

# Yarnfield and Cold Meece Parish Council

## Annual Governance and Accountability Return 2019/20 - Part 1

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John Fraser  
Parish Clerk  
22 June 2020

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Email: [cheelis@btinternet.com](mailto:cheelis@btinternet.com)

42, Badgers Croft  
Eccleshall  
Stafford  
ST21 6DS

The Chairman  
Yarnfield and Cold Meece Parish Council  
C/o Mr. J. Fraser  
5, De Havilland Drive  
Yarnfield  
Staffordshire

May 8<sup>th</sup>, 2020

Dear Councillor,

**Conclusion of Internal Audit for Yarnfield and Cold Meece Parish Council - Year ended March 31<sup>st</sup>, 2020.**

I am writing to confirm that I have carried out the year-end review for Yarnfield and Cold Meece Parish Council and have completed and signed the appropriate page of the Annual Governance and Accountability Return Part 3.

**With regard to the completion of the Internal Audit Report the following should be noted :-**

**Objective D** – Although the Parish Council was newly formed in May 2019, I have agreed to this internal control objective. The Council had not been able to set a budget for 2019/20 and reserves were limited initially. However, the finances were regularly monitored and an appropriate budget has been levied for 2020/21 following an adequate budgetary process.

**Objective K** – As the Council was not formed until May 2019 there were no accounts to review.

**Objective L** – No exercise of Public Rights was required during summer 2019.

The independent internal examination of the Councils governance, financial affairs and certification of the 2019-20 Annual Return to the External Auditor was carried out in accordance with the standards laid out in the Accounts and Audit Regulations, 2015 (as amended) and embodied in the Governance and Accountability Practitioners Guide 2020.

In summary the following areas were covered during the course of the examination:-

- Proper Bookkeeping
- Financial Regulations, Standing Orders and Payment Controls
- Risk Management and Insurance arrangements
- Budgetary Control
- Income Controls
- Payroll Controls
- Asset Control
- Bank Accounts and Reconciliation
- Year End Procedures

In addition, a review of the Councils website was also undertaken to evaluate conformance to the Local Government Transparency Code 2015, which is to be viewed as the minimum standard.

A copy of this report should be submitted to the External Auditor together with the completed AGAR.

**PLEASE NOTE that following completion of the 2019/20 Audits I will be stepping down from my role as Independent Internal Auditor.c**

Yours sincerely,

*C. Heelis*

Christine Heelis  
Independent Internal Auditor

# Annual Internal Audit Report 2019/20

## YARNFIELD AND COLD MEECE 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.	✓		
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.	NO PETTY CASH KEPT		✓
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 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")			✓
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.			✓
<b>M. (For local councils only)</b> Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes	No	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

08/05/2020

Name of person who carried out the internal audit

CHRISTINE HEELIS

Signature of person who carried out the internal audit

C. Heelis

Date

08/05/2020

\*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).

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## Yarnfield and Cold Meece - Bank reconciliation

Financial year ending 31 March 2020

Prepared by John Fraser: Parish Clerk  
2020

Date: 20 April

Balance per bank statements as at 31 March 2020:	£	£
e.g. Current account	3,297.81	
High interest account	1,000.43	
Building society premium a/c	0.00	
		<hr/>
		4,298.24
Petty cash float (if applicable)	0.00	0.00
Less: any un-presented cheques at 31 March 2020 (normally only current account)		
Cheque number		
Panda Press - BACS payment	(25.00)	
		<hr/>
		(25.00)
Add: any un-banked cash at 31 March 2020		
Un-banked cash - Christmas lunch payment	12.00	12.00
		<hr/>
Net balances as at 31 March 2020		<u>4,285.24</u>

*The net balances reconcile to the Cash Book (receipts and payments account) for the year, as follows:*

### CASH BOOK

Opening Balance 1 April 2019	0.00
Add: Receipts in the year	16,019.42
Less: Payments in the year	11,734.18
	<hr/>
Closing balance per cash book [receipts and payments book] as at 31 March 2020 ( <b>must equal net balances above</b> )	<u>4,285.24</u>

\* **Note:** Long-term investments should be excluded from the bank reconciliation and from Section 2, Boxes 1, 7 and 8. They must be shown in Section 2, Box 9 and recorded in the asset and investment register.

This reconciliation must include **all** bank and building society accounts and other short-term investments\*. It **must** agree to Box 8 in the column headed "Year ending 31 March 2020" in Section 2 of the Annual Return. It will also agree to Box 7 where the accounts are prepared on a receipts and payments (cash) basis.

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## Section 1 – Annual Governance Statement 2019/20

We acknowledge as the members of:

### Yarnfield and Cold Meece 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
			✓

\*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:

16/06/2020

and recorded as minute reference:

20.104 (ii)

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

<https://www.ycm-pc.org.uk/>

AUTHORITY WEBSITE ADDRESS

## Section 1 - Annual Governance Statement 2019/20

### Explanation to the external auditor for each "No" response in the Council's Annual Governance Statement.

#### **Governance Statement 4 and 7**

Yarnfield and Cold Meece Parish Council was formed on 1<sup>st</sup> April 2019 following a successful Community Governance Review by Stafford Borough Council. This is the first occasion on which an Annual Governance and Accountability Return has been prepared by the parish council. Governance statements 4 and 7 are therefore not relevant to the parish council for the 2019/20 governance review.

John Fraser  
Yarnfield and Cold Meece Parish Clerk  
16 June 2020

1.

## Section 2 – Accounting Statements 2019/20 for

### Yarnfield and Cold Meece Parish Council

	Year ending		Notes and guidance
	31 March 2019 £	31 March 2020 £	
			<i>Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to underlying financial records.</i>
1. Balances brought forward	0	0	<i>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.</i>
2. (+) Precept or Rates and Levies	0	9,416	<i>Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.</i>
3. (+) Total other receipts	0	6,603	<i>Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.</i>
4. (-) Staff costs	0	5,361	<i>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.</i>
5. (-) Loan interest/capital repayments	0	0	<i>Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).</i>
6. (-) All other payments	0	6,374	<i>Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).</i>
7. (=) Balances carried forward	0	4,285	<i>Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).</i>
8. Total value of cash and short term investments	0	4,285	<i>The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – <b>To agree with bank reconciliation.</b></i>
9. Total fixed assets plus long term investments and assets	0	59,625	<i>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.</i>
10. Total borrowings	0	0	<i>The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).</i>
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	<i>The Council, as a body corporate, acts as sole trustee for and is responsible for managing Trust funds or assets.</i>
		✓	<i>N.B. The figures in the accounting statements above do not include any Trust transactions.</i>

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

  
J. Fraser

Date

16/06/2020

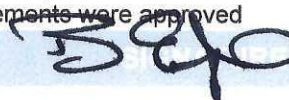
I confirm that these Accounting Statements were approved by this authority on this date:

16/06/2020

as recorded in minute reference:

20.104 (iii)

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



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## Confirmation regarding the exercise of public rights

**Parish Council name: Yarnfield and Cold Meece Parish Council**

The Parish Council must inform the electorate of an exact 30 working day period during which public rights may be exercised.

The inspection period must commence no later than 1 September 2020

It must start at least one day after the annual return has been published on your website (or other free to access website used by the Council) and publication must be as soon as practical after the unaudited annual return has been approved by the Parish Council.

Working days are defined as Monday - Friday. They do not include Saturdays, Sundays and Bank holidays.

The inspection period commences on:                      Monday 22 June 2020

And ends on:    Friday 31 July 2020



Signed:

Date: 16 June 2020

Position held: Parish Clerk

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## Confirmation of contact details

<b>Clerk's name:</b>  John Fraser	<b>RFO's name (if not clerk)</b>   	<b>Chair's name:</b>  Cllr Brian Eyre
<b>Clerk contact address:</b>  5 De Havilland Drive Yarnfield Staffordshire ST15 0SX	<b>RFO contact address:</b>   	<b>Chair contact address:</b>  Crossbow Cottage Yarnfield Lane Yarnfield ST15 0NJ
<b>Telephone:</b> <b>Primary contact number:</b> 07546 456771  <b>Mobile/Alternative number:</b> 01785 760829	<b>Telephone:</b> <b>Primary contact number:</b>  <b>Mobile/Alternative number:</b>  	<b>Telephone:</b> <b>Primary contact number:</b> 01785 760701  <b>Mobile/Alternative number:</b> 07766812866
<b>Clerk e-mail:</b>  <a href="mailto:ycmclerk@gmail.com">ycmclerk@gmail.com</a>	<b>RFO e-mail:</b>   	<b>Chair e-mail:</b>  <a href="mailto:brianeyre.pc@gmail.com">brianeyre.pc@gmail.com</a>

***Please return this form together with the  
Annual Governance & Accountability Return and other information requested***