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ASSET	DATE ACQUIRED	COST (NET)	LOCATION	ATED	REPLACEMENT VALU	USEFUL LIFE EST	UPGRADE/DISPOSAL	RESPONSIBILITY (which Cllr/Officer designated)
Play Equipment		£1.00		£	40,000.00			
Grit Bins		£1,263.00	SEE LIST BELOW		£1,263.00			
Office Equipment (old laptop/printer)		£759.00	in clerk garage	£	750.00			
Notice Board		£500.00	disposed of Feb 2020	£	1,500.00		disposed Feb 2020	
Telephone (Landline)		£90.00	clerk garage		£90.00			
Boundary Signs (4)		£4,500.00		£	4,500.00			
Warden's Equipment		£150.00	parish Garage	£	150.00			
Waste Bin		£452.00			£452.00			
16m fencing,rail guard,gate		£5,109.00			£5,109.00			
Wooden Bench		£1.00		£	250.00			
7 Additional benches (see attached tab)		£1.00		£	1,750.00			
Projector		£1.00	in NMVHA locked cupboard	£	300.00			
Laptop		£1.00	clerk's home		£600.00			
Wifi Booster		£33.00	as above		£33.00			
filing cabinet	Dec-18	£93.33	as above		£93.33			
phone	Dec-18	£112.00	as above		£112.00			
Defibrillator ZOLL AED	Jun-18	£999.00	as above		£999.00	warranty reg jan 2020	EXP JAN 2027	
Aivia lockable cabinet item number H31010	Jun-18	£495.00	as above		£495.00			
Tommies	Jun-18	£1,250.00	parish garage		£1,250.00			
Total current value 31/3/2019		£15,810.33		£	59,696.33			
projector leads	Apr-19	£ 13.68	locked cupboard at village hall	£	13.68			
Masterplug reel Extension Lead, 10 Metres, Blue ASIN: B001D4PSL	Mar-20	£ 10.41	locked cupboard at village hall	£	10.41			
		£15,834.42						
		-£ 500.00	noticeboard removed and destroyed	-£	1,500.00	(noticeboard disposed of)		
		£15,334.42	Adopted Sept 2019					
			agenda ref 19/104/FPC (j)					
New Laptop Dell (keyboard& Mouse)	Mar-20	£ 728.09	Clerk home	£	728.09	dell vostro notebook	dellorder 191087542	
							receipt number gb2006-8426-31553	
31/03/2020		£16,062.51		31/03/2020	£	58,948.51	26/02/2020	

Annual Internal Audit Report 2019/20

Nash Mills 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.	✓		
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)	Yes	No	Not applicable

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

21/05/2020

08/06/2020

Name of person who carried out the internal audit

Etaerio Ltd (Philip Rhoden)

Signature of person who carried out the internal audit

P.K. Rhoden

Date

08/06/2020

*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).

Schedule of Recommendations

Client: Nash Mills Parish Council

Y/E: 31 March 2020

Recommendations generally reflect proper practices from the 'JPAG Practitioners' Guide' for smaller authorities & external auditor-issued guidance over the years.

	Control	Recommendation(s)	RFO Comments
1	Proper bookkeeping.	<p>The following recommendations should be viewed in the context that this year's cash book was spreadsheet based, and maintained as part of dual running towards transition to a new accounting package.</p> <p>I recommend that the cash book includes a column for internal reference numbers for each cash book entry to match it to its supporting invoice etc., on which the reference number is also written.</p> <p>I recommend that a transfers column or columns be added to the cash book spreadsheet to more easily distinguish them from receipts and payments.</p> <p>Noting that these have been corrected for the AGAR, I recommend that where the values of cashbook entries are found to be different from the actual receipt or payment in the bank statement, they be amended (in the month) or an adjusting entry made (if detected subsequently) in the cash book (including suitable explanation if and as necessary), unless they are a timing difference meeting the requirements to be a reconciling item on the bank reconciliation, in which case they are carried forward as separately identified reconciling items until cleared.</p> <p>I recommend that the cash book itself includes columns or other method to analyse the different categories of receipts and payments (including to identify s137 items), and to make it easier to use the cash book as the prime record to record & generate information.</p> <p>I recommend that the cash book itself includes the information such as descriptions and invoice as included on monthly payment schedules.</p>	These recommendations would be satisfied by using a parish suitable accounting package.

2	Standing Orders and Financial Regulations adopted and applied; and payments controls.	I note from the council's Jan-20 minutes that in relation to the 2018/19 internal audit recommendation to investigate items potentially representing unclaimed VAT on purchases that the action was to ask the auditor for clarification. I have therefore provided the clerk with the information available from the 2018/19 audit, and I recommend that these are investigated and if appropriate claimed on a future VAT return	Clerk to follow up
		The council's financial regulations adopted 9-Dec-19 refer to three estimates being obtained for purchases of more than £100 but less than £3,000. One of the sampled purchases from the internal audit dated following this was above £100, and although consideration of the purchase was minuted, it appears three estimates were not obtained and the exceptions in the financial regulations do not appear to apply. I recommend that in these circumstances it is formally minuted why this was not reasonable and practical, or why an alternative to the usual process of obtaining estimates or quotations has been followed.	This relates to the new clerk laptop purchase. Cllr Briggs investigated and researched the options for the clerk with the correct systems and software. The quotes were not brought back to council for full council approval as council had agreed a maximum expenditure limit and the replacement was urgent.
		Included in the sample of payments for internal audit testing was one item from an expense claim representing an Amazon purchase of materials. VAT may potentially have been reclaimable on this but would need a VAT invoice (not always provided as a matter of course through Amazon). I recommend that staff are reminded to if possible request a VAT invoice to support their expense claims	This had been previously notified to council and related to the warden not obtaining a VAT receipt – the process has now been explained to prevent further incidences.
3	Risk management arrangements.	I recommend that when the annual review of the effectiveness of the council's system of internal control is minuted, the minutes specifically notes the financial year to which the review relates.	noted
4	Budgetary controls.	None.	
5	Income controls.	Noting that one instance was identified as part of the internal audit, and has been amended for the AGAR, I recommend that payments made representing a reduction in income, such as returning grant income previously received, reduce the relevant income line, rather than being included as a payment.	This was the way I expressed the repayment of the C/Cllr grant- I included it as a payment out instead of a minus grant figure.
6	Petty cash procedures.	None.	
7	Payroll controls.	As the payroll is outsourced, as part of monitoring this arrangement, I recommend that the RFO obtains an HMRC log in (liaising with the outsourced provider to ensure their operation of the payroll is not affected) to be able to provide an independent check, at least for annual internal audit purposes, that the payments to HMRC are correct and up-to-date.	Clerk to follow up

8	Assets controls.	Although very succinct wording, the asset register previously included the council's method of asset valuation 'policy' which as the asset register itself had been approved, approved the policy also. I recommend that the council's method of asset valuation again be included in the asset register.	Clerk to add to asset register
9	Bank reconciliation.	Further to the recommendation under 'proper bookkeeping', I recommend that if the bank reconciliation identifies differences between entries in cash book and entries on the bank statement, these be addressed in accordance with paragraph 5.26 in the 'JPAG Practitioner's Guide'.	This was the way differences were expressed on bank reconciliation – I expressed them in relation to the bank accounts whereas parish accounting expresses them in the cashbook instead.
10	Year-end procedures.	Based on the figures provided at the time of the internal audit, the level of general reserves as at 31-Mar-20 appears to be in excess of 12 months of precept. I recommend that the council satisfies itself that none of the general reserves represent earmarked reserves and that the level of general reserves is appropriate. I recommend that when working up the numbers for the AGAR return, these are taken from the cash book in the first instance, and rounding is applied as a separate and final stage, to provide a clearer audit trail, and facilitate easier identification and correction of any issues.	This will be amended if council approve the new reserves policy at the June meeting. Noted
11	Exempt Authority	None.	
12	Public Rights	None.	
13	Basic IT controls.	I recommend that the council's laptops be checked to ensure that data stored on them is encrypted, which depending on the Windows version may be possible by turning on the BitLocker feature included within Windows.	Clerk to investigate
14	Responsibility as a trustee.	None.	

Section 1 – Annual Governance Statement 2019/20

We acknowledge as the members of:

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 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.	<input checked="" type="checkbox"/>		<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.	<input checked="" type="checkbox"/>		<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.	<input checked="" type="checkbox"/>		<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.	<input checked="" type="checkbox"/>		<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.	<input checked="" type="checkbox"/>		<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.	<input checked="" type="checkbox"/>		<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.	<input checked="" type="checkbox"/>		<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.	<input checked="" type="checkbox"/>		<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
			<input checked="" type="checkbox"/> <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

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

Authority web address

AUTHORITY WEBSITE ADDRESS

Section 2 – Accounting Statements 2019/20 for

ENTER NAME OF AUTHORITY

	Year ending		Notes and guidance
	31 March 2019 £	31 March 2020 £	
1. Balances brought forward	121365	125975	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. 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	28500	28365	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	14293	21051	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	23504	26988	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	—	—	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	14679	12815	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	125975	135588	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	125975	135588	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	15808	16063	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			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

SIGNATURE REQUIRED

Date

DD/MM/YY

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

Nash Mills Parish Council

**NOTICE OF PUBLIC RIGHTS AND PUBLICATION OF
UNAUDITED ANNUAL GOVERNANCE & ACCOUNTABILITY
RETURN**

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

**Local Audit and Accountability Act 2014 Sections 25, 26 and 27
The Accounts and Audit Regulations 2015 (SI 2015/234)
The Accounts and Audit (Coronavirus) (Amendment) Regulations 2020 (SI 2020/404)**

NOTICE

1. Date of announcement Thursday 11th June 2020

2. Each year the smaller authority's Annual Governance and Accountability Return (AGAR) needs to be reviewed by an external auditor appointed by Smaller Authorities' Audit Appointments Ltd. The unaudited AGAR has been published with this notice. As it has yet to be reviewed by the appointed auditor, it is subject to change as a result of that review.

Any person interested has the right to inspect and make copies of the accounting records for the financial year to which the audit relates and all books, deeds, contracts, bills, vouchers, receipts and other documents relating to those records must be made available for inspection by any person interested. For the year ended 31 March 2020, these documents will be available on reasonable notice by application to:

Nikki Bugden
Clerk/Responsible Financial Officer
PO Box 1602
Hemel Hempstead
Herts
Clerk@nashmillsparishcouncil.gov.uk
07493 519458

commencing on **Monday 15 June 2020**

and ending on **Friday 24 July 2020**

3. Local government electors and their representatives also have:

- The opportunity to question the appointed auditor about the accounting records; and
- The right to make an objection which concerns a matter in respect of which the appointed auditor could either make a public interest report or apply to the court for a declaration that an item of account is unlawful. Written notice of an objection must first be given to the auditor and a copy sent to the smaller authority.

The appointed auditor can be contacted at the address in paragraph 4 below for this purpose between the above dates only.

4. The smaller authority's AGAR is subject to review by the appointed auditor under the provisions of the Local Audit and Accountability Act 2014, the Accounts and Audit Regulations 2015 and the NAO's Code of Audit Practice 2015. The appointed auditor is:

PKF Littlejohn LLP (Ref: SBA Team)
15 Westferry Circus
Canary Wharf
London E14 4HD
(sba@pkf-littlejohn.com)

5. This announcement is made by Nikki Bugden, Responsible Financial Officer