

## Annual Internal Audit Report 2018/19

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 2019.

The internal audit for 2018/19 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.	✓		
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 2017/18, it met the exemption criteria and correctly declared itself exempt. ( <i>"Not Covered" should only be ticked where the authority had a limited assurance review of its 2017/18 AGAR</i> )			Irrelevant
L. During summer 2018 this authority has correctly provided the proper opportunity for the exercise of public rights in accordance with the requirements of the Accounts and Audit Regulations.			Not applicable ✓
<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

20/9/18 23/01/19 05/06/19

Name of person who carried out the internal audit

Sally King for Auditing Solutions Ltd

Signature of person who carried out the internal audit



Date

05/06/19

\*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 2018/19

We acknowledge as the members of:

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 2019, 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.	✓		<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
	✓		<i>has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.</i>

\*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 should be published with the Annual Governance Statement.

This Annual Governance Statement was approved at a meeting of the authority on:

25/08/19

and recorded as minute reference:

19/29 full council 25.6.19.

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

Chairman

S. J. Wether

Clerk:

J. M. M. A.

**Other information required by the Transparency Codes (not part of Annual Governance Statement)**

Authority web address

www.chorleywood - PC - gov. UK,

## Section 2 – Accounting Statements 2018/19 for

	Year ending		Notes and guidance
	31 March 2018 £	31 March 2019 £	
1. Balances brought forward	368 895	431 526	<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> <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	450 000	468 705	<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	140 136	198 609	<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	294 359	297 261	<i>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.</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	233 146	290 343	<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	431 526	511 236	<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	462 639	545 241	<i>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.</i>
9. Total fixed assets plus long term investments and assets	1908 269	1932 204	<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 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

*J. Monte*

Date

18/06/19

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

25/06/19

as recorded in minute reference:

19/29

Full Council  
25.6.19

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

*S.J. Watt*

## Section 3 – External Auditor Report and Certificate 2018/19

In respect of

### 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 2019; 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 2018/19

(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 2018/19

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 2019.

\*We do not certify completion because:

External Auditor Name

External Auditor Signature

Date

\*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](http://www.nao.org.uk))

31st March 2018

31st March 2019

<b>Current Assets</b>		
11,712	Debtors	8,327
6,236	VAT Control Account	5,810
298,542	Bank Instant Access Account	423,361
71,554	Natwest Account	71,587
4,032	NS&I	4,050
82,063	Scottish Widows 60 Day Account	82,074
293	Petty Cash	293
<b>474,433</b>		<b>595,501</b>
<b>474,433</b>	<b>Total Assets</b>	<b>595,501</b>
<b>Current Liabilities</b>		
0	WHM VAT Control Account	1,776
29,846	Current Account	36,123
5,181	Creditors	33,952
0	Creditor - V H Trust	8,231
2,263	Accruals	2,800
0	Easement Income	3
1,880	Village DayAdvance Receipts	1,380
3,245	Allotments Advance Receipts	0
493	Chairmans Charity Creditor	0
<b>42,907</b>		<b>84,265</b>
<b>431,526</b>	<b>Total Assets Less Current Liabilities</b>	<b>511,236</b>
<b>Represented By</b>		
264,218	General Reserve	336,366
167,308	Earmarked Reserves	174,870
<b>431,526</b>		<b>511,236</b>

The above statement represents fairly the financial position of the authority as at 01/04/2018 and reflects its Income and Expenditure during the year.

Signed :  
Chairman

Date : \_\_\_\_\_

Signed :  
Responsible  
Financial  
Officer

Date : \_\_\_\_\_

## Chorleywood Parish Council

### Supporting Reserves Reconciliation for ANNUAL RETURN 31 March 2019

Explains the difference between boxes 7 & 8 on the Annual Return

<u>Code</u>	<u>Description</u>	<u>Last Year £</u>	<u>This Year £</u>
	<b>Total Reserves</b>	<b>431,525.64</b>	<b>511,235.98</b>
100	Debtors	11,712.33	8,326.93
105	VAT Control Account	6,236.37	5,810.42
	<b>Less Total Debtors</b>	<b>17,948.70</b>	<b>14,137.35</b>
106	WHM VAT Control Account	0.00	1,776.38
500	Creditors	5,180.97	33,952.25
504	Creditor - V H Trust	0.00	8,230.92
510	Accruals	2,263.00	2,800.00
520	Easement Income	0.00	3.00
565	Village Day Advance Receipts	1,880.00	1,380.00
566	Allotments Advance Receipts	3,245.00	0.00
570	Chairmans Charity Creditor	493.00	0.00
	<b>Plus Total Creditors</b>	<b>13,061.97</b>	<b>48,142.55</b>
	<b>Equals Total Cash and Bank Accounts</b>	<b>426,638.91</b>	<b>545,241.18</b>
200	Current Account	-29,845.50	-36,122.73
210	Bank Instant Access Account	298,542.38	423,360.93
220	Natwest Account	71,554.13	71,587.11
230	NS&I	4,032.05	4,049.79
240	Scottish Widows 60 Day Account	82,063.35	82,073.58
280	Petty Cash	292.50	292.50
	<b>Total Cash and Bank Accounts</b>	<b>426,638.91</b>	<b>545,241.18</b>

## Detailed Balance Sheet - Excluding Stock Movement

Month 12 Date 31/03/2019

<u>A/c</u>	<u>Description</u>	<u>Actual</u>	
<u>Current Assets</u>			
100	Debtors	8,327	
105	VAT Control Account	5,810	
106	WHM VAT Control Account	(1,776)	
200	Current Account	(36,123)	
210	Bank Instant Access Account	423,361	
220	Natwest Account	71,587	
230	NS&I	4,050	
240	Scottish Widows 60 Day Account	82,074	
280	Petty Cash	293	
	<b>Total Current Assets</b>		<b>557,602</b>
<u>Current Liabilities</u>			
500	Creditors	33,952	
501	Creditor - V H Trust	8,231	
510	Accruals	2,800	
520	Easement Income	3	
565	Village DayAdvance Receipts	1,380	
	<b>Total Current Liabilities</b>		<b>46,366</b>
	<b>Net Current Assets</b>		<b>511,236</b>
	<b>Total Assets less Current Liabilities</b>		<b>511,236</b>
<u>Represented by :-</u>			
300	Current Year Fund	79,710	
310	General Reserve	256,655	
320	EMR Elections	14,911	
325	EMR Replacement IT	12,318	
335	EMR Replacement Boiler	1,650	
340	EMR Office Refurbishment	30,000	
3	EMR WMH Capital	10,675	
355	EMR Bullsland Capital	7,632	
361	EMR CIL 2018/19	18,041	
370	EMR Replacement Equipment	57,435	
375	EMR Refurb of Parking Areas	4,775	
380	EMR Common Easements	12,433	
390	EMR Gateway Signs	5,000	
	<b>Total Equity</b>		<b>511,236</b>

**Earmarked Reserves**

<u>Account</u>	<u>Opening Balance</u>	<u>Net Transfers</u>	<u>Closing Balance</u>
320 EMR Elections	12,742.00	2,169.08	14,911.08
325 EMR Replacement IT	10,358.00	1,960.00	12,318.00
330 EMR Office Painting	0.00		0.00
335 EMR Replacement Boiler	1,465.00	185.00	1,650.00
340 EMR Office Refurbishment	30,000.00		30,000.00
345 EMR CIL Receipts	9,801.00	-9,801.00	0.00
350 EMR WMH Capital	13,117.00	-2,442.00	10,675.00
355 EMR Bullsland Capital	7,632.00		7,632.00
360 EMR CIL 2017/18	0.00	0.00	0.00
361 EMR CIL 2018/19	0.00	18,041.16	18,041.16
370 EMR Replacement Equipment	57,435.00		57,435.00
375 EMR Refurb of Parking Areas	4,775.00		4,775.00
380 EMR Common Easements	14,983.00	-2,550.00	12,433.00
390 EMR Gateway Signs	5,000.00		5,000.00
	<b><u>167,308.00</u></b>	<b><u>7,562.24</u></b>	<b><u>174,870.24</u></b>



**Chorleywood Parish Council**

**Income and Expenditure Account for Year Ended 31st March 2019**

31st March 2018		31st March 2019
	<b>Operating Income</b>	
450,276	Precept	468,917
25,608	General Administration	21,912
0	Community Engagement	493
0	Civic	292
9,682	General Open Spaces	13,383
3,124	Allotments	3,284
68,175	Lawn Cemetery & Churchyard	118,848
2,475	Common	1,665
28,992	Community Infrastructure Levy	37,303
1,805	Capital Funds - OS	1,217
<b>590,136</b>	<b>Total Income</b>	<b>667,314</b>
	<b>Running Costs</b>	
0	Precept	(28)
161,109	Salaries - Policy & Resources	156,370
39,854	General Administration	46,735
7,158	Services - General	11,433
31,223	Community Engagement	26,335
7,647	Grants & S137 Payments	7,585
22,180	Professional Fees - P&R	24,145
273	Civic	292
137,286	Salaries - Open Spaces	144,590
12,148	General Open Spaces	16,606
1,942	Allotments	2,777
26,570	Lawn Cemetery & Churchyard	38,995
23,141	Common	19,817
8,934	Professional Fees - OS	6,077
36,695	Community Infrastructure Levy	29,063
1,501	Capital Funds - P&R	8,231
3,600	Capital Funds - OS	33,284
(1)	Capital Funds - Other	8,939
6,246	Capital Funds - Village Halls	6,359
<b>527,505</b>	<b>Total Expenditure</b>	<b>587,604</b>
	<b>General Fund Analysis</b>	
368,895	Opening Balance	264,218
590,136	Plus : Income for Year	667,314
959,031		931,532
527,505	Less : Expenditure for Year	587,604
431,526		343,928
0	Transfers TO / FROM Reserves	167,308
<b>431,526</b>	<b>Closing Balance</b>	<b>176,620</b>

