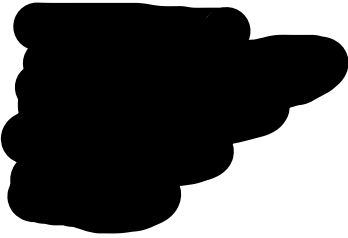




23 June 2023



Dear David,

Great Tey Parish Council
Annual Governance and Accountability Return 2022/23

Thank you for providing me with all the relevant Parish Council records including minutes and budgets to undertake the Internal audit and completion of the Annual return required for Local Councils in England.

The accounts were approved by the Parish Council on 9 May 2023.
The details were all recorded on the relevant sections of Annual return and signed ready for submission and publication before the required due date.

Annual return - Section 1 - Annual governance statement 2022/23

In my audit work I have seen that all the parts requiring completion in Section 1 as the Annual governance statement have been completed in the affirmative.

Annual Internal Audit Report 2022/23

The Annual return details remain similar to the last year, including the additional review required for compliance with publication requirements.

In my work I have reviewed the formal minutes, as signed at later meetings. I have also reviewed the cash book and accounting records of the Council with the accounts prepared by the Parish Council for the year to 31 March 2023 with 31 March 2022 as the corresponding year.

I have reviewed the updated Practitioners' Guide to Proper Practices to be applied in the preparation of statutory annual accounts and governance statements dated March 2022 (NALC.gov.uk) and in particular the guidance for internal audit for a smaller authority. I have completed my tests on the finalised and approved accounts after the year end. This process, without being involved during the accounting year, appears appropriate in this Council's case. Having considered the areas to be covered, I have found sufficient assurance that proper practices have been met throughout the year.

The section on Petty Cash has been marked as "Not applicable" as the Parish Council does not hold any cash.

You confirmed the required information was published on the website in accordance with the Transparency code for smaller authorities and the required reports have been seen as being uploaded which confirms the parish clerk's actions and duties in this area.

I note that the parish clerk's employment is as an office holder with salary payments subject to PAYE which has been operated properly throughout the year under RTI. My review noted appropriate discussions by the Council in respect of approved changes in the rate of pay.

The 2016 Practitioners' Guide provided guidance regarding asset valuation, requiring the Parish Council to follow a consistent policy. This Parish Council has therefore been using insurance valuations to summarise the value of assets held, with the necessary recording, each year, of any new assets acquired at cost. No depreciation charges are included, as the accounts are prepared on a cash basis. Furthermore the accounting policies adopted do not require reporting on the expected useful life of each asset.

Primarily from my review of the minutes and the Council's full consideration of budgeting and future costs as well as insurable risks throughout the year, I feel that the Council has properly assessed and managed the significant risks which they have identified as being within their area of responsibility.

No other areas of risk have been identified by me from the matters seen during my review.

Accounts Preparation

The cash book is prepared as part of the formal accounts of the Council for the year and it is a requirement of the Accounting regulations that this forms part of the published Parish Council Accounts.

The Summary Income and Expenditure Account are prepared on a Payments and Receipts basis (without provision for debtors, creditors, accruals and prepayments), although provision is made for the VAT recovery.

The balance sheet records all assets in line with the Annual return details reported to the External auditor. Additionally the amount due from HMRC in respect of the recovery of input VAT outstanding at the year end is included and accurately reflects the assets of the Parish Council.

Annual return - Section 1 - Accounting statements

The final figures for the Annual return agree to extractions from the accounts as below:

		Last year			
		2021/22	2022/23	Variance	
		£	£	%	£
1	Balances b/f	22,277	36,142	62	
2	Annual Precept	18,927	19,427	3	
3	Total other receipts	11,937	20,011	68	-8,074
4	Staff costs	6,102	6,531	7	
5	Loan/capital payments	0	0		
6	Total other payments	10,897	50,804	366	-39,907
7	Balances c/f	36,142	18,245	-50	
8	Total cash and investments	36,142	18,245	-50	
9	Total fixed assets	54,703	56,139	3	-1,436
10	Total borrowings	0	0		
11	Trust funds disclosure note	Yes	Yes		

In addition to the provision of certain figures within the Annual return you are required to provide details of any significant variances between the two years. As for previous years I have prepared a schedule in line with the guidance notes, which confirms your figures for use if required.

Other matters

The VAT recovery at the year end amounts to £3,370.74 (2022: £230.21) which will, I assume as previously, be received after the year end, and is ignored on the accounting statements in section 1 recorded above.

S.137 of the Local Government Act 1972 allows a Local Authority to spend a limited amount on activities for which it has no specific power, but which the Authority considers "will bring direct benefit to the area, or any part of it or all or some of its inhabitants".

This has been correctly reported in the accounts and payments are as extracted from the cash book records.

I confirm that Sections 1 and 2 of the Annual return are in accordance with my review of the Parish Council records and I believe that the completed Annual return can be submitted to the External auditor.

Once again I should like to thank you for your kind assistance with my review for the year.

With kind regards

Yours sincerely

L C Tippet
Encl

Appendix to Annual Return 31 March 2023

Variance Analysis

The accounts are prepared on a Receipts and Payments basis so funds may be received in one year and spent in the next, and this primarily accounts for the major variations.

Line 3 : Variation - increase in other receipts of £8,074 (£11,937 to £20,011) is due to the following

No change in Grant from Colchester Borough Council	-
Increase in allotment rental income	35
Increase in bank interest received	41
Compensation - Bank mandate delay	100
Decrease in Locality Grant	- 400
E C C grants	- 3,060
Grant received for Neighbourhood Plan (some repaid)	2,445
No balloon landing fee	- 75
Increased input VAT recovered in year	2,362
New S106 grant Brook Road	6,626
	<u>8,074</u>

Line 6 : Variation - decrease in other payments of £39,907 (£10,897 to £50,804) is due to the following

Increased allotment water & repairs	392
Increased general administration costs (excl Clerk's salary)	401
Increased Handyman expenses	618
Increased Play area repairs	303
Increased Section 137 payments	852
Defibrillator costs	170
Playing field maintenance including refurbishment	- 514
Moor Road junction tree work	575
No pump yard plaque & renovation	- 144
No Village Hall tables funded by Locality Grant	- 376
Reduced Neighbourhood plan not funded by grant	- 300
Neighbourhood plan grant returned and costs	7,055
Village Hall repairs grant funded	1,720
Friendship club grant funded	300
S106 Grant - new playarea	23,473
Increased input VAT paid on purchases in year	5,382
	<u>39,907</u>

Line 9 : Variation - £1,436 increase in fixed assets with new benches purchased and installed in year.
The asset value is now based on the insurance value, a policy adopted in 2016:

	31.03.2023	31.03.2022	
Village sign	2,530	2,530	
Notice board	643	643	
Gates and fences	9,779	9,779	
HFRG internal fence and gate	2,100	2,100	
HFRG benches	2,118	682	
HFRG Entrance high gate and bollards	2,795	2,795	
Bus shelter	7,112	7,112	
Office contents	756	756	
Printer for Clerk	50	50	
Sports equipment	756	756	
Contents of Village Hall	27,500	27,500	
	<u>56,139</u>	<u>54,703</u>	
Movement			<u>1,436</u>
additions			

Great Tey Parish Council

Appendix to Annual Return 31 March 2023

Year end balances

Bank Reconciliations

Community Account - Barclays 10417327

Balance per statement 31 March 2023 36,285.41

Less o/s cheques 14,827.80
3,276.00

18,103.80

Plus o/s bankings 0.00

Balance per cash book 18,181.61

18,182 36,120

Business Saver Account - Barclays 53283313

Balance per statement 31 March 2023 63.17

Less o/s cheques 0.00
Plus o/s bankings 0.00

Balance per cash book 63.17

63 22

18,245 36,142

VAT recovery balances due

3,371 230

Cash Book

Opening balance 1 April 2022

36,142 22,277

Add: receipts in year

39,438 30,864

Less: payments in year

57,335 16,999

Closing balance as at 31 March 2023

18,245 36,142