

Annual Internal Audit Report 2019/20

Derwent & Hope Woodlands 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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
H. Asset and investments registers were complete and accurate and properly maintained.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
I. Periodic and year-end bank account reconciliations were properly carried out.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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")	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
M. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

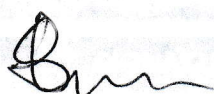
Date(s) internal audit undertaken

13/06/2020

Name of person who carried out the internal audit

STEPHEN DAWSON

Signature of person who carried out the internal audit



Date

14/6/2020

*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).

Section 1 – Annual Governance Statement 2019/20

We acknowledge as the members of:

Derwent & Hope Woodlands 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	'Yes' means that this authority:
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.
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
			✓
			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:

16/06/2020

and recorded as minute reference:

27/20

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

Chairman

[Signature]

Clerk

[Signature]

Section 2 – Accounting Statements 2019/20 for

Derwent & Hope Woodlands Parish Council

	Year ending		Notes and guidance
	31 March 2019 £	31 March 2020 £	
1. Balances brought forward	5,241	7,691	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	877	799	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	3,009	1,511	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	263	563	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	1,173	1,669	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	7,691	7,769	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	7,691	7,769	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	0	0	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).
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	The Council as a body corporate acts as sole trustee for and is responsible for managing Trust funds or assets. N.B. The figures in the accounting statements above do not include any Trust transactions.
		✓	

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

Aime Robinson

Date

15 June 20. 15/06/2020

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

16.06.20

as recorded in minute reference:

27/20

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

[Signature]

Reconciliation between Box 7 and Box 8 in Section 2 - pro forma

(applies to Accounting Statements prepared on an income and expenditure basis only)

Please complete the highlighted boxes.

Name of smaller authority:

Derwent & Hope Woodlands Parish Council

There should only be a difference between Box 7 and Box 8 where the Accounting Statements (S the AGAR) have been prepared on an income and expenditure basis and there have been adjust debtors/prepayments and creditors/receipts in advance at the year end. Please provide details of end adjustments, showing how the net difference between them is equal to the difference between and 8.

		£	£
Box 7: Balances carried forward			7,769.00
Deduct: Debtors (enter these as negative numbers)			
	1		
	2		
	3		
Deduct: Payments made in advance (prepayments) (enter these as negative numbers)			
	1		
	2		
Total deductions			
Add: Creditors (must not include community infrastructure levy (CIL) receipts)			
	1		
	2		
Add: Receipts in advance (must not include deferred grants/loans received)			
	1		
	2		
Total additions			
Box 8: Total cash and short term investments			7,769.00

Bank reconciliation – pro forma

Name of smaller authority: Derwent and Hope Woodlands Parish Council

County area (local councils and parish meetings only): _____

Financial year ending 31 March 2020

Prepared by_ Cllr. Anne Robinson RFO _____(Name and role)

Date 30 April 2020 _____

Balance per bank statements as at 31 March 2020:

£7769



£7769
0.00

Petty cash float (if applicable)

Less: any unpresented cheques at 31 March 2020

0.00

0.00

Add: any un-banked cash at 31 March 2020

Net balances as at 31 March 2020 (Box 8)

£7769

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

CASH BOOK:

Opening Balance 1 April 2019 (Prior year Box 8) £7691

Add: Receipts in the year £2,310

Less: Payments in the year £2,232

Closing balance per cash book [receipts and payments book] as at 31 March 2020 (must equal net balances above – Box 8)

£7769

Explanation of variances 2019-2020 – pro forma

Name of smaller authority:

Derwent and Hope Woodlands Parish Council _____

Please provide **full explanations, including numerical values**, for the following:

- variances of more than 15% between totals for individual boxes (except variances of less than £200);
- a breakdown of approved reserves if the total reserves (Box 7) figure is more than twice the annual precept/rates & levies value (Box 2).

Section 2	2018/19 £	2019/20 £	Variance £	Variance %	Detailed explanation of variance (with amounts £)
Box 2 <i>Precept or Rates and Levies</i>	877	799	78	- 9	No explanation required
Box 3 <i>Total other receipts</i>	3009	1511	1498	- 50	In financial year 2018-19 received a Groundwork grant of £2,000 for biodiversity work
Box 4 <i>Staff costs</i>	263	563	300	+ 114	The final quarter payment in 2018-19 of £87.50 cleared on 1 st April 2019 and is therefore included in this year's accounts; in December 2019 the PC agreed to double the wage paid to the caretaker to £150/quarter to cover gardening and the increased work associated with weddings. This increase covered two quarters of the year.
Box 5 <i>Loan interest/ capital repayments</i>	0	0	0	0	
Box 6 <i>All other payments</i>	1173	1669	496	+ 42	The increase in staff costs of £263 explained above coupled with spending £324 of the ringfenced grant on fencing. account for the variance.
Box 9 <i>Total fixed assets & long term investments & assets</i>	0	0	0	0%	
Box 10 <i>Total borrowings</i>	0	0	0	0%	
Explanation for 'high' reserves	Box 7 is more than twice Box 2 because the authority held the following in reserve at the year end: ring fenced grant for biodiversity improvements £2000 received 2018/19 of which only £324 was spent; outstanding payment on lighting £750; cover for potential loss of HPBC grant £561 & of small business rate relief of £508; boiler replacement £2000. These items total £5,495; reserves are £7,669. Accounting for these leaves £2,174 which is 2.7 x the precept.				

DWPC Accounts 2019-20

date	EXPENDITURE	amount	cheque	current	VAT	NET	Admin	St H Ins & Rates	St H Running	St H Maint
03.05.19	DALC membership	66.35	559	66.35		66.35	66.35			
01.04.19	A.Jolley - Caretaking St Henry's	87.50	557	87.50		87.50			87.50	
01.08.19	A.Jolley - Caretaking St Henry's	87.50	560	87.50		87.50			87.50	
08.10.19	A.Jolley - Caretaking St Henry's	87.50	562	87.50		87.50			87.50	
22.01.20	A.Jolley - Caretaking St Henry's	150.00	565	150.00		150.00			150.00	
11.03.20	A.Jolley - Caretaking St Henry's	150.00	571	150.00		150.00			150.00	
13.12.19	BHIB Insurance	253.15	564	253.15		253.15		253.15		
15.05.19	Peak Park Parishes Forum	6.00	558	6.00		6.00	6.00			
09.12.19	Information Commission GDPR	35.00	DD	35.00		35.00	35.00			
04.03.20	VHS Boiler Inspection	73.08	569	73.08	12.18	60.90				60.90
29.01.20	ACE Fire Equipment Check	42.00	567	42.00	7.00	35.00				35.00
22.11.19	Fencing on roundabout Neil Deakin	324.00	563	324.00	54.00	270.00	from ring fenced £2000 grant			
16.03.20	Smart Water	210.00	572	21.00		210.00				
23.04.19	British Gas	65.26	DD	65.26	3.10	62.16			62.16	
29.05.19	British Gas	59.90	DD	59.90	2.85	57.05			57.05	
19.07.19	British Gas	37.43	DD	37.43	1.78	35.65			35.65	
18.10.19	British Gas	70.10	DD	70.10	3.33	66.77			66.77	
07.01.20	British Gas	15.80	DD	15.80	2.01	13.79			13.79	
25.03.20	British Gas	56.66	DD	56.66	2.69	53.97			53.97	
22.01.20	Gas & Hire propane cylinders	244.65	568	245.65	11.65	233.00			233.00	
30.01.20	New heater	80.00	566	80.00	13.33	66.67			66.67	
23.03.20	DALC climate change training	30.00	570	30.00		30.00				
	TOTAL	2,231.88		2,231.88						
	INCOME	amount	slip	current	VAT refund	Precept	St H Hire	Other		
18.04.19	HPBC Precept - First & Grant	960.50	Auto Credit	960.50		960.50				
20.09.19	HPBC Precept -second	399.50	Auto Credit	399.50		399.50				
21.06.19	HPBC election hire 2 days	300.00	100213	300.00			300.00			
05.02.20	Belles	200.00	100215	200.00			200.00			
23.04.19	Debbie Higham wedding Hire	250.00	Auto Credit	250.00			250.00			
27.01.20	Hire of hall for election	150.00	100214	150.00			150.00			
03.02.20	Annie Hinton deposit for hall hire	50.00	Auto Credit	50.00			50.00			
	TOTAL	2,310.00								
	OPENING BANK BALANCE	7,690.79	£2,000 ringfenced for biodiversity work							
	BANK BALANCE									
	less payments	2,231.88								
	plus receipts	2,310.00								
	CLOSING BANK BALANCE	7,768.91	£1,676 ringfenced for biodiversity work							
	statement @ March 31 2020									