

Carlton Parish Council

Audit documentation for the financial year ending 31st March 2022

This file includes the following documents:

(A) Annual Governance and Accountability Return 2021-2022 comprising:

Page 3: Certificate of Exemption

Page 4: Internal audit report

Page 5: Annual governance statement

Page 6: Accounting statements

(B) Explanation of variances

(C) Bank reconciliation

(D) Explanation for high reserves

These documents are unaudited and subject to change

The accounts and supporting documentation will be available for public
inspection from
Monday 13th June to Friday 22nd July 2022 inclusive

[Full details and information about public rights will be given in separate advertisements]

More detailed financial information is published on the
Carlton Parish Council website at www.carltonpc.co.uk/finance

Certificate of Exemption – AGAR 2021/22 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 2022, 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 2022 and a completed Certificate of Exemption is submitted no later than **30 June 2022** notifying the external auditor.

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certifies that during the financial year 2021/22, 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 2021/22: £15,138

Total annual gross expenditure for the authority 2021/22: £18,511

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 **£200 +VAT** will be payable.

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

- The authority was in existence on 1st April 2018
- In relation to the preceding financial year (2020/21), 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 you are able to confirm that the above statements apply and that 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 ~~the certificate~~, published on the authority website/webpage* before 1 July 2022.

By signing ~~the certificate~~ you are also confirming that you are aware of this requirement.

Signed by _____ Officer Date 10/4/22

I confirm that this Certificate of Exemption was approved by this authority on this date:

Signed by _____ Date 11/5/22

as recorded in minute reference:

P-1866/79

Generic email address _____

Telephone number

CLERK @ CARLTON PC . CO . UK

01455-290934

*Published web address

WWW. CARLTON PC . CO . UK

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 2022. Reminder letters incur a charge of £40 +VAT

Annual Internal Audit Report 2021/22

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During the financial year ended 31 March 2022, 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 2021/22 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.	YES		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	YES		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	YES		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	YES		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	YES		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	YES		
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.	YES		
H. Asset and investments registers were complete and accurate and properly maintained.	YES		
I. Periodic bank account reconciliations were properly carried out during the year.	YES		
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.	YES		
K. If the authority certified itself as exempt from a limited assurance review in 2020/21, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2020/21 AGAR tick "not covered")	YES		
L. The authority publishes information on a free to access website/webpage up to date at the time of the internal audit in accordance with any relevant transparency code requirements	YES		
M. The authority, during the previous year (2020-21) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set).	YES		
N. The authority has complied with the publication requirements for 2020/21 AGAR (see AGAR Page 1 Guidance Notes).	YES		
O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes	No	Not applicable
			N/A

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

25/1/22

26-27/4/22

Name of person who carried out the internal audit

JACQUELINE MARSHALL

Signature of person who carried out the internal audit

Date 27/4/22

*If the response is 'no' please state (add separate sheets if needed).

action being taken to address any weakness in control identified

**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 2021/22

We acknowledge as the members of:

CARLTON 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 2022, 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.	YES		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.	YES		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.	YES		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.	YES		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.	YES		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.	YES		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.	YES		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.	YES		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
			N/A
			has met all of its responsibilities where as a body corporate it is a sole managing trustee of a local trust or trusts.

*For any statement to which the response is ‘no’, an explanation must be published

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

11th May 2022

and recorded as minute reference:

B.1866 / 7c

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

Chair

Clerk

Other information required by the Transparency Code

The authority website/webpage is up to date and the information required has been published.

nt)
No

www.carltonpc.co.uk

Section 2 – Accounting Statements 2021/22 for

	Year ending		Notes and guidance	
	31 March 2021 £	31 March 2022 £		
1. Balances brought forward	51 955	54 491	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	8300	8300	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.	
3. (+) Total other receipts	781	6858	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	1500	1500	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	5045	16523	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	54 491	51 626	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	54 491	51 626	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	26103	27966	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	N/A	The Council as a body corporate acts as sole trustee for and is responsible for managing Trust funds or assets.
			N/A	N.B. The figures in the accounting statements above do not include any Trust transactions.

I certify that for the year ended 31 March 2022 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 Res _____ before being presented to the

Date

10/04/2022

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

11th May 2022

as recorded in minute reference:

P.1867/7j

Signed by Chairman of the meeting where the Accounting Statements were

Carlton Parish Council Leicestershire

B) Explanation of variances for financial year ending 31st March 2022

	2020/21	2021/22	Variance £	Variance %	Explanation
Box 2	8300	8300	0	0	
Box 3	781	6858	6077	778	Cemetery fees 21/22 600 VAT refunds 21/22 1938 Band Interest 21/22 5 Grants 21/22 4293 <u>TOTAL 1</u> 6836 Cemetery fees 20/21 450 VAT refund 20/21 304 Bank interest 20/21 25 Grants 20/21 0 <u>TOTAL 2</u> 779 TOTAL 1 – TOTAL 2 6057 <u>Subtract variance</u> 6077 -20 Residual variance 2.6%
Box 4	1500	1500	0	0	
Box 5	nil	nil			
Box 6	5045	16523	11478	228	21/22 Cemetery paths 5480 21/22 Hedgelaying 1560 21/22 Information board 1855 21/22 VAT payments 1731 21/22 Renounced Rights 400 21/22 Playbark 485 21/22 Platinum Jub trees 132 21/22 Turf & gras seed 87 <u>TOTAL 1</u> 11730 <u>20/21 VAT payments</u> 226 <u>TOTAL 2</u> 226 TOTAL 1 – TOTAL 2 11504 <u>Subtract variance</u> 11478 26 Residual variance 0.5%

Box 9	26103	27966	1863	7	21/22 Information Board	1855
					21/22 Corrections	7
					21/22 Water trough	1
					<u>TOTAL</u>	<u>1863</u>
					<u>Subtract variance</u>	<u>1863</u>
						0
					Residual variance	0

Box 10 nil nil

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C) Bank reconciliation for financial year ending 31st March 2022

Bank statements at 31st March 2022	£.p
HSBC Business current account	1258.76
HSBC Business Money Manager account	13405.74
<u>Barclays Business direct account</u>	<u>37011.45</u>
Total	51675.95
Unpresented cheque number 100803	50.00
<hr/>	
Total	51625.95

Receipts & Payments account book	£.p
Opening balance on 1 st April 2021	54491.46
<i>Add</i>	
<u>Receipts to 31st March 2022</u>	<u>15157.79</u>
Total	69649.25
<i>Subtract</i>	
<u>Payments to 31st March 2022</u>	<u>18023.30</u>
Total	51625.95

C J Peat
Responsible Financial Officer
11th April 2022

Carlton Parish Council Leicestershire

D) Explanation for high reserves

Carlton Parish Council held the following reserves at 31st March 2022:

Recreational land reserve (for purchase of playing field)	38025
Fixed asset fund (for repair/replacement of fixed assets (eg play equipment)	5180
Voluntary group funds	1493
Election reserve	2000
Contingency reserve	4000
Total	50698

C J Peat
Responsible Financial Officer
11th April 2022