



Bishop Middleham Parish Council

Conserving our Past: Building our Future

17th June 2022

Dear Sir/Madam,

Re. Bishop Middleham Parish Council Annual Accounts

Please be advised the Parish Council adopted its 2021/22 Accounts at their meeting held Wednesday 15th June 2022. Please note these are unaudited accounts and subject to change by External Audit.

Members of the public may access the Accounts from Friday 17th June 2022 to Thursday 28th July 2022, a period of 30 days.

The statutory notice has been attached to the Council website

Yours sincerely



John Robinson,
Parish Clerk

Attachment 3.2

Local council name: BISHOP MIDDLEHAM PARISH COUNCIL

Notice of appointment of date for the exercise of public rights

Accounts for the year ended 31st March 2022

The Local Audit and Accountability Act 2014, and
The Accounts and Audit (England) Regulations 2015 (SI 234)

<p>1. Date of announcement: <u>16th Jun 2022</u> (a)</p> <p>2. Any person interested has the right to inspect and make copies of the accounts to be audited and all books, deeds, contracts, bills, vouchers and receipts relating to them. For the year ended 31 March 2022 these documents will be available on reasonable notice on application to:</p> <p>(b) <u>JOHN ROBINSON</u> <u>28 White Horse Drive Sedburgh TS21 3BT</u> <u>01740 620542</u></p> <p>commencing on (c) <u>Fridy 17th Jun 2022</u></p> <p>and ending on (d) <u>Thursy 28th July 2022</u></p> <p>3. Local Government Electors and their representatives also have:</p> <ul style="list-style-type: none"> • the opportunity to question the auditor about the accounts; and • the right to make objections to the accounts or any item in them. Written notice of an objection must first be given to the auditor and a copy sent to the Authority (f). <p>The auditor can be contacted at the address in paragraph 4 below for this purpose during the inspection period at 2 above.</p> <p>4. The auditor's limited assurance review is being conducted under the provisions of the Local Audit and Accountability Act 2014, the Accounts and Audit (England) Regulations 2015 and the National Audit Office' Code of Audit Practice. Your review is being carried out by:</p> <p>Mazars LLP, The Corner, Bank Chambers, 26 Mosley Street, Newcastle upon Tyne, NE1 1DF Email: local.councils@mazars.co.uk</p> <p>5. This announcement is made by (e) <u>John Robinson</u></p>	<p>(a) Insert date of placing of this notice on your website.</p> <p>(b) Insert name, position and contact details of the Clerk or other person to whom any person may apply to inspect the accounts.</p> <p>(c) And</p> <p>(d) The inspection period must be 30 working days in total and commence no later than 1 July 2022.</p> <p>(e) Insert name and position of person placing the notice</p>
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Annual Internal Audit Report 2021/22

BISHOP MIDDLEHAM PARISH COUNCIL

www.bishopmiddleham-pc.gov.uk

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.	✓		
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.			✓ NON/L
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 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")			✓
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	✓		
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).			✓ see report
N. The authority has complied with the publication requirements for 2020/21 AGAR (see AGAR Page 1 Guidance Notes).	✓		
O. (For local councils only) 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

27/05/2022

Name of person who carried out the internal audit

GORDON FLETCHER (C.M.I.I.A.)

Signature of person who carried out the internal audit

G. Fletcher

Date

07/06/2022

*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).

**BISHOP MIDDLEHAM AND MAINSFORTH PARISH COUNCIL
INTERNAL AUDIT REPORT
2021/2022 Annual Return**

1. Background

- 1.1. Local Councils in England and Wales (Parish Councils, Town councils) are expected to complete an annual return (AGAR) summarising their annual activities at the completion of each financial year.
- 1.2. One of the sections within the annual return is to be completed by the Council's independent internal auditor, who is to give an opinion of the Council's internal controls.

2. Objectives of the Audit

- 2.1. To examine the system of internal controls to ensure that the Parish Council may obtain an adequate level of assurance for its activities, during the year.

3. Scope of the Work and the areas of Audit Work examined.

- 3.1. The Scope of Work covers the key control tests identified in the AGAR of the annual return.

- 3.2. To properly complete the audit the following areas of activity have been examined and tested by the Internal Auditor for the financial year 2021/2022.

- Payroll
- Creditors
- Risk Management
- Income collection and Banking arrangements
- Assets
- Debtors
- Budgetary Control (including year end procedures)
- Exercise of Public Rights

4. Findings by the Council,

4.1. Payroll

- 4.1.1. The Parish Council has a Parish Clerk who works varied hours and is paid a basic rate each month and is paid by cheque. Previously the Council processed the payroll through the on line banking system, Basic Paye tools run by HMRC. It was agreed that an external provider be contracted to carry out the monthly salaries and associated payments to HMRC. This is good independent internal control for the Council.
- 4.1.2. The Parish Clerk completes a timesheet each month which is approved when payments are agreed each month.
- 4.1.3. "Details of employee payments" are produced each month which records the amounts paid to the employee and to HMRC. These payments appeared reasonable and were confirmed.

4.2. Creditors

- 4.2.1. All payments (mainly by cheque with some direct debits) for the Parish Council are recorded on an expenditure sheet and are input in the Rialtus Financial System and reported and agreed each month (where possible) to the Council on a Monthly Financial Transaction report. I understand that the invoices are presented for examination if requested.
- 4.2.2. There are no separation of duties at Bishop Middleham and Mainsforth Parish Council as the Clerk is the only Officer responsible for Finance and Administration. Compensating checks are carried out by 2 Members who confirm the payments.

4.2.3. On examining all the payments from April 2021 to March 2022 to the Cash book 3 report (which also shows vat) from Rialtus, all payments had been properly paid and recorded.

4.3. Risk Management

4.3.1. The Council has a Financial Risk Assessment which is approved with the annual accounts (16th June 2021). The risks to the Parish Council have also been reduced with the appointment of an independent Internal Auditor who gives assurance on the Council's activities, and as the Parish Council has a very small budget with only 1 employee, its risks are considered to be low.

4.3.2. The Council takes steps to reduce its risks by annually reviewing its Financial Standing Orders which include Financial Regulations at the AGM. (12th May 2021)

4.4. Income collection and Banking arrangements

4.4.1. There is very little income received by the Council and is banked through direct debits, mainly for garage rents and football rents and are recorded on the finance system and reported which is approved by Members and recorded in the minutes.

4.4.2. There are 3 bank accounts held by the Council:

- Business Saver account – used to hold monies and obtain interest and to transfer money to Business Community account (for a specific purpose)
- Business saver account – used to hold monies and obtain interest and to transfer money to Business Community account,
- Community Account – shows all income and expenditure

4.4.3 Bank reconciliations are carried out from Rialtus reports, where the Parish Clerk identifies all payments shown from the bank statements. Regular reports are produced from the Rialtus system with the bank statements being available for members to view.

4.4.4. A Vat claim for 2020/21 has been paid into the Councils bank account on 4th June 2021.

4.5. Accounting Records

4.5.1. For the financial year 2021/22 the Council uses Rialtas Accounting System, (used by many Town and Parish Councils), and all income and expenditure is input into here, which has improved the financial reporting of the Council.

4.5.2. The end of year accounts has been completed with an end of year bank reconciliation and figures for the 2021/22 AGAR.

4.6. Security/Assets

4.6.1. An Inventory is to be completed of all assets for 2021/2022 and is to be approved with the statement of accounts.

4.7. Debtors

4.7.1. There are no accounts raised for debts.

4.8. Budgetary Control

4.8.1. Budgetary control is discussed from financial reports from Rialtus when required with detailed reports discussed and reported when the precept requirements and next year's budget are to be determined.

4.8.2. The precept and budget was discussed and approved on the 12th January 2022 Council meeting.. The annual budget was prepared to support the precept.

4.8.3. At the 14th July Council meeting a priority list was completed for the coming year.

4.9. Governance Arrangements

- 4.9.1. The Council's Governance arrangements are shown in an Internal Control Report which includes the the effectiveness of internal control covering, Internal Audit, Policies and Procedures and Risk Management. This has been completed and was reported to the 9th March 2022.
- 4.9.2. The Council agrees its Standing Orders including Financial Regulations, at the AGM each year.
- 4.9.3. The exercise of Public Rights for 2020/21 was announced on 23rd June 2021 and covered the inspection period of 23rd June to 3rd August 2021. I could not find this on the Council's website.

5. Conclusions/Recommendations

- 5.1. The internal controls for the Council are satisfactory for the size of the Council and no action plan was required. However, the Parish Clerk should ensure that the Public notice is placed on the Council's web site.
- 5.2. The purchase of Rialtas Accounting software has helped improve the financial controls for the Council and better reporting, and for producing the end of year accounts.



Gordon Fletcher (C.M.I.I.A.)
Internal Auditor
Date: 24th May 2022

ANNUAL RETURN - ENGLAND


FOR THE YEAR ENDED 31 MARCH 2022

Bishop Middleham & Mainsforth Parish Council

SECTION 2 - THE STATEMENT OF ACCOUNTS

I certify that the accounts contained in this return present fairly the financial position of the council, are consistent with the underlying financial records and have been prepared on the basis of Receipts and Payments.

Responsible Financial Officer

John Hobane 

Date

15/06/2022

I confirm that these accounts are approved by the Council and recorded as council minute reference

33.0/22

Dated

15/06/2022

Signed on behalf of the above Council (Chair)



Date

15/06/2022

		<u>Last Year £</u>	<u>This Year £</u>	<u>General Notes for Guidance</u>
1	Balances brought forward	46,544	69,424	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	50,637	50,364	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3	(+) Total other receipts	44,264	24,538	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	9,373	9,247	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	62,648	58,525	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	69,424	76,554	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	69,424	76,554	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	335,610	335,610	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).

The following documents should accompany the accounts when submitted to the auditor:

- * A brief explanation of significant variations from last year to this year in Section 2;
- * Bank Reconciliation as at 31 March

Detailed Receipts & Payments by Budget Heading 01/04/2021

Cost Centre Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
100 Income							
1076 Precept	0	50,637	50,637			0.0%	
1078 LCTSS	0	3,198	3,198			0.0%	
1080 Bank Interest	0	40	40			0.0%	
1100 Garage Rental	0	351	351			0.0%	
1250 Footbal Fess	0	500	500			0.0%	
Income :- Receipts	0	54,726	54,726			0.0%	0
Net Receipts	0	54,726	54,726				
150 Staff Costs							
4000 Wages	0	5,021	5,021		5,021	0.0%	
4005 PAYE	0	4,352	4,352		4,352	0.0%	
4015 Home Working Allow	0	852	852		852	0.0%	
4999 Other - Expenses	0	22	22		22	0.0%	
Staff Costs :- Indirect Payments	0	10,247	10,247	0	10,247	0.0%	0
Net Payments	0	(10,247)	(10,247)				
200 Administration							
4120 Insurance	0	1,310	1,310		1,310	0.0%	
4145 Audit Fees	0	620	620		620	0.0%	
4150 Website Design & Maintenance	0	1,200	1,200		1,200	0.0%	
4155 Subscriptions	0	308	308		308	0.0%	
4160 Postage	0	127	127		127	0.0%	
4165 Office Equipment	0	644	644		644	0.0%	
4195 Stationery	0	480	480		480	0.0%	
4200 Bank charges	0	169	169		169	0.0%	
4999 Other - Expenses	0	100	100		100	0.0%	
Administration :- Indirect Payments	0	4,958	4,958	0	4,958	0.0%	0
Net Payments	0	(4,958)	(4,958)				
250 Grants							
4250 Section 137	0	1,340	1,340		1,340	0.0%	
Grants :- Indirect Payments	0	1,340	1,340	0	1,340	0.0%	0
Net Payments	0	(1,340)	(1,340)				

10:41 Detailed Receipts & Payments by Budget Heading 01/04/2021

Cost Centre Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
300 Community Fund							
1200 Community Fund	0	12,000	12,000			0.0%	
Community Fund :- Receipts	<u>0</u>	<u>12,000</u>	<u>12,000</u>			<u>0.0%</u>	<u>0</u>
4300 Christmas	0	585	585		585	0.0%	
4305 Fireworks	0	600	600		600	0.0%	
4310 Other Expenses	0	866	866		866	0.0%	
Community Fund :- Indirect Payments	<u>0</u>	<u>2,051</u>	<u>2,051</u>	<u>0</u>	<u>2,051</u>	<u>0.0%</u>	<u>0</u>
Net Receipts over Payments	<u>0</u>	<u>9,949</u>	<u>9,949</u>				
400 Grounds Maintenance							
4400 Maintenance Contracts	0	29,636	29,636		29,636	0.0%	
4405 Maintenance Project Costs	0	2,158	2,158		2,158	0.0%	
4410 Play Area Inspections	0	250	250		250	0.0%	
4415 Litter & Dog Bins	0	60	60		60	0.0%	
4425 Wildlife Garden	0	10,000	10,000		10,000	0.0%	
4500 Repairs & Maintenance	0	225	225		225	0.0%	
Grounds Maintenance :- Indirect Payments	<u>0</u>	<u>42,329</u>	<u>42,329</u>	<u>0</u>	<u>42,329</u>	<u>0.0%</u>	<u>0</u>
Net Payments	<u>0</u>	<u>(42,329)</u>	<u>(42,329)</u>				
450 Pavilion							
4125 Electric	0	315	315		315	0.0%	
4130 Water	0	1,000	1,000		1,000	0.0%	
4500 Repairs & Maintenance	0	91	91		91	0.0%	
4600 Cleaning	0	358	358		358	0.0%	
Pavilion :- Indirect Payments	<u>0</u>	<u>1,764</u>	<u>1,764</u>	<u>0</u>	<u>1,764</u>	<u>0.0%</u>	<u>0</u>
Net Payments	<u>0</u>	<u>(1,764)</u>	<u>(1,764)</u>				
Grand Totals:- Receipts	<u>0</u>	<u>66,726</u>	<u>66,726</u>			<u>0.0%</u>	
Payments	<u>0</u>	<u>62,689</u>	<u>62,689</u>	<u>0</u>	<u>62,689</u>	<u>0.0%</u>	
Net Receipts over Payments	<u>0</u>	<u>4,037</u>	<u>4,037</u>				
Movement to/(from) Gen Reserve	<u>0</u>						

Detailed Receipts & Payments by Budget Heading 31/03/2022

Cost Centre Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
Grand Totals:- Receipts	74,902	66,726	(8,176)			112.3%	
Payments	67,772	62,689	(5,083)	0	(5,083)	108.1%	
Net Receipts over Payments	7,130	4,037	(3,093)				
Movement to/(from) Gen Reserve	7,130						