

Annual Internal Audit Report 2019/20

SHUTLANGER 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 separate petty cash
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.	✓		
M. (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 **NORTHANTS CALC LTD** Name of person who carried out the internal audit

19/04/20 21/04/20 **INTERNAL AUDIT SERVICE** **DAVID HARRIES**

Signature of person who carried out the internal audit

David Harries

Date

21/04/20

*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).

Section 1 – Annual Governance Statement 2019/20

We acknowledge as the members of:

SHUTLANDS 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' means that this authority:
	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.
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.

*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:

14 MAY/2020

and recorded as minute reference:

20-05-10

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

Chairman

R.A. Inne

Clerk

[Signature]

Other information required by the Transparency Codes (not part of Annual Governance Statement)
Authority web address

WWW.SHUTLANDS PARISH COUNCIL.ORG.UK

Section 2 – Accounting Statements 2018/19 for

ENTER NAME OF AUTHORITY

	Year ending		Notes and guidance
	31 March 2018 £	31 March 2019 £	
1. Balances brought forward	26676	24223	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	17.000	17.000	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	3967	25606	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	3544	3351	Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and employment expenses.
5. (-) Loan interest/capital repayments	2354	2354	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	17522	18344	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	24223	42780	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	25360	42780	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	55093	67282	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	28288	37005	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.
		NO	N.B. The figures in the accounting statements above do not include any Trust transactions.

I certify that for the year ended 31 March 2019 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

SIGNATURE REQUIRED

Date

19/5/2020

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

14 MAY 2020

as recorded in minute reference:

20-05-10

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

R.A. Kine

Section 3 – External Auditor Report and Certificate 2019/20

In respect of

SHUTLAND PARISH COUNCIL

1 Respective responsibilities of the body and the auditor

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2020; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

Our responsibility is to review Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with guidance issued by the National Audit Office (NAO) on behalf of the Comptroller and Auditor General (see note below). Our work **does not** constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and **does not** provide the same level of assurance that such an audit would do.

2 External auditor report 2019/20

(Except for the matters reported below)* on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return, in our opinion the information in Sections 1 and 2 of the Annual Governance and Accountability Return is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met. (*delete as appropriate).

(continue on a separate sheet if required)

Other matters not affecting our opinion which we draw to the attention of the authority:

(continue on a separate sheet if required)

3 External auditor certificate 2019/20

We certify/do not certify* that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2020.

*We do not certify completion because:

External Auditor Name

ENTER NAME OF EXTERNAL AUDITOR

External Auditor Signature

SIGNATURE REQUIRED

Date

DD/MM/YY

*Note: the NAO issued guidance applicable to external auditors' work on limited assurance reviews in Auditor Guidance Note AGN/02. The AGN is available from the NAO website (www.nao.org.uk)

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Total
Precept	8,500	0	0	0	0	8,500	0	0	0	0	0	0	17,000
Grants	0	0	10,000	0	0	0	0	0	0	0	0	2,709	12,709
VAT Refund	0	442	0	0	0	0	245	0	0	0	1,768	0	2,455
Fundraising	0	0	0	0	0	0	0	0	0	0	0	0	-
Loan	0	0	0	0	0	0	0	0	0	0	10,442	0	10,442
Miscellaneous	0	0	0	0	0	0	0	0	0	0	0	0	-

Total	8,500	442	10,000	0	0	8,500	245	0	0	0	12,210	2,709	42,606
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Bank Charges	0	0	18	0	0	18	0	0	18	0	0	0	18	72
Defibrillator Phonenumber	0	0	0	0	0	0	0	0	0	0	0	0	72	72
Dog Bins Maintenance	0	0	0	0	0	0	0	0	0	248	0	0	0	248
Dog Bins New	0	0	0	0	0	0	0	0	0	684	0	0	0	684
Expenses	0	0	0	66	0	21	59	1	18	0	0	0	0	164
Highways	0	0	0	0	0	0	0	0	94	0	0	0	0	94
Insurance	0	0	0	0	404	0	0	0	0	0	0	0	0	404
Lighting Electricity	140	0	0	0	0	37	42	44	44	44	46	84	84	481
Loan Repayment	0	0	1,177	0	0	0	0	0	1,177	0	0	0	0	2,354
Playing Field	96	96	96	98	246	0	176	0	0	0	13,069	67	67	13,945
Staff Cost	323	242	0	242	242	242	242	338	338	338	338	467	467	3,352
Subscriptions	460	0	50	0	250	0	80	0	0	0	0	0	0	840
Training	0	0	0	0	0	0	0	0	0	0	44	0	0	44
VAS New	0	0	0	571	0	0	0	0	0	0	0	0	0	571
Village Hall	0	0	0	0	0	0	0	150	0	0	0	0	0	150
Website	552	0	0	0	0	0	0	0	0	0	0	0	42	594
New Signage	0	0	242	0	0	0	0	0	0	0	0	0	0	242

Total	1,571	338	1,583	977	1,142	318	598	534	1,688	1,315	13,497	750	24,312
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Income

Total	42,606.21
Subtotal	42,606.21

Date	From	Total	Description
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Date	Month	From	Amount	Statement
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17/04/2019	Apr-19	SNC	8,500.00	105
20/05/2019	May-19	HMRC	442.13	106
28/06/2019	Jun-19	Lottery	10,000.00	108
19/09/2019	Sep-19	SNC	8,500.00	112
09/10/2019	Oct-19	HMRC	245.38	113
05/02/2020	Feb-20	PWLB	10,442.00	118
25/02/2020	Feb-20	HMRC	1,767.97	118
15/03/2020	Mar-20	SNC	2,708.73	120

31/08/2019	St Blaise Well	147.00	Playing Field Grounds - Lottery
30/09/2019	St John's Nov	241.78	Salary
31/10/2019	St John's Dec	241.78	Salary
02/12/2019	PWLB	1,778.93	Loan Repayment
18/11/2019	Village Hall Committee	100.00	Hall Fees
30/11/2019	St John's Nov	241.78	Salary
31/12/2020	St John's Dec	241.78	Salary
10/01/2020	St John's Jan	241.78	Salary
01/01/2020	St John's Yearly	300.00	Loan Repayment
30/01/2020	St John's Jan	241.78	Salary
31/01/2020	St John's P Sign & Play	9,200.00	Play Equipment Deposit
28/02/2020	St John's Feb	241.78	Salary
19/02/2020	St John's Well	3,762.40	Playing Field P-development
12/03/2020	St John's Expenses	129.15	Clerk Expenses
31/03/2020	St John's Mar	241.78	Salary

Items Over £100

Date	From	Total	Description
16/04/2019	NCALC	460.18	Annual Fees
30/04/2019	J R Scott Apr	241.78	Salary
30/04/2019	2Commune	552.00	Web Charges
03/06/2019	PWLB	1,176.93	Loan Repayment
31/05/2019	JR Scott May	241.78	Salary
30/06/2019	JR Scott June	241.78	Salary
03/07/2019	G Roberts	213.20	VAS Old Upgrade
09/07/2019	Aylsebury Mains	358.20	VAS Old Upgrade
31/07/2019	J R Scott Jul	241.78	Salary
30/08/2019	JR Scott Aug	241.78	Salary
29/08/2019	Came & Co	404.27	Insurance
31/08/2019	N J Blackwell	147.60	Playing Field Grass Cutting
30/09/2019	JR Scott Sep	241.78	Salary
31/10/2019	JR Scott Oct	241.78	Salary
02/12/2019	PWLB	1,176.93	Loan Repayment
18/11/2019	Village Hall Committee	150.00	Hall Fees
30/11/2019	JR Scott Nov	338.00	Salary
31/12/2020	JR Scott Dec	338.00	Salary
10/01/2020	Marcus Young	248.40	Dog Bin Emptying
10/01/2020	Marcus Young	684.00	Dog Bin Installation
30/01/2020	JR Scott Jan	338.00	Salary
30/01/2020	Sovereign Design & Play	9,287.09	Play Equipment Deposit
29/02/2020	JRScott Feb	338.00	Salary
29/02/2020	N J Blackwell	3,782.40	Playing Field Re-development
12/03/2020	JR Scott Expenses	129.15	Clerk Expenses
31/03/2020	J R Scott Mar	338.00	Salary

67,367.30

Description	Supplier	Location	Purchase Price
Bus shelter		Main Road	1,522.93
Bus stop flag + post		Main Road	200.00
Public seat		Main Road	304.55
2 Notice boards		High Street, Bakers Lane,	1,200.00
3 Village planters		Showsley Rd, Main Road (2)	500.00
VAS 1 sign Battery	Sierzeaga GR32FC	Main Road (Towcester side)	3,000.00
VAS 2 sign Solar	Swarco	Main Road (Stoke side)	3,433.00
VAS battery charger	For VAS 1	Cllr Roberts	44.00
Defibrillator and cabinet	Community Heartbeat	Bakers Lane	2,426.00
Laptop computer	HP	Parish Office	390.00
2 single swings		Playing field, Showsley Rd	1,599.08
1 balance beam		Playing field, Showsley Rd	79.93
Leap frog poles		Playing field, Showsley Rd	159.88
Goal post/nets		Playing field, Showsley Rd	937.13
Sutcliffe Leisure slide		Playing field, Showsley Rd	2,706.01
Gate and posts		Playing field, Showsley Rd	760.00
Playing Field		Showsley Road	30,000.00
Quantity 19 Phillips 35w Libra Lights	Aylesbury Mains	Entire Village	6,830.61
RCD for VAS 1		Main Rd Showsley Rd Junction	358.20
Software for VAS 1 Unit		Parish Office	-
Dog Bins x 3		Various	684.00
Planning Equipment		Parish Office	859.69
Playing Field Equipment (Dep)		Playing field, Showsley Rd	9,287.09
		Total	67,282.10

	Year ending 31-Mar-19	Year Ending 31-Mar-20	Variance	%	Comments	
1	Balances Brought Forward	26,676.00	24,223.00	-2,453	-10	Additional expenditure on Dog bins, VAS upgrade
2	Annual Precept	17,000.00	17,000.00	0	0	
3	Total Other Receipts	3,967.28	25,606.21	21,639	85	Funding for Playground re-development, Grants £12.7 Loan £10.4
4	Staff Costs	3,544.36	3,351.51	-193	-6	
5	Loan Interest & Capital Payments	2,354.16	2,353.86	-0	-0	
6	Total Other Items	17,522.00	18,606.60	1,085	6	
7	Balances Carried Forward	24,223.00	42,517.24	18,294	43	Funding for Playground re-development, Grants £12.7 Loan £10.4
8	Total Cash & Investments	25,360.39	42,516.13	17,156	40	Funding for Playground re-development, Grants £12.7 Loan £10.4
9	Total Fixed Assets	55,093.00	67,282.10	12,189	18	Dog Bins, Planning Equipment, Playing Field re-development
10	Total Borrowings	28,288.00	37,005.44	8,717	24	