Parish Council
Finances up to 31st March 2020

Income

Precept	7750.00
Web fees	3344.00
Xmas Lights	2697.37
Vat reclaim	1040.99
Miscellaneous	841.00
Donations	1405.00
Precept Donations	1374.95
Grant	24962.00
	£43415.31

Expenditure

Parks	3342.98
Admin	2223.45
Salary	3260.40
Donations	100.00
Xmas Lights	3022.46
Miscellaneous	841.00
VAT	7793.90
War Memorial	34259.55
HMRC Tax	171.60
	£55015.34

Current Account

Opening balance	31.03.19	£18940.91
Add lodgements	43415.31	62356.22
Less withdrawals/Exp	55015.34	<u>£7340.88</u>

Bamburgh Parish Council

Year Ending 2019-2020

Deposit Account

Opening balance		£12400.94
Interest	+	24.80.
		£12425.74

Balance as per statement @31/3/2020 £12425.74

MG 000055 F1VI731A 709F30GDD00122 32900 9710610716 C



MRS D SCOTT
BAMBURGH PARISH COUNCIL
CHATTON MILL
CHATTON
ALNWICK
NE66 5RA



Your Business accounts – at a glance

Up-to-date account information

To get your current balances or find out about other accounts you have that aren't listed here, log on to online banking (if you're registered), or call us on 0345 605 2345.

Your balances on 03 April 2020

Business Current Accounts

Community Account Statement	£7,340.88
.....	
Sort Code 20-58-17 • Account No 00164887	

Business Savings Accounts

Active Saver	£12,425.74
.....	
Sort Code 20-58-17 • Account No 53693139	

This is the end of your account summary.

MRS D SCOTT
BAMBURGH PARISH COUNCIL
CHATTON MILL
CHATTON
ALNWICK
NE66 5RA



Your Community Account

At a glance







04 Mar - 03 Apr 2020

Date	Description	Money out £	Money in £	Balance £
4 Mar	Start Balance			7,426.75
	Direct Credit From Budle Hall Ref: Budle Hall + Lodge		50.00	7,476.75
5 Mar	Direct Debit to Haven Power Limite Ref: D000081415C2003031	15.00		7,461.75
9 Mar	Standing Order From Martin Harvey Ref: - 3 Lindisfarne Ave		25.00	7,486.75
	Direct Credit From S Smith Ref: 29 Armstrong Cotta		27.45	7,514.20
	Direct Credit From Elford F E Ref: Old Readingroom		25.00	7,539.20
10 Mar	Standing Order to Edward Robertson L Ref: - 1352-1454	18.00		7,521.20
11 Mar	Cheque Issued Ref: 101176	57.20		7,464.00
	Cheque Issued Ref: 101182	57.20		7,406.80
	Direct Credit From Weston NH&DA Ref: 5 Budle Sands		50.00	7,456.80
12 Mar	Cheque Issued Ref: 101181	82.80		7,374.00
17 Mar	Direct Credit From Mrs Susan Verna HA Ref: 22 Links Road		30.00	7,404.00
23 Mar	Cheque Issued Ref: 101184	188.00		7,216.00
	Standing Order From J Shaw Ref: - Stone Cott Rad PK		50.00	7,266.00

Start balance	£7,426.75
Money out	£723.32
► Commission charges	£0.00
Money in	£637.45
► Gross interest earned	£0.00
End balance	£7,340.88

Your deposit is eligible for protection
by the Financial Services
Compensation Scheme.

Continued

Date	Description	Money out £	Money in £	Balance £
Balance brought forward from previous page				7,266.00
24 Mar	 Direct Debit to Npower Ref: 000601362148	19.12		7,246.88
25 Mar	 Direct Credit From S White Ref: Brada House		30.00	7,276.88
	 Direct Credit From Howard RA + K Ref: Robbie Howard		100.00	7,376.88
26 Mar	 Cheque Issued Ref: 101185	228.80		7,148.08
30 Mar	 Deposit at Barclays Post Office Credit Ref: 200154		250.00	7,398.08
1 Apr	 Cheque Issued Ref: 101186	57.20		7,340.88
3 Apr	Balance carried forward			7,340.88
Total Payments/Receipts		723.32	637.45	

Anything wrong? If you notice any incorrect or unusual transactions, see the next page for how to get in touch with us.

Contact details

Name of smaller authority: Bamburgh Parish Council

County Area (local councils and parish meetings only): _____

Please complete this form and send it back to us with the AGAR or exemption certificate

	Clerk/RFO (Main contact)	Chair
Name	Dorothy Scott	Barbara Brook
Address	Chatton Mill Chatton Alnwick Northumberland NE66 5RA	34 Castlegreen Front Street Bamburgh Northumberland NE69 7BJ
Daytime telephone number	07557147822	01668 214634
Mobile telephone number	07557147822	07944613590
Email address	bamburghcouncil@gmail.com	bbcastlegreen@btinternet.com

Smaller authority name- Bamburgh Parish Council

**NOTICE OF PUBLIC RIGHTS AND PUBLICATION
OF UNAUDITED ANNUAL GOVERNANCE &
ACCOUNTABILITY RETURN**

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

**Local Audit and Accountability Act 2014 Sections 25, 26 and 27
The Accounts and Audit Regulations 2015 (SI 2015/234)**

The Accounts and Audit (Coronavirus) (Amendment) Regulations 2020 (SI 2020/404)

NOTICE

1. Date of announcement 15th June 2020 (a)

2. Each year the smaller authority's Annual Governance and Accountability Return (AGAR) needs to be reviewed by an external auditor appointed by Smaller Authorities' Audit Appointments Ltd. The unaudited AGAR has been published with this notice. As it has yet to be reviewed by the appointed auditor, it is subject to change as a result of that review.

Any person interested has the right to inspect and make copies of the accounting records for the financial year to which the audit relates and all books, deeds, contracts, bills, vouchers, receipts and other documents relating to those records must be made available for inspection by any person interested. For the year ended 31 March 2020, these documents will be available on reasonable notice by application to:

Dorothy Scott (Clerk to Bamburgh Parish Council)
Chatton Mill, Chatton, NE66 5RA
Telephone number 075571147822

commencing on (c) Monday 15 June 2020

and ending on (d) Friday 24 July 2020

3. Local government electors and their representatives also have:

- The opportunity to question the appointed auditor about the accounting records; and
- The right to make an objection which concerns a matter in respect of which the appointed auditor could either make a public interest report or apply to the court for a declaration that an item of account is unlawful. Written notice of an objection must first be given to the auditor and a copy sent to the smaller authority.

The appointed auditor can be contacted at the address in paragraph 4 below for this purpose between the above dates only.

4. The smaller authority's AGAR is subject to review by the appointed auditor under the provisions of the Local Audit and Accountability Act 2014, the Accounts and Audit Regulations 2015 and the NAO's Code of Audit Practice 2015. The appointed auditor is:

PKF Littlejohn LLP (Ref: SBA Team)
15 Westferry Circus
Canary Wharf
London E14 4HD
(sba@pkf-littlejohn.com)

5. This announcement is made by Dorothy Scott (Clerk to Bamburgh Parish Council)

Bank reconciliation – pro forma

This reconciliation should include all bank and building society accounts, including short term investment accounts. It must column headed "Year ending 31 March 20xx" in Section 2 of the AGAR – and will also agree to Box 7 where the accounts are 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:

Bamburgh Parish Council

County area (local councils and parish meetings only):

Financial year ending 31 March 2020

Prepared by (Name and Role):

Dorothy Scott (Clerk and Responsible Financial Officer)

Date:

10.06.20

Balance per bank statements as at 31/3/20

[add more accounts if necessary]

account 1
account 2
account 3
account 4
account 5
account 6
account 7
account 8

£ £

7,340.9
12,425.7

19,766.6

Petty cash float (if applicable)

-

Less: any unpresented cheques as at 31/3/xx (enter these as negative numbers)

[add more lines if necessary]

item 1
item 2
item 3
item 4
item 5
item 6
item 7
item 8

Add: any un-banked cash as at 31/3/xx

Net balances as at 31/3/20 (Box 8)

19,766.6

Explanation of variances – pro forma

Name of smaller authority: **Barnburgh Parish Council**
County area (local council and parish meeting only):

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);
- 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).

	2016/19 £	2019/20 £	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	22,488	31,340			NO	Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	6,750	7,750	1,000	14.81%	NO		
3 Total Other Receipts	17,503	356,990	339,187	1889.00%	YES		£1000 Precept Donation, + 24962 Grant for War Memorial (which is a one off grant paym
4 Staff Costs	3,330	3,432	102	3.06%	NO		
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO		
6 All Other Payments	12,471	51,583	39,112	313.62%	YES		£34259 War Memorial Costs, +1387 Live Camera for Xmas Lights + 455 Optic Lights, + 86
7 Balances Carried Forward	31,340	340,165			YES	VARIANCE EXPLANATION NOT REQUIRED EXPLANATION REQUIRED ON RESERVES TAB AS TO WHY CARRY FORWARD RESERVES ARE GREATER THAN TWICE INCOME FROM LOCAL TAXATION/LEVIES	We have received a Grant and donations in this financial year towards replacing our War M
8 Total Cash and Short Term Investments	31,340	19,766			NO	VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and	70,963	70,963	0	0.00%	NO		
10 Total Borrowings	0	0	0	0.00%	NO		

Rounding errors of up to £2 are tolerable

Variances of £200 or less are tolerable