

Annual Internal Audit Report 2020/21

Appledore Parish Council

<https://www.appledorekent.org/> PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

During the financial year ended 31 March 2021, 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 2020/21 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.			N/A
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 2019/20, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2019/20 AGAR tick "not covered")			✓
L. If the authority has an annual turnover not exceeding £25,000, it publishes information on a website/webpage up to date at the time of the internal audit in accordance with the Transparency code for smaller authorities.			✓
M. The authority, during the previous year (2019-20) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set).	✓		
N. The authority has complied with the publication requirements for 2019/20 AGAR (see AGAR Page 1 Guidance Notes).	✓		
O. (For local councils only) 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

Name of person who carried out the internal audit

22/04/2021 DD/MM/YYYY DD/MM/YYYY

M. CURRIE INTERNAL AUDITOR

Signature of person who carried out the internal audit

 SIGNATURE REQUIRED

Date

22/04/2021

*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 2020/21

We acknowledge as the members of:

Appledore Parish Council
ENTER NAME OF AUTHORITY

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 2021, 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 must be published with the Annual Governance Statement.

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

DD/MM/YY

and recorded as minute reference:

MINUTE REFERENCE

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

Chairman

SIGNATURE REQUIRED

Clerk

SIGNATURE REQUIRED

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Section 2 – Accounting Statements 2020/21 for

Appledore Parish Council

	Year ending		Notes and guidance
	31 March 2020 £	31 March 2021 £	
1. Balances brought forward	37,096	28,838	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	26,000	26,000	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	5,017	75,976	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	12,307	14,004	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	10,244	5,049	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	16,724	6,009	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	28,838	105,752	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	28,838	105,752	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	12,731	9,601	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	5,000	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 2021 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

M.E. Plule SIGNATURE REQUIRED

Date

23/04/21

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

DD/MM/YY

as recorded in minute reference:

MINUTE REFERENCE

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

SIGNATURE REQUIRED

Bank reconciliation

Name of smaller authority: Appledore parish Council

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

Financial year ending 31 March 2021

Prepared by (Name and Role): Mary Philo Clerk and RFO

Date: 14/04/2021

		£	£
Balance per bank statements as at 31/3/21:			
	Treasurers Account	15,772.2	
	Reserve Account	<u>90,891.1</u>	106,663.2
Petty cash float (Not applicable)			-
Less: any un-presented cheques as at 31/3/21			
	1542	(51.01)	
	1543	(688.99)	
	1544	(112.25)	
	1549	<u>(59.00)</u>	(911.25)
Add: any un-banked cash as at 31/3/21			
None			
Net balances as at 31/3/21			<u><u>105,752.0</u></u>

Explanation for 'high' reserves: Appledore Parish Council

Box 7 is more than twice Box 2 because the authority held the following breakdown of reserves at the year end:

	£	£	£
Earmarked reserves:			
Sale of Council Field/ capital projects	70000		
Highways Projects	19238		
		<u>89238</u>	
General reserve	16514		
		<u>16514</u>	
Total reserves			<u><u>105752</u></u>

Appledore Parish Council
Asset List as at 31st March 2021

As at 31st March 2021		Appledore Parish Council Asset List								
Item Description	Location	Date of Acquisition	Purchase Price	Insurance Value	Use	Condition	Expiration Date			
Wooden Slatted Frame Bin	On pavement next to St. Peter and St. Paul churchyard entrance	Not Known	£1.00	£0.00	Bin	Fair	2035			
Wooden Bench Seat	On pavement next to St. Peter and St. Paul churchyard entrance The Street, Appledore	Not Known	£1.00	£0.00	Seat	Fair	2035			
Appledore History Sign	On pavement near to St. Peter and St. Paul churchyard entrance The Street, Appledore	Not Known	£1.00	£0.00	Sign	Poor	2035			
Charles Boorman Wooden Bench Seat 1923 - 2004	On pavement outside village hall The Street, Appledore	26 June 2005	£1.00	£0.00	Seat	Fair	2035			
Best Kept Village 1968 Wrought Iron Ornamental Bin presented by Kent and Sussex Courier	On pavement outside village hall The Street, Appledore	21 May 1968	£1.00	£0.00	Bin	Poor	2035			
Land K826186	TQ9529NW i) Land between Magpie Farm and Land adjoining The Surgery ii) And land behind the Village Hall 0.16 of an acre The Street, Appledore	15 June 2001	£3,250.00	£0.00	i) Field ii) Parking area	Good Good	Until sold or developed Until sold			
Public Convenience (transferred from ABC) Mens and Womens Land Registry K402081	Land on the North West side of 79 The Street, Appledore	03 April 2013	£1.00	£37,131.50	Toilets	Good				
70 Weathered Oak Verge Posts Oak Verge Posts From Shop to Village Hall	The Street, Appledore The Street, Appledore	20 October 2014 01 November 2015	£3,000.00 £1,388.00	£0.00 £0.00		Good Good	2034 2034			
Office Equipment Council Banners HP laptop Computer Software Microsoft 2016 2 Drawer Filing Cabinet	Clir's Home Clir's Home Clir's Home Clir's Home	03 October 2015 21 September 2015 19 October 2015 19 October 2015	£129.00 £275.00 £110.00 £45.00	£0.00 £0.00 £0.00 £0.00	Banner Laptop Software Cabinet	Good Good Good Good	2020 2020 2019 2035			
Noticeboard	The Street Appledore	Not Known	£1.00	£0.00	Noticeboard	Poor				

Appledore Parish Council
Asset List as at 31st March 2021

Millennium Sign (donated to council) Wrought iron sign on oak post	Appledore Recreation Ground	22 June 2000	£1.00	£0.00	Sign	Good	2050
Solar Panels (Community Asset)	Appledore Village Hall	17 February 2012	£1.00	£0.00	Solar Panels	Good	2032
3 Red Salt Bins	Manerings corner	31 May 2016	£114.00	£0.00	Salt Bin	Good	2026
	Canal Bridge	31 May 2016	£114.00	£0.00	Salt Bin	Good	2026
	Heath Side	07 November 2016	£114.00	£0.00	Salt Bin	Good	2026
2 toilet seats	Public Conveniences	20 May 2016	£32.00	£0.00		Good	
2 donation boxes	Public Conveniences	01 August 2016	£52.00	£0.00		Good	
1 new verge post	The Street, Appledore	09 July 2016	£30.00	£0.00		Good	
Original noticeboard refurbishment	The Street, Appledore	05 February 2017	£19.00	£0.00	Noticeboard	Good	2026
2 New Noticeboards	Appledore Stores	09 September 2016	£1,137.00	£1,000.00	Noticeboard	Good	2026
	Heath Side	09 September 2016	£1,137.00	£1,000.00	Noticeboard	Good	2026
			£10,955.00	£39,131.50			
Safety signs for toilets	The Street, Appledore	14 June 2017	£6.00	£0.00	Sign	Good	2022
Defibrillator on outside toilet wall (donated)	The Street, Appledore	17 June 2017	£1.00	£1,600.00	Defibrillator	Good	2038
Original Noticeboard New header sign	The Street, Appledore	03 July 2017	£54.00	£0.00	Sign	Good	2028
K6 red telephone Box (adopted from BT)	The Street, Appledore	07 August 2017	£1.00	£5,000.00	Defibrillator and info point	Poor Exterior	2090
New Toilet Cistern	The Street, Appledore	02 October 2017	£220.00	£0.00	Toilets repair	Good	2028
Redecoration of toilet doors	The Street, Appledore	02 October 2017	£692.00	£0.00	Toilets repair	Good	2020
			£11,929.00	£45,731.50		Moderate	
Noticeboard	Heath Side	01 March 2019	£50.95	£0.00	Repair and restain		2026
K 6 Telephone Box restoration	The Street		£354.00	£0.00	Repair and repaint		2022
Beacon	Mill Hill		£1.00	£2,000.00	Corton steel basket	Good	2080
			£12,334.95	£47,731.50		Good	
K6 Telephone Box further Restoration	The Street		£396.96	£0.00	Repair door		2026
			£12,731.91	£47,731.50			
Wooden Slatted Frame Bin	On pavement next to St. Peter and St. Paul churchyard entrance	Not Known	-£1.00	£0.00	Bin	Removed	2020
Best Kept Village 1968 Wrought Iron Ornamental Bin presented by Kent and Sussex Courier	On pavement outside village hall	21 May 1968	-£1.00	£0.00	Bin	Removed	2020
Land K826186	TQ9529NW	15 June 2001	-£3,000.00	£0.00	i)Field	Sold	2021
	ii)Land between Magpie Farm and Land adjoining The Surgery				ii)Parking area	Good	Until sold
	iii)And land behind the Village Hall						
	0.16 of an acre						
	The Street, Appledore						
Council Banners	Clr's Home	03 October 2015	-£129.00	£0.00	Banner	Thrown away	2020
			£9,600.91				