

Section 1 – Annual Governance Statement 2022/23

We acknowledge as the members of:

TEMPHETON 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 2023, 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.	✓		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.	✓		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.	✓		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.		✓	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.	✓		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.	✓		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.		✓	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.	✓		disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.
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
			✓

*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:

26/6/23

and recorded as minute reference:

8.4 REFERENCE

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

Chairman

Clerk

[Handwritten signatures of Chairman and Clerk]

Information required by the Transparency Code (not part of the AGS)

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

Yes	No
	✓

ENTER PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

Section 2 – Accounting Statements 2022/23 for

TEMPLETON PARISH COUNCIL

	Year ending		Notes and guidance	
	31 March 2022 £	31 March 2023 £		
1. Balances brought forward	5777	8611	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	5406	5406	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.	
3. (+) Total other receipts	46	1984	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	1437	1250	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	1681	3838	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	8611	10914	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	8611	10914	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	601	601	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).	
For Local Councils Only	Yes	No	N/A	
11a. Disclosure note re Trust funds (including charitable)				The Council, as a body corporate, acts as sole trustee and is responsible for managing Trust funds or assets.
11b. Disclosure note re Trust funds (including charitable)			N/A	The figures in the accounting statements above do not include any Trust transactions.

I certify that for the year ended 31 March 2023 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

J. Pudheps
26/6/23

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

26/6/23

as recorded in minute reference:

MINUTE REFERENCE
8.5

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

[Signature]

Annual Internal Audit Report 2022/23

TEMPLETON PARISH COUNCIL

Templetonparishcouncil.org.uk

During the financial year ended 31 March 2023, 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 2022/23 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.			✓
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 2021/22, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2021/22 AGAR tick "not covered")	✓		
L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.		✓	
M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations (during the 2022-23 AGAR period, were public rights in relation to the 2021-22 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).		✓	
N. The authority has complied with the publication requirements for 2021/22 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

18/06/2023 DD/MM/YYYY DD/MM/YYYY

Name of person who carried out the internal audit

Jill Larcombe

Signature of person who carried out the internal audit

*If the response is 'no' (add separate sheets)

**Note: If the response

Date 18/06/2023

to address any weakness in control identified

internal audit work was done in this area and when it is

Templeton Parish Council Annual Internal Audit 2022/23

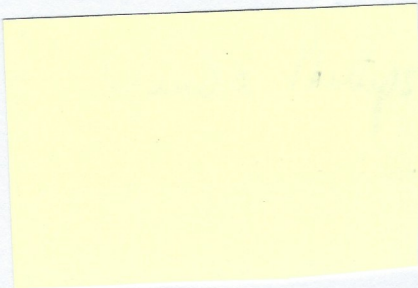
There are failings with regard to the papers submitted to the internal auditor in June 2023. This was unfortunately anticipated.

The actual monetary figures balance but compliance to meet with government transparency standards and other documentation fall short.

The Clerk left with limited notice in February 2023 and despite several attempts, access to the records proved challenging. The lack of information published on the Parish Council Website was by far the most influential factor in the more negative comments from the internal auditor.

With the appointment of a new Clerk and the council members now made aware of the requirements the situation should not arise again.

Sandra Phillips, Clerk acting only in a temporary capacity



24/6/23

Jill Larcombe
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Chapel Street
Tiverton
EX16 6ND
Tel 01884 252647

Internal Audit Report for Templeton Parish Council

Financial Year 2022/23

Internal Control Objective	
A. Appropriate accounting records have been kept properly throughout the year	<p>Yes.</p> <p>The roll forward of the prior year balances to the new financial year</p> <p>Financial transactions were checked against the cashbook and bank statements.</p>
B. The authority met its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for	<p>On this occasion I will tick the box for internal control objective B even though I have some points to raise.</p> <p>The Financial Regulations were reviewed on 05/05/22.</p> <p>All payments were supported by invoices.</p> <p>All expenditure was approved and minuted.</p> <p>I note the amount shown in the minutes for PAYE payments was incorrect throughout the year. The minutes were approved as accurate even though councillors had signed cheques for different amounts than that shown in the minutes</p> <p>VAT is shown in the cashbook but there is no evidence that VAT has been reclaimed for 2022-23. I appreciate that the previous clerk left the Council before year end and there is a new clerk/RFO who will be completing a VAT reclaim.</p> <p>VAT for 2021-22 was received during the year.</p> <p>VAT has been wrongly allocated against the payment made to the Village Hall Committee for repair work. The invoice is in the name of Templeton Village Hall.</p>
C. The authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage them	<p>Yes.</p> <p>The Risk Register was reviewed and adopted on 05/05/22. (2021 copy provided for audit)</p> <p>Appropriate levels of insurance cover are in place. The new Clerk should provide the Certificate of Employers Liability and policy schedule for the 2023-24 audit,</p> <p>I suggest that a review of the effectiveness of internal controls is carried out during 2023-24.</p>
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget	<p>Yes</p> <p>Budget and precept for 2022-23 agreed in November 2021.</p>

<p>was regularly monitored; and reserves were appropriate.</p>	<p>Correct amount of precept received. The Council received budget monitoring reports during the year. Reserves are high and all appear to be general reserves. If any of the reserves are to be used for specific projects they should be marked as earmarked reserves. The generally accepted recommendation with regard to the appropriate minimum level of a Smaller Authorities General Reserve is that this should be maintained at between three and twelve months of the precept. The smaller the council the nearer twelve months this should be Councils are now required to have a General Reserves Policy.</p>
<p>E. Expected income was fully received based on correct prices, properly recorded and promptly banked; and VAT appropriately accounted for.</p>	<p>Yes Only income is the precept and a VAT refund. The Council is not VAT registered and there is no VAT on income. There is no bank interest as there is only a current account.</p>
<p>F. Petty Cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for</p>	<p>No petty cash. The Clerk submits expense claims.</p>
<p>G. Salaries to employees and allowances to members were paid in accordance with the authority's approvals, and PAYE and NI requirements were properly applied.</p>	<p>Yes Previous Clerk had a contract of employment (not seen) A formal contract of employment will be put in place for the new Clerk. This should include the contracted hours and starting spinal column point on the NJC scale. Appropriate tax code applied to previous clerk and PAYE and NI requirements were properly applied. No requirement for pension contributions. The new Clerk will need to be registered with HMRC as an employee. Please also remember to minute the new employee's appointment as the Clerk and RFO.</p>
<p>H. Asset and investments registers were complete, accurate and properly maintained</p>	<p>No No asset register provided. The Council only has £601 of assets.</p>
<p>I. Periodic and year end bank reconciliations were properly carried out</p>	<p>Partly. I will tick the yes box as a year end bank reconciliation has been completed and this matches the amount shown on Box 8 of the 2022-23 AGAR Accounting Statement. If I were to tick no it would give the impression that no reconciliations had been carried out.</p>

	There is no evidence of periodic bank reconciliations being carried out during the year. Going forward I suggest that the new Clerk/RFO presents periodic bank reconciliations to the Council during the year and these are minuted.
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 creditors and debtors were properly recorded	Yes Accounts prepared as receipts and payments. Payments agreed with cashbook and were supported by an adequate audit trail. No creditors or debtors.
K. If the authority certified itself as exempt from a limited assurance review in 2021/22, it met the exemption criteria and correctly declared itself exempt.	No While the Council met the exemption criteria and correctly declared itself exempt the Certificate of Exemption is not published on the Council's website. It is minuted in July 2022 that the Certificate of Exemption for 2020/21 was submitted to PKF Littlejohn LLP, the external auditor.
L. The authority publishes information on a free to access website / web page, up to date at the time of the internal audit in accordance with any relevant transparency code requirements	No There is no information on the Council's website
M. The authority, during the previous year, correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations.	No No copy of the public notice provided and there is not one on the website. It will be necessary for the Council to give a negative response to Assertion 4 of the Annual Governance Statement.
N. The authority complied with the publication requirements for the prior year AGAR.	No The publication requirements for the 2021-22 AGAR have not been met. It will be necessary for the Council to give a negative response to Assertion 3 of the Annual Governance Statement.
O. Trust funds (including charitable) - the Council met its responsibilities as a trustee	Not applicable

Jill Larcombe

Jill Larcombe
18th June 2023

Certificate of Exemption – AGAR 2022/23 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 2023, 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 2023 and a completed Certificate of Exemption is submitted no later than **30 June 2023** notifying the external auditor.

TEMPLETON PARISH COUNCIL

certifies that during the financial year 2022/23, 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 2022/23:

ENTER AMOUNT £00,000
7,390

Total annual gross expenditure for the authority 2022/23:

ENTER AMOUNT £00,000
5,088

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 **£210 +VAT** will be payable.

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

- The authority was in existence on 1st April 2019
- In relation to the preceding financial year (2021/22), 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 the above statements apply and 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 a copy of this certificate, published on the authority website/webpage* before 1 July 2023.

Signing this certificate confirms the authority will comply with the publication requirements.

Signed by the Responsible Financial Officer

Date

26/6/23

Signed by Chairman

Date

26/6/23

General email address of Authority

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

26/6/23

as recorded in minute reference:

MINUTE REFERENCE
8.3

Telephone number

01884 243184

*Published web address

clerk@templetonparishcouncil.org.uk
Templetonparishcouncil.org.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

Templeton Bank Reconciliation 2022/2023

Prepared by S Phillips

Barclays current account as at 31/3/23 £10,913.84

Less unrepresented cheques £0

Net balance £10,913.84

Variance Report

	2022	2023	Explanation
3. Receipts	£46	£1984	Figure grossly inflated because of VAT refund
4. Staff costs	£1437	£1250	Administrative associated expenses now classified under general payments
6. All other payments	£1681	£3838	A number of donations given to the Village Hall, St Margaret's Church and a contribution to the Jubilee fund
8. Balances carried forward	£8111 altered to £8611	£10913	Cheque issued for £500 was withdrawn and never presented

Fixed Assets

2 x benches @ £300 each £600

Telephone Kiosk £1 Total £601

Expenditure over £100

Item	Cost	VAT recoverable
Insurance	£673.96	
Jubilee fund	£750	
Defibrillator	£900	Donation
St Margaret's	£450	
Auditor	£150	£25
Village Hall	£396	£66