



ANDOVER TOWN COUNCIL

Policy & Resources Committee Meeting Agenda

Tuesday 18 April 2023

To the Members of the **Policy & Resources Committee**:

Cllr R Hughes (Chairman), Cllr S Waue (Vice Chairman), Cllr D Coole, Cllr L Gregori, Cllr N Long, Cllr R Meyer, Cllr M Mumford and Cllr E Reynolds.

(Copies to all other Members of the Council)

You are hereby summoned to attend a Policy & Resources Committee meeting to be held **at The Lights, Andover on Tuesday 18 April 2023 at 6.30 pm** when it is proposed to transact the following business:

-

Gail Foster

Town Clerk

12 April 2023



ANDOVER TOWN COUNCIL

Policy & Resources Committee Meeting Agenda

Tuesday 18 April 2023

MEMBERS OF THE PUBLIC ARE WELCOME TO ALL MEETINGS; In line with Andover Town Council's "Recording at Meetings" Policy, Members and the public are requested to note that this meeting will be recorded by the Council and may also be subject to the recording by members of the public.

Item 1: Apologies for Absence

To **receive** and **accept** apologies for absence.

Item 2: Declarations of Interest

To **receive** and **note** any declarations of interests relevant to the agenda.

Item 3: Minutes of the last meeting

To **agree** the Minutes of the Policy and Resources Committee meeting held on 21 February 2023 - attached at **Appendix A (Page 4)**.

Item 4: Public Participation

There is an opportunity for members of the public to make statements or ask questions on items on the agenda or on the items relevant to the Town to which an answer may be given in the meeting and recorded in the minutes or, if necessary, a written reply will follow or the questioner will be informed of the appropriate contact details. Each person is limited to 3 minutes and the total amount of time set aside will be 15 minutes.

Item 5: Update on Bank Accounts and Balances

To receive a statement showing details of accounts held including their up-to-date balances.
Appendix B (Page 10)

Item 6: To note the Internal Auditor's Written Report 2022/2023.

- a. To note the findings and recommendations from Mulberry & Co. – **Appendix C (Page 11)**
- b. To note the Response from the RFO, and the actions that will be undertaken. – **Appendix D (Page 20)**

Item 7: To receive and recommend to Full Council for approval the year end 2022-2023 reports:

a. Bank Statements and Bank Reconciliation	Appendix E (Page 21)
b. Final Budget Summary	Appendix F (Page 23)
c. Cashbook and Income and & Expenditure	Appendix G (Page 25)
d. List of Debtors and Creditors	Appendix H (Page 27)
e. VAT Return information	Appendix I (Page 29)
f. Earmarked Reserves	Appendix J (Page 30)
g. Internal Audit report	Appendix K (Page 31)
h. Trial Balance and Balance Sheet	Appendix L (Page 32)
i. Asset Register	Appendix M (Page 36)
j. Draft Annual Return Printout.	Appendix N (Page 39)
k. Draft Annual Governance Statement – (AGAR section 1)	Appendix O (Page 40)
l. Draft Accounting Statement – (AGAR section 2)	Appendix P (Page 41)
m. Draft Notice of Public rights and dates for inspection.	Appendix Q (Page 42)
n. Virements for Year End.	Appendix R (Page 43)

Item 8: To consider amendments to the Standing Orders.

To review the version approved in May 2022 and to consider if amendments should be recommended to full Council. – **Appendix S (Page 44)**

Item 9: To consider the re-appointment of the Internal Auditor for financial year 2023/24.

- a. To consider if Mulberry & Co should be used again.
- b. If Mulberry & Co are still considered suitable, should the person carrying out the audit be varied.

Item 10: Committee Work Programme

To **review** and **update** the current Committee Work Programme attached at **Appendix T (Page 45)**

Item 11: Date of the Next Meeting

Members are requested to note that the date of the next Policy and Resources Committee meeting will be finalised at the Annual Meeting of the Town Council on 17th May 2023.

Minutes of Policy & Resources Committee

Time and date

6.30pm, Tuesday, 21 February 2023

Place

The Lights, Andover

Details of Attendance:

Members of the Committee:

Cllr R Hughes (Chairman) (P)

Cllr S Waue (Vice Chairman) (P)

Cllr D Coole (P) Cllr L Gregori (P) Cllr N long (A) Cllr R Meyer (P) Cllr M Mumford (A)
and Cllr T Reynolds (P)

Officers Present:

Gail Foster (Town Clerk)

Tor Warburton (Deputy Clerk)

Members of the Public: Unknown

Members of the Press: 0

PR 112/02/23 APOLOGIES FOR ABSENCE

Apologies were received from Councillor M Mumford.

PR 113/02/23 DECLARATIONS OF INTEREST

Declarations of Interests were declared by Councillors E Reynolds as a Member of the Drove Allotment Association and a plot holder.

PR 114/02/23 MINUTES

It was proposed by Councillor S Waue and seconded by Councillor E Reynolds that the Minutes of the Policy and Resources Committee meeting held on 10 January 2023, be signed by the Chairman as a correct record.

A vote was taken:

FOR – 4, AGAINST – 0, ABSTENTIONS - 1

RESOLVED: That the Minutes of the Policy and Resources Committee meeting held on 10 January 2023, be signed by the Chairman as a correct record.

PR 115/02/23 PUBLIC PARTICIPATION

There were no Members of the Public present at the meeting.

RISK MANAGEMENT SCHEME

Members considered the new Risk Management Scheme.

(Councillor R Meyer arrived at 6.48pm)

The following suggestions were made:

Page 1 – Risk Assessment Matrix

Change “Potential Severity (Impact)” heading to read “Hazard Severity.”

Page 2 – Financial Risk

The Budget to be reported to every Policy and Resources Committee and Council meeting.

Page 3 Financial Risk

Add in “Contract Management”:

Risk = Wasting Council’s funds

Mitigation of Risk = Constant Review

Question = Value for money and are we getting what we paid for?

Page 4 Property Risk

Loss of data - Add in “It’s in the Cloud and updated automatically and covered by Microsoft Insurance.”

Loss of data – Officers to check the confidential risk of information in the Cloud.

Officers’ laptops – Officers to enquire about encrypted software.

Benches, Christmas Lights – Officers to investigate ownership.

Office chairs and desk set-up risk assessment to be investigated.

Page 5 GDPR

Add in “Data Breach.”

Page 5 – Reputational Risk

Inappropriate Staff Actions – add in “disciplinary action.”

Members noted that the Town Council’s Publication Scheme was being updated.

It was proposed by Councillor R Meyer and seconded by Councillor D Coole that the Risk Management Scheme, with the suggested changes, be approved.

A vote was taken:

FOR – 5, AGAINST – 0, ABSTENTIONS – 1

RESOLVED: That the Risk Management Scheme, with the suggested changes, be approved as follows:

- Page 1 – Risk Assessment Matrix
- Change “Potential Severity (Impact)” heading to read “Hazard Severity.”
- Page 2 – Financial Risk
- The Budget to be reported to every Policy and Resources Committee and Council meeting.
- Page 3 Financial Risk
- Add in “Contract Management”:
- Risk = Wasting Council’s funds
- Mitigation of Risk = Constant Review
- Question = Value for money and are we getting what we paid for?
- Page 4 Property Risk
- Loss of data - Add in “It’s in the Cloud and updated automatically and covered by Microsoft Insurance.”
- Loss of data – Officers to check the confidential risk of information in the Cloud.
- Officers’ laptops – Officers to enquire about encrypted software.
- Benches, Christmas Lights – Officers to investigate ownership.
- Office chairs and desk set-up risk assessment to be investigated.
- Page 5 GDPR
- Add in “Data Breach.”
- Page 5 – Reputational Risk

- Inappropriate Staff Actions – add in “disciplinary action.”
- Members noted that the Town Council’s Publication Scheme was being updated.

PR 117/02/23

FINANCIAL RISK ASSESSMENT

Members considered the updated Financial Risk Assessment and noted that the Financial Risk Assessment would be looked at by the Internal Auditor in March 2023.

The following suggestions were made:

Page 1 Financial Regulations

Add in “Third party check for Payroll” and to the Internal Auditor’s remit.

Page 2 Risk Management Arrangements

Officers to liaise with Test Valley Borough Council (TVBC) to ascertain who owns what property and who is responsible for maintaining it.

Add in “Meeting Venues” as a risk assessment.

Members noted that the Town Clerk would recreate the Asset Register.

It was proposed by Councillor I Gregori and seconded by Councillor S Waue that a six-year Unity Trust issue of a missing £40.22 be written off and that it be recommended to Full Council for approval.

A vote was taken which was unanimous.

RESOLVED: That a six-year Unity Trust issue of a missing £40.22 be written off and that it be recommended to Full Council for approval.

It was proposed by Councillor L Gregori and seconded by Councillor S Waue that the Financial Risk Assessment, with the changes, be approved.

A vote was taken which was unanimous.

RESOLVED: That the Financial Risk Assessment, with the changes, be approved, as follows:

- Page 1 Financial Regulations
- Add in “Third party check for Payroll” and to the Internal Auditor’s remit.
- Page 2 Risk Management Arrangements
- Officers to liaise with Test Valley Borough Council (TVBC) to ascertain who owns what property and who is responsible for maintaining it.
- Add in “Meeting Venues” as a risk assessment.
- Members noted that the Town Clerk would recreate the Asset Register.

PR 118/02/23

FINANCIAL REGULATIONS REVIEW

Members considered the Financial Regulations and any recommendations for approval at Full Council.

Councillor L Gregori gave his thanks for the work involved with the Financial Regulations review.

The following suggestions were made:

That the wording “Chairman/Town Mayor” be amended to read “Chairman of Policy and Resources.”

4.5 – Reason to be reworded by the Town Clerk.

5.11 – Potential Replacement to read “notified to Bank Signatory and the Chairman of the Policy and Resources Committee.”

6.17 – Amend the sentence to read “verified verbally, following written notification from the supplier.”

The Town Clerk was instructed to bring a request to the next Full Council, that Full Council approve a £500.00 debit card.

(Councillor R Meyer left the meeting at 8.17pm)

It was proposed by Councillor L Gregori and seconded by Councillor E Reynolds that the Financial Regulations, with the stated amendments and suggestions, be accepted and recommended to Full Council for approval.

A vote was taken which was unanimous.

RESOLVED: That the Financial Regulations, with the stated amendments and suggestions, be accepted and recommended to Full Council for approval:

- That the wording “Chairman/Town Mayor” be amended to read “Chairman of Policy and Resources.”
- 4.5 – Reason to be reworded by the Town Clerk.
- 5.11 – Potential Replacement to read “notified to Bank Signatory and the Chairman of the Policy and Resources Committee.”
- 6.17 – Amend the sentence to read “verified verbally, following written notification from the supplier.”
- The Town Clerk was instructed to bring a request to the next Full Council, that Full Council approve a £500.00 debit card.

PR 119/02/23

SCHEME OF DELEGATION

Members considered a draft Scheme of Delegation.

The following amendments were made:

Section 3 Urgent Matters – 3.1, Amend “Clerk” to “Town Clerk” and amend “Chairman/Mayor” to “Mayor.”

It was proposed by Councillor L Gregori and seconded by Councillor S Waue that the draft Scheme of Delegation, with the amendments, be approved.

A vote was taken which was unanimous.

RESOLVED: That the draft Scheme of Delegation, with the amendments, be approved.

- Section 3 Urgent Matters – 3.1, Amend “Clerk” to “Town Clerk” and amend “Chairman/Mayor” to “Mayor.”

PR 120/02/23

UPDATE ON BANKING SIGNATORIES/BANK MANDATE

Members received an update on the Banking Signatories/Bank Mandate and considered recommendations to Full Council for approval.

It was proposed by Councillor L Gregori and seconded by Councillor S Waue that the following be recommended to Full Council for approval:

To approve the addition of two or more Councillor signatories.

To consider who the new signatories will be.

To approve the addition of the Deputy Town Clerk as back up Service Administrator.

To approve the current situation that no payments can be made solely by Staff, without Councillor approvals.

A vote was taken which was unanimous.

RESOLVED: That the following be recommended to Full Council for approval:

- To approve the addition of two or more Councillor signatories.
- To consider who the new signatories will be.
- To approve the addition of the Deputy Town Clerk as back up Service Administrator.
- To approve the current situation that no payments can be made solely by Staff, without Councillor approvals.

(Councillor R Meyer rejoined the meeting at 8.24pm)

PR 121/02/23

BUDGET UPDATE FOR 2022-2023

Members noted the Budget Update Report for 2022-2023.

PR 122/02/23

POLICIES LIST

Members noted the Policies List and that work was in progress with policy reviews and loading it onto the Town Council website, with links straight to each policy.

INVESTMENT STRATEGY

Members the Investment Strategy report and considered recommendations to move funds to alternative financial institutions to obtain higher interest rates and reduce risk.

It was proposed by Councillor D Coole and seconded by Councillor L Gregori that the Committee meeting be extended by half an hour, beyond the 2 hour time limit.

A vote was taken which was unanimous.

RESOLVED: That the Committee meeting be extended by half an hour, beyond the 2 hour time limit.

It was proposed by Councillor E Reynolds and seconded by Councillor S Waue that:

The opening of accounts with Redwood and Cambridge & Counties be approved

A maximum amount of £85,000.00 is to be moved into the Redwood account and the Cambridge & Counties account.

The current bank signatories will be applied to the Redwood account and the Cambridge & Counties account.

The addition of the Deputy Town Clerk as backup Service Administrator be approved.

The current situation in that no payments can be made solely by Staff, without Councillor approval, be approved.

A vote was taken which was unanimous.

RESOLVED: That:

- The opening of accounts with Redwood and Cambridge & Counties be approved
- A maximum amount of £85,000.00 is to be moved into the Redwood account and the Cambridge & Counties account.
- The current bank signatories will be applied to the Redwood account and the Cambridge & Counties account.
- The addition of the Deputy Town Clerk as backup Service Administrator be approved.
- The current situation in that no payments can be made solely by Staff, without Councillor approval, be approved.

QUARTER END PAYMENT AND RECEIPT REPORTS AS PER FINANCIAL REGULATIONS 4.8

Members considered a Quarter End Payment and Receipt Report, to comply with the Financial Regulations.

Members also considered a best format for reporting to Full Council.

It was proposed by Councillor L Gregori and seconded by Councillor E Reynolds that Option A Financial Budget Comparison be accepted and recommended to Full Council for approval.

A vote was taken:

FOR – 4, AGAINST – 1, ABSTENTIONS – 1

RESOLVED: That Option A Financial Budget Comparison be accepted and recommended to Full Council for approval.

METHOD OF ACCOUNTS REPORTS FOR PRIOR YEAR ENDS

Members considered which Accounting Reports the Council wished to receive at Year End (outside of AGAR).

It was felt for transparency purposes that additional reports should be produced, which would include:

- List of Debtors and Creditors
- Final Budget Report
- Cashbook
- Statement of Income and Expenditure
- Trial Balance

- Balance Sheet
- VAT Return information

It was proposed by Councillor E Reynolds and seconded by Councillor S Waue that it be delegated to the Town Clerk to produce the additional reports once a year at Year End. A vote was taken which was unanimous.

RESOLVED: That it be delegated to the Town Clerk to produce the additional reports once a year at Year End.

PR 126/02/23 COMMITTEE WORK PROGRAMME

Members noted the Committee Work Programme.

The following items were requested to be added to the next meeting agenda:

- Annual Report
- Earmarked Reserves
- Virements

It was agreed that the Review of the Business Plan would be left to the next Council to action, given the time strain.

PR 127/02/23 DATE OF THE NEXT MEETING

Members noted that the date of the next meeting would be **Tuesday 18 April May 2023**, at **The Lights**, starting at **6.30pm**.

The Chairman closed the meeting at 8.46pm.

Chairman

Date

Appendix B: To receive a statement showing details of all accounts held.

B

UNITY TRUST BANK – CURRENT ACCOUNT	
Sort code:	60-83-01
Account number:	20334109
Balance:	To be confirmed on evening of 18 th April by both: a. Cllr Reynolds b. Town Clerk as transfers are currently being made.
UNITY TRUST BANK – INSTANT ACCESS ACCOUNT	
Sort code:	60-83-01
Account number:	20334112
Balance:	£ 86,156.42
REDWOOD BANK – 35 DAY NOTICE ACCOUNT	
Sort code:	60-83-83
Account number:	80127221
Balance:	To be confirmed on evening of 18 th April by both: a. Cllr Reynolds b. Town Clerk as transfers are currently being made.
CAMBRIDGE & COUNTIES -	
Sort code:	Pending
Account number:	Pending
Balance:	£ 0.00 Pending account being opened.

Appendix C: To note the Internal Auditor's Written Report 2022/2023.

C



MULBERRY & CO

Chartered Certified Accountants
& Chartered Tax Advisors

9 Pound Lane
Godalming
Surrey, GU7 1BX

t + 44(0)1483 423054
e office@mulberryandco.co.uk
w www.mulberryandco.co.uk

Our Ref: MARK/AND009

Mrs G Foster
Andover Town Council
Office 108, IncuHive
Chantry House
36 Chantry Street
Andover
SP10 1LS

4 April 2023

Dear Gail

Re: Andover Town Council
Internal Audit Year Ended 31 March 2023 – Year-End Audit report

Executive summary

Following completion of our year-end internal audit on 4 April 2023 we enclose our report for your kind attention and presentation to the council. This report should be considered alongside the Interim audit report issued following our interim audit on 5 January 2023. The audits were conducted in accordance with current practices and guidelines and testing was risk based. Whilst we have not tested all transactions, our samples have where appropriate covered the entire year to date.

Our report is presented in the same order as the assertions on the internal auditor report within the published AGAR. The start of each section details the nature of the assertion to be verified. Testing requirements follow those detailed in the audit plan previously sent to the council, a copy of this is available on request. The report concludes with an opinion as to whether each assertion has been met or not. Where appropriate **recommendations for action are shown in bold text and are summarised in the table at the end of the report.**

Our sample testing did not uncover any errors or misstatements that require reporting to the external auditor at this time, nor did we identify any significant weaknesses in the internal controls such that public money would be put at risk.

It is clear the council takes governance, policies and procedures seriously and I am pleased to report that overall, the systems and procedures you have in place are fit for purpose and whilst my report may contain recommendations to change these are not indicative of any significant failings, but rather are pointers to improving upon an already well-ordered system.

It is therefore our opinion that the systems and internal procedures at Andover Town Council are well established and followed.

Regulation

The Accounts and Audit Regulations 2015 require smaller authorities, each financial year, to conduct a review of the effectiveness of the system of internal control and prepare an annual governance statement in accordance with proper practices in relation to accounts. In addition to this, a smaller authority is required by Regulation 5(1) of the Accounts and Audit Regulations 2015 to "undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance."

Internal auditing is an independent, objective assurance activity designed to improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. The purpose of internal audit is to review and report to the authority on whether its systems of financial and other internal controls over its activities and operating procedures are effective.

Internal audit's function is to test and report to the authority on whether its specific system of internal control is adequate and working satisfactorily. The internal audit reports should therefore be made available to all Members to support and inform them when they considering the authority's approval of the annual governance statement.

Independence and competence

Your audit was conducted by Andy Beams of Mulberry & Co, who has over 30 years' experience in the financial sector with the last 13 years specialising in local government.

Your auditor is independent from the management of the financial controls and procedures of the council and has no conflicts of interest with the audit client, nor do they provide any management or financial assistance to the client.

Engagement Letter

An engagement letter was previously issued to the council covering the 2022/23 internal audit assignment. Copies of this document are available on request.

Planning and inherent risk assessment

The scope and plan of works including fee structure was issued to the council under separate cover. Copies of this document are available on request. In summary, our work will address each of the internal control objectives as stated on the Annual Internal Audit Report of the AGAR. As part of the inherent risk assessment, we have concluded that:

- There have been no reported instances of breaches of regulations in the past
- The client uses an industry approved financial reporting package
- The client regularly carries out reconciliations and documents these
- There is regular reporting to council
- The management team are experienced and informed
- Records are neatly maintained and referenced
- The client is aware of current regulations and practices
- There has been no instance of high staff turnover

It is our opinion that the inherent risk of error or misstatement is low, and the controls of the council can be relied upon and as such substantive testing of individual transactions is not required. Testing to be carried out will be "walk through testing" on sample data to encompass the period of the council year under review.

Andover Town Council Year-End Internal Audit Report 2022-23

Table of contents

		TEST AT INTERIM	TEST AT FINAL	PAGE
	INTERIM AUDIT – POINTS CARRIED FORWARD			4
B	FINANCIAL REGULATIONS, GOVERNANCE AND PAYMENTS	✓	✓	5
C	RISK MANAGEMENT AND INSURANCE	✓	✓	5
D	BUDGET, PRECEPT AND RESERVES	✓	✓	6
G	PAYROLL	✓	✓	6
H	ASSETS AND INVESTMENTS	✓	✓	6
I	BANK AND CASH	✓	✓	6
J	YEAR END ACCOUNTS		✓	7
K	LIMITED ASSURANCE REVIEW		✓	9
L	PUBLICATION OF INFORMATION		✓	9
M	EXERCISE OF PUBLIC RIGHTS – INSPECTION OF ACCOUNTS	✓	✓	9
N	PUBLICATION REQUIREMENTS	✓	✓	10
	ACHIEVEMENT OF CONTROL ASSERTIONS AT INTERIM AUDIT DATE			10
	INTERIM AUDIT POINTS CARRIED FORWARD			11

Interim Audit - Points Carried Forward

Audit Point	Audit Findings	Council comments on actions taken since interim visit
FINANCIAL REGULATIONS, GOVERNANCE AND PAYMENTS	It is recommended to use common email addresses because it gives a natural segregation between work and personal lives, making it clear beyond doubt in what capacity a councillor is acting. In addition to this it gives control to the council, adds a degree of professionalism and in the event of a FOI request limits access to personal computers.	Progress has been made in this area, with common email addresses set up and controlled by the council. The updated Joint Practitioner's Guide (March 2023) includes guidance on this matter under section 1.26
FINANCIAL REGULATIONS, GOVERNANCE AND PAYMENTS	I recommend publishing Terms of Reference for each committee separately to make it clearer for residents to see the purpose of each committee.	These are now published for every committee on the council website.
FINANCIAL REGULATIONS, GOVERNANCE AND PAYMENTS	I recommend increasing the number of people able to set up and approve payments to ensure there are always sufficient people able to make payments promptly.	There are now six individuals able to fulfil these functions ensuring the council has sufficient people available.
RISK MANAGEMENT AND INSURANCE	Based on the balances held by the council, the Fidelity Guarantee level appears insufficient, and I recommend increasing it to cover the maximum balance held during the financial year.	This has now been increased to £750,000 which appears sufficient.
BANK AND CASH	I was unable to see any confirmation that the reconciliation and bank statement have been signed by the chairman in accordance with the Financial Regulations.	There is now a process in place to complete this monthly, and I remind council of the importance of signing both the reconciliation statement and the bank statement.
BANK AND CASH	I recommend the council considers opening accounts with alternate providers to spread the risk and maximise interest rates.	The council has opened one new account and another is in progress.
EXERCISE OF PUBLIC RIGHTS - INSPECTION OF ACCOUNTS	The council failed to approve the AGAR within the statutory deadline of 30 June 2022. Consequently, the inspection period does not include the first ten working days of July, which is a statutory requirement under the Accounts and Audit Regulations 2015. Therefore, the requirements of this control objective were met not for 2021/22, and assertion 4 on the Annual Governance Statement must signed as 'no' as confirmed by the External Auditor's report.	This internal control objective has failed and assertion 4 on the Annual Governance Statement must be signed 'no' as confirmed by the External Auditor's report.
PUBLICATION REQUIREMENTS	The publication requirements for 2021/22 have not been met.	This internal control objective has failed.

I am pleased to note that the council takes the internal audit process seriously and has made considerable progress with the issues carried forward from the interim audit.

B. FINANCIAL REGULATIONS, GOVERNANCE AND PAYMENTS

Internal audit requirement

This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for.

Audit findings

Check the publication and minuting of the prior year audited AGAR and notice of conclusion of audit.

At the interim audit, the External Auditors report for 2021/22 has not yet been concluded, with the comments stating 'We are unable to complete our review work on the AGAR and supporting documentation as a result of correspondence received in relation to 2021/22 and/or prior years. Once we have finalised our review and completed any additional work arising from that correspondence, a final report will be provided with the certificate of completion detailing any qualifications and 'other' matters.' The council had published the interim notification on the council website at that time.

The External Auditor's final report includes the following qualifications 'Section 1, Assertion 4 has been incorrectly completed, as the smaller authority has stated that it did not make proper provision during the year 2021/22 for the exercise of public rights. The correct response however is 'yes', and this is consistent with the Internal Auditor's response to Internal Control Objective M and with the prior year external auditor report.

The AGAR was not accurately completed before submission for review. The smaller authority has not addressed the 'except for' matter raised by the external auditor when qualifying the prior year AGAR as the smaller authority has not restated the figures in Section 12, Boxes 4 and 6.'

The External Auditor also noted 'We note that the smaller authority did not comply with Regulation 15 of the Accounts and Audit Regulations 2015 as it failed to make proper provision during the year 2022/23 for the exercise of public rights, since the period for the exercise of public rights did not include the first 10 working days of July. As a result, the smaller authority must answer 'no' to Assertion 4 of the Annual Governance Statement for 2022/23 and ensure it makes proper provision of the exercise of public rights during 2023/24.'

Confirm all section 137 expenditure meets the guidelines and does not exceed the annual per elector limit of £8.82 per elector.

The council has adopted the General Power of Competence (GPC) and the section 137 thresholds do not apply. The council is reminded that after each scheduled election, the council must declare its eligibility and re-adopt the GPC, recording this within the minutes of the meeting.

Confirm that checks of the accounts are made by a councillor.

The system noted above details internal review takes place and I am under no doubt that council properly approves expenditure.

C. RISK MANAGEMENT AND INSURANCE

Internal audit requirement

This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.

Audit findings

We discussed assertion 8 on the AGAR and whether this had any impact on the council.

"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."

The Clerk confirmed that they were not aware of any event having a financial impact that was not included in the accounting statements.

D. BUDGET, PRECEPT AND RESERVES

Internal audit requirement

The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.

Audit findings

The accounting records show that the council ended the year with income reported as 100.9% of budget and expenditure reported as 94.1% of budget.

At the financial year-end, the council holds circa £380,739 in earmarked reserves (EMR), spread across a range of clearly identifiable projects including a separate EMR for Community Infrastructure Levy (CIL) receipts. I checked the purpose of these EMRs with the Clerk and am satisfied they are all for legitimate future planned projects of the council and note

The council also holds £167,580 in the general reserve.

The Joint Panel on Accountability and Governance (JPAG) Practitioner's guide states 'the generally accepted recommendation with regard to the appropriate minimum level of a smaller authority's general reserve is that this should be maintained at between three and twelve months of net revenue expenditure' (para 5.33).

The general reserve balance is within the recommended range.

G. PAYROLL

Internal audit requirement

Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.

Audit findings

I reviewed the total figure being included within box 4 (staff costs) on the Annual Governance and Accountability Return (AGAR) and confirmed that this includes only salary payments, HMRC payments and pension contributions.

H. ASSETS AND INVESTMENTS

Internal audit requirement

Asset and investments registers were complete and accurate and properly maintained.

Audit findings

I confirmed the asset register total matches that included in box 9 (total fixed assets plus long term investments and assets) on the AGAR and was able to trace the changes to the previous year's total against the asset register.

The council has no borrowing nor long-term investments.

I. BANK AND CASH

Internal audit requirement

Periodic and year-end bank account reconciliations were properly carried out.

Audit findings

I reviewed the March 2023 bank reconciliation and was able to confirm the balances to the bank statements and found no errors.

I note that the council is in the process of opening two new bank accounts to enable it to benefit fully from the £85,000 protection limit offered by the Financial Services Compensation Scheme (FSCS).

J. YEAR END ACCOUNTS

Internal audit requirement

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.

Audit findings

The council, at its meeting to sign off the year-end accounts, must discuss Section 1 of the AGAR (Annual Governance Statement) and record this activity in the minutes of the meeting. **COUNCIL IS REMINDED THAT THIS MUST BE A SEPARATE AGENDA ITEM PRIOR TO THE SIGNING OF SECTION 2 OF THE AGAR (ANNUAL ACCOUNTS).**

Section 1 – Annual Governance Statement

Based on the internal audit finding I recommend using the table below as the basis for that discussion.

	Annual Governance Statement	'Yes', means that this authority	Suggested response based on evidence
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>	YES – accounts follow latest Accounts and Audit Regulations and practitioners guide recommendations.
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>	YES – there is regular reporting of financial transactions and accounting summaries, offering the opportunity for scrutiny.
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>	YES – the Clerk advises the council in respect of its legal powers.
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>	NO – the requirements and timescales for 2021/22 year-end were NOT followed.
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>	YES – the council has a risk management scheme and appropriate external insurance.
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>	YES – the council has appointed an independent and competent internal auditor.
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>	YES – matters raised in internal and external audit reports have been addressed.
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	<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>	YES – no matters were raised during the internal audit visits.

K. LIMITED ASSURANCE REVIEW

Internal audit requirement

If the authority certified itself as exempt from a limited assurance review in 2021/22, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2021/22 AGAR tick "not covered")

Audit findings

The council did not certify itself exempt in 2021/22 due to exceeding the income and expenditure limits and this test does not apply.

L: PUBLICATION OF INFORMATION

Internal audit requirement

The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation

Audit findings

This internal control objective has changed since last year. Where previously it related to the relevant Transparency Codes, a council with annual turnover exceeding £25,000 was recommended to follow the Local Government Transparency Code 2015, but it was not a statutory requirement.

All councils are required to follow The Accounts and Audit Regulations which include the following requirements:

13(1) An authority must publish (which must include publication on that authority's website)

- (a) the Statement of Accounts together with any certificate or opinion entered by the local auditor in accordance with section 20(2) of the Act; and
- (b) the Annual Governance Statement approved in accordance with regulation 6(3)

13(2) Where documents are published under paragraph (1), the authority must

- (a) keep copies of those documents for purchase by any person on payment of a reasonable sum; and
- (b) ensure that those documents remain available for public access for a period of not less than five years beginning with the date on which those documents were first published in accordance with that paragraph.

I was able to confirm that pages 4 (Annual Governance Statement), 5 (Accounting Statements) and 6 (External Auditor's Report and Certificate) of the AGAR are available for review on the council website for the last five years.

M: EXERCISE OF PUBLIC RIGHTS - INSPECTION OF ACCOUNTS

Internal audit requirement

The authority has demonstrated that during summer 2022 it correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations.

Audit findings

Inspection – key dates	2021/22 Actual	2022/23 Proposed
Date AGAR signed by council	25 July 2022	27 April 2023
Date inspection notice issued	26 July 2022	30 April 2023
Inspection period begins	27 July 2022	5 June 2023
Inspection period ends	7 September 2022	14 July 2023
Correct length (30 working days)	Yes	Yes
Common period included (first 10 working days of July)	No	Yes

The council failed to approve the AGAR within the statutory deadline of 30 June 2022. Consequently, the inspection period does not include the first ten working days of July, which is a statutory requirement under the Accounts and

Audit Regulations 2015. Therefore, the requirements of this control objective were met not for 2021/22, and assertion 4 on the Annual Governance Statement must signed as 'No' by the council.

This opinion is supported by the comments under 'other matters' in the External Auditor's report for 2021/22 which states 'We note that the smaller authority did not comply with Regulation 15 of the Accounts and Audit Regulations 2015 as it failed to make proper provision during the year 2022/23 for the exercise of public rights, since the period for the exercise of public rights did not include the first 10 working days of July. As a result, the smaller authority must answer 'no' to Assertion 4 of the Annual Governance Statement for 2022/23 and ensure it makes proper provision of the exercise of public rights during 2023/24.'

I was able to confirm that the proposed dates for 2022/23 meet the statutory requirements.

Achievement of control assertions at year-end audit date

Based on the tests conducted during the year-end audit, our conclusions on the achievement of the internal control objectives are summarised in the table below and are reflected in the completion of the Annual Internal Audit Report within the AGAR.

	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 assesses 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 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 2021/22, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2020/21 AGAR tick "not covered")			✓
L	The authority publishes information on a free to access website/webpage up to date at the time of the internal audit in accordance with any relevant transparency code requirements	✓		
M	The authority, during the previous year (2021-22) 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 2021/22 AGAR.		✓	
O	Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

Should you have any queries please do not hesitate to contact me.

Yours sincerely



Andy Beams

For Mulberry & Co

Year-End Audit - Points Carried Forward

Audit Point	Audit Findings	Council comments
FINANCIAL REGULATIONS, GOVERNANCE AND PAYMENTS	It is recommended to use common email addresses because it gives a natural segregation between work and personal lives, making it clear beyond doubt in what capacity a councillor is acting. In addition to this it gives control to the council, adds a degree of professionalism and in the event of a FOI request limits access to personal computers. I recommend the council follow the updated Joint Practitioner's Guide (March 2023) guidance on this matter under section 1.26	

Appendix D: To note the RFO's response to the Internal Auditor's Written Report 2022/2023.

D

The Audit took place on 4th April, which put a lot of pressure on staff to tidy the accounting records in time for a full inspection.

There had not yet been time to set up a .gov.uk website since the last visit, and this in turn has delayed the setting up of associated email addresses.

Control of Council's email addresses rests with the Deputy Clerk and Cllr J Sangster. I agree this needs to move solely to staff control in the next year.

The two control objectives which failed :

1. Approval of AGAR by 30th June 2022
 2. Publication of the Exercise of Public Rights Notice during the statutory period.
- were due to Council not reviewing the Accounts and AGAR in due time last year. This was not a failure of the previous Clerk, but the result of this still affect our AGAR completion for this year unfortunately.

The General Reserve figure quoted by the Auditor in his report is not correct, but this is due to us reviewing the reserve amount earlier in the day, and then making a change to one of the year's transactions.

We should have gone back and corrected this figure, but it is only off by the amount of the insurance premium for 2023-24 which we amended. I will ask Mulberry to change the report before it goes to full council.

Councillors and the public should be assured of the detailed and thorough questioning that this auditor had prepared in order to check our governance was in order. I would recommend that he, or at least his firm, are engaged again for the 2023-2024 interim and final audits so that our standards remain high.

Appendix E: Bank Statements and Bank Reconciliation as at 31st March.

E

Bank Reconciliation

This reconciliation should include all bank and building society accounts, including short term investment accounts. It must agree to Box 8 in the column headed "Year ending 31 March" in Section 2 of the AGAR – and will also agree to Box 7 where the accounts are prepared on a receipts and payments basis.

Name of smaller authority: Andover Town Council

County area (local Councils and Parish meetings only):

Financial year ending 31/03/23

Prepared by (Name and role): Gail Foster Proper Officer & RFO.

Date: 04/04/23

Balance per bank statements as at 31/03/23	£	£
Co-Operative Bank/ Unity Trust Bank	£472,941.35	
Deposits Unity Trust	£86,156.42	
Petty Cash Account	£0.00	
		£559,097.77
Petty Cash Card Unity		£0.00
Less: any unpresented cheques		£0.00
Add: any uncleared effects		£0.00
Net balances as at 31/03/23 (Box 8)		£559,097.77

Andover Town Council

Transaction listing for account 60-83-01 20334112 from 28 Mar 2023 to 04 Apr 2023

Date	Time	Description	Serial No	Debits	Credits	Balance
31Mar2023	19:02	Credit Interest			402.46	86,156.42

Page Generated at 15:01 on 04 Apr 2023

Andover Town Council

Transaction listing for account 60-83-01 20334109 from 28 Mar 2023 to 04 Apr 2023

Date	Time	Description	Serial No	Debits	Credits	Balance
03Apr2023	06:20	Direct Debit (GOCARDLESS)		(900.00)		472,041.35
31Mar2023	19:02	Service Charge		(41.70)		472,941.35
31Mar2023	08:30	B/P to: Danny Windust		(480.00)		472,983.05
31Mar2023	08:18	B/P to: Grass&Grounds		(450.00)		473,463.05
31Mar2023	08:18	B/P to: Grass&Grounds		(138.00)		473,913.05
31Mar2023	08:17	B/P to: Grass&Grounds		(42.00)		474,051.05
31Mar2023	08:17	B/P to: Grass&Grounds		(198.00)		474,093.05
31Mar2023	08:17	B/P to: Grass&Grounds		(30.00)		474,291.05
31Mar2023	06:21	Direct Debit (VODAFONE LTD)		(33.41)		474,321.05
30Mar2023	13:50	[REDACTED]			24.19	474,354.46
30Mar2023	13:50	[REDACTED]			13.42	474,330.27
30Mar2023	06:21	Direct Debit (COBWEB)		(301.79)		474,316.85
30Mar2023	00:24	B/P to: EdgeITSystems		(1,072.80)		474,618.64
30Mar2023	00:23	B/P to: JamesHallamLtd		(5,418.13)		475,691.44
29Mar2023	18:34	[REDACTED]			18.58	481,109.57
29Mar2023	08:44	B/P to: SimonNightingale		(269.50)		481,090.99
29Mar2023	08:44	B/P to: MB Pest Services		(400.00)		481,360.49
29Mar2023	08:44	B/P to: Gail Foster		(35.99)		481,760.49
29Mar2023	08:44	B/P to: Gail Foster		(421.94)		481,796.48
28Mar2023	06:25	[REDACTED]				[REDACTED]
28Mar2023	06:25	B/P to: HMRC Cumbernauld		(4,183.05)		[REDACTED]
28Mar2023	06:25	[REDACTED]				[REDACTED]
28Mar2023	06:25	[REDACTED]				[REDACTED]
28Mar2023	06:25	[REDACTED]				[REDACTED]
28Mar2023	06:24	[REDACTED]				[REDACTED]
28Mar2023	06:23	[REDACTED]				[REDACTED]
28Mar2023	06:18	Direct Debit (NEST)		(692.84)		497,161.10

Page Generated at 14:59 on 04 Apr 2023

Financial Budget Comparison

Comparison between 01/04/22 and 31/03/23 inclusive. Includes due and unpaid transactions.

Excludes transactions with an invoice date prior to 01/04/22

		2022/2023	Actual Net	Balance
INCOME				
Events & Projects				
3025	Town Development	£0.00	£0.00	£0.00
Total Events & Projects		£0.00	£0.00	£0.00
Policy & Resources				
36	Business Rates Refund	£0.00	£0.00	£0.00
99	Heating & Lighting	£0.00	£0.00	£0.00
3000	Precept	£361,801.70	£361,802.00	£0.30
3001	Elections	£0.00	£0.00	£0.00
3002	TVBC Tax band Grant	£0.00	£0.00	£0.00
3010	Bank Interest	£0.00	£1,041.59	£1,041.59
3011	Insurance Premium	£0.00	£0.00	£0.00
3020	Grants Received	£0.00	£0.00	£0.00
3021	CIL Monies	£0.00	£0.00	£0.00
3115	VAT Write Off	£0.00	£0.00	£0.00
3116	IT Equipment	£0.00	£0.00	£0.00
3339	Mayors Events	£0.00	£0.00	£0.00
3998	Funds held for Youth Council	£0.00	£0.00	£0.00
3999	Funds held for Neighbourhood Plan	£0.00	£0.00	£0.00
4000	Defibrillator	£0.00	£0.00	£0.00
4209	Waste Removal	£0.00	£0.00	£0.00
4211	Photocopying	£0.00	£0.00	£0.00
4212	Payroll	£0.00	£0.00	£0.00
Total Policy & Resources		£361,801.70	£362,843.59	£1,041.89
Allotments				
3049	Allotment Rents	£25,254.00	£27,783.52	£2,529.52
3050	Deposits	£0.00	£0.00	£0.00
3051	Allotments Other Income	£0.00	£0.00	£0.00
3052	Deposit Credit Interest	£0.00	£0.00	£0.00
3054	Deposit direct payment	£0.00	£0.00	£0.00
Total Allotments		£25,254.00	£27,783.52	£2,529.52
Total Income		£387,055.70	£390,627.11	£3,571.41

Financial Budget Comparison

Comparison between 01/04/22 and 31/03/23 inclusive. Includes due and unpaid transactions.

Excludes transactions with an invoice date prior to 01/04/22

		2022/2023	Actual Net	Balance
EXPENDITURE				
Events & Projects				
4190	Grants	£13,650.00	£8,169.88	£5,480.12
4700	Town Centre Development	£47,905.00	£34,375.34	£13,529.66
Total Events & Projects		£61,555.00	£42,545.22	£19,009.78
Policy & Resources				
400	IT Equipment	£0.00	£247.05	-£247.05
4001	Corporate Management	£21,186.00	£26,828.77	-£5,642.77
4100	Democratic Representation	£3,732.50	£2,663.66	£1,068.84
4180	Other Services to the Public	£10,000.00	£9,742.94	£257.06
4200	Staffing - Employment Costs	£218,000.00	£183,630.76	£34,369.24
4201	Staffing - Non Salaried	£0.00	£12,120.68	-£12,120.68
4204	New Building Fund	£0.00	£0.00	£0.00
4205	Bus Shelters	£0.00	£0.00	£0.00
4210	Administration - Office Costs	£43,640.00	£39,293.88	£4,346.12
Total Policy & Resources		£296,558.50	£274,527.74	£22,030.76
Allotments				
3053	Deposits Expenditure	£0.00	£50.00	-£50.00
4500	Allotment Service	£37,218.00	£45,670.84	-£8,452.84
Total Allotments		£37,218.00	£45,720.84	-£8,502.84
Planning/Highways				
4300	Planning/Highways	£0.00	£9,197.35	-£9,197.35
Total Planning/Highways		£0.00	£9,197.35	-£9,197.35
Total Expenditure		£395,331.50	£371,991.15	£23,340.35
Total Income		£387,055.70	£390,627.11	£3,571.41
Total Expenditure		£395,331.50	£371,991.15	£23,340.35
Total Net Balance		-£8,275.80	£18,635.96	

Appendix G: Cashbook and Income & Expenditure

G

Financial Summary - Cashbook

Summary of receipts and payments between 01/04/22 and 31/03/23 inclusive. This may include transactions with ledger dates outside this period.

Balances at the start of the year

Ordinary Accounts

Co-Operative Bank/ Unity Trust Bank	£449,806.95
Deposits Unity Trust	£85,228.03
Petty Cash Account	£0.00
Petty Cash Card Unity	£40.22
Total	£535,075.20

RECEIPTS	Net	Vat	Gross
Policy & Resources	£390,009.29	£0.00	£390,009.29
Allotments	£27,783.52	£0.00	£27,783.52
Total Receipts	£417,792.81	£0.00	£417,792.81
PAYMENTS	Net	Vat	Gross
Events & Projects	£43,800.22	£6,331.07	£50,131.29
Policy & Resources	£269,415.43	£11,132.73	£280,548.16
Allotments	£46,111.90	£6,163.94	£52,275.84
Planning/Highways	£9,197.35	£1,617.60	£10,814.95
Total Payments	£368,524.90	£25,245.34	£393,770.24

Closing Balances

Ordinary Accounts

Co-Operative Bank/ Unity Trust Bank	£472,941.35
Deposits Unity Trust	£86,156.42
Petty Cash Account	£0.00
Petty Cash Card Unity	£0.00
	£559,097.77
Total	£559,097.77

Uncleared and Unpresented effects

Statement Closing Balances

Ordinary Accounts

Co-Operative Bank/ Unity Trust Bank	£472,941.35
Deposits Unity Trust	£86,156.42
Petty Cash Account	£0.00
Petty Cash Card Unity	£0.00
Total	£559,097.77

Signed _____
Chair

Clerk / Responsible Financial Officer

Income and Expenditure Account

Unaudited

31/03/22 £		31/03/23 £
	INCOME	
25,381.37	Allotment Rents and Charges	27,783.52
21,254.31	Income	0.00
5.25	Interest on Investments	1,041.59
0.00	IT Equipment	0.00
349,584.80	Precept	361,802.00
0.00	Waste Removal	0.00
396,225.73	INCOME TOTAL	390,627.11
	EXPENDITURE	
192,038.27	Administration Costs	229,840.83
31,517.77	Allotment Costs	45,670.84
0.00	Allotment Deposit	50.00
0.00	Allotment Deposits	0.00
0.00	Bus Shelters	0.00
46,341.98	Corporate Management	26,125.44
4,141.44	Democratic Representation	2,663.66
5,245.00	Grants	8,169.88
0.00	New Building Fund	0.00
0.00	Other Expenditure	0.00
14,328.11	Other Services to the public	9,742.94
0.00	Photocopying	0.00
0.00	Photocopying	0.00
0.00	Photocopying	0.00
0.00	Planning/Highways	9,197.35
0.00	S. 137 Payments	0.00
23,528.36	Town Centre Development	34,375.34
317,140.93	EXPENDITURE TOTAL	365,836.28
31,502.51	Balance as at 01/04/22	110,587.31
396,225.73	Add Total Income	390,627.11
427,728.24		501,214.42
317,140.93	Deduct Total Expenditure	365,836.28
0.00	Stock Adjustment	0.00
0.00	Transfer to/ from reserves	37,619.83
110,587.31	Balance as at 31/03/23	172,997.97

Signed _____

Chair

Clerk / Responsible Financial Officer

Appendix H: List of Debtors and Creditors

H

Closing Creditors

Start of year 01/04/22

Tn no	Gross	Vat	Net	Accrued	Closing Inv. date	Cheque no	Details
adjustment							
BDO LLP							
2458	£3,000.00	£500.00	£2,500.00	£2,130.00	£2,130.00	31/03/23	accrual Fees for External Audit 2
Total	£3,000.00	£500.00	£2,500.00	£2,130.00	£2,130.00		
Business Stream							
2432	-£3,070.34	£0.00	-£3,070.34	£0.00	-£3,070.34	27/03/23	creditor water refund
Total	-£3,070.34	£0.00	-£3,070.34	£0.00	-£3,070.34		
Dataplan Payroll							
2459	£67.20	£11.20	£56.00	£56.00	£56.00	31/03/23	accrual Monthly payroll P-12
Total	£67.20	£11.20	£56.00	£56.00	£56.00		
Grass and Grounds							
2402	£570.00	£95.00	£475.00	£0.00	£475.00	28/02/23	on hold Clearance of all rubbish f
2388	-£871.20	-£145.20	-£726.00	£0.00	-£726.00	28/02/23	on hold refunds
2403	£60.00	£10.00	£50.00	£0.00	£50.00	01/03/23	on hold To strim and remove was
2404	£186.00	£31.00	£155.00	£0.00	£155.00	01/03/23	on hold Strim and treat rewilding
2405	£102.00	£17.00	£85.00	£0.00	£85.00	01/03/23	on hold To strim, weed treat and
2406	£312.00	£52.00	£260.00	£0.00	£260.00	01/03/23	on hold To fully clear Plot 45. Re
2412	£1,032.00	£172.00	£860.00	£0.00	£860.00	20/03/23	on hold Clearance of all rubbish f
2413	£606.00	£101.00	£505.00	£0.00	£505.00	20/03/23	on hold Trim back all the overhan
2414	£714.00	£119.00	£595.00	£0.00	£595.00	20/03/23	on hold Trim back all the overhan
2415	£42.00	£7.00	£35.00	£0.00	£35.00	20/03/23	on hold To clear plot 31b and stri
Total	£2,752.80	£458.80	£2,294.00	£0.00	£2,294.00		
Local Government Pension Scheme							
2442	£2,959.17	£0.00	£2,959.17	£0.00	£2,959.17	30/03/23	creditor Pension for Town Clerk
2441	£1,257.06	£0.00	£1,257.06	£0.00	£1,257.06	30/03/23	creditor Pension for Town Clerk
Total	£4,216.23	£0.00	£4,216.23	£0.00	£4,216.23		
Mulberry & Co							
2457	£600.00	£100.00	£500.00	£500.00	£500.00	31/03/23	accrual Internal Audit - Final Audi
Total	£600.00	£100.00	£500.00	£500.00	£500.00		
NEST Pensions							
2443	£1,052.35	£0.00	£1,052.35	£0.00	£1,052.35	25/03/23	creditor Pension Contributions M
Total	£1,052.35	£0.00	£1,052.35	£0.00	£1,052.35		
PKF Littlejohn LLP							
2451	£3,516.00	£586.00	£2,930.00	£0.00	£2,930.00	30/03/23	creditor usual cost of £800, plus
Total	£3,516.00	£586.00	£2,930.00	£0.00	£2,930.00		
Simon Tilling							
2445	£1,348.78	£0.00	£1,348.78	£1,348.78	£1,348.78	28/03/23	accrual OWR Track repairs - app
Total	£1,348.78	£0.00	£1,348.78	£1,348.78	£1,348.78		

Surrey Hills Solicitors

2452	£1,000.00	£166.67	£833.33	£500.00	£500.00	30/03/23	accrual	General Retainer
Total	£1,000.00	£166.67	£833.33	£500.00	£500.00			

Test Valley Borough Council

04/04/23 02:51 PM Vs: 8.85.00

Andover Town Council

Page 1

Closing Creditors

Start of year 01/04/22

Tn no	Gross	Vat	Net	Accrued	Closing Inv. date	Cheque no	Details
adjustment							
2456	£100.80	£16.80	£84.00	£0.00	£84.00	31/03/23	creditor Hire of Lights, 13 & 27 M
Total	£100.80	£16.80	£84.00	£0.00	£84.00		
The Incuhive Group							
2450	£900.00	£150.00	£750.00	£0.00	£750.00	30/03/23	creditor Monthly rental Office 108
Total	£900.00	£150.00	£750.00	£0.00	£750.00		
Total	£15,483.82	£1,989.47	£13,494.35	£4,534.78	£12,791.02		VAT Creditor £0.00
							All Other Creditors £12,791.02

Closing Debtors

Start of year 01/04/22

Tn no	Gross	Vat	Net	Accrued	Closing Inv. date	Invoice no	Details
adjustment							
H M Revenue & Customs							
1224	£1,978.57	£0.00	£1,978.57	£0.00	£1,978.57	31/03/23	VAT refund 01/03/23 - 3
Total	£1,978.57	£0.00	£1,978.57	£0.00	£1,978.57		
Total	£1,978.57	£0.00	£1,978.57	£0.00	£1,978.57		VAT Debtor £1,978.57
							All Other Debtors £0.00

Appendix I: VAT Return Information.

I

VAT Summary

Balance Sheet opening figures

Opening Vat Recoverable	£3,898.93
Opening Vat Payable	£0.00

VAT Return Details

Start Date	End Date	Sales Vat	EC Vat	Total Vat due	Purchases Vat	Net VAT	Sales	Purchases
01/04/22	30/06/22	£0.00	£0.00	£0.00	£3,683.62	£3,683.62	£185,332.59	£79,677.68
01/07/22	30/09/22	£0.00	£0.00	£0.00	£6,147.61	£6,147.61	£202,303.43	£82,726.12
01/10/22	31/12/22	£0.00	£0.00	£0.00	£10,056.85	£10,056.85	£14,851.13	£105,505.02
01/01/23	31/01/23	£0.00	£0.00	£0.00	£1,096.15	£1,096.15	£10,464.22	£27,707.40
01/02/23	28/02/23	£0.00	£0.00	£0.00	£2,282.54	£2,282.54	£1,611.55	£32,904.11
01/03/23	31/03/23	£0.00	£0.00	£0.00	£1,978.57	£1,978.57	£3,229.89	£40,004.57
Totals		£0.00	£0.00	£0.00	£25,245.34	£25,245.34	£417,792.81	£368,524.90

Total of VAT Returns including opening figures £29,144.27

Details of transactions against VAT REFUND (Income) Headings

3100 VAT Refund

Received	Invoiced	Tn. no	Reference	Details	Net (£)	Vat (£)	Gross (£)
14/04/22	31/03/22	1052		H M Revenue & Customs - VAT refund 01/01/22 - 31/03/22	3,898.93	0.00	3,898.93
26/07/22	30/06/22	1077		H M Revenue & Customs - VAT refund 01/04/22 - 30/06/22	3,683.62	0.00	3,683.62
07/11/22	30/09/22	1101	20221107-H	H M Revenue & Customs - VAT refund 01/07/22 - 30/09/22	6,147.61	0.00	6,147.61
26/01/23	31/12/22	1166	20230126-h	H M Revenue & Customs - VAT refund 01/10/22 - 31/12/22	10,056.85	0.00	10,056.85
17/02/23	31/01/23	1187	20230217-h	H M Revenue & Customs - VAT refund 01/01/23 - 31/01/23	1,096.15	0.00	1,096.15
10/03/23	28/02/23	1204	20230310	H M Revenue & Customs - VAT refund 01/02/23 - 28/02/23	2,282.54	0.00	2,282.54
	31/03/23	1224		H M Revenue & Customs - VAT refund 01/03/23 - 31/03/23	1,978.57	0.00	1,978.57
3100 VAT Refund Total					29,144.27	0.00	29,144.27

13/04/23 03:05 PM Vs: 8.85.

Andover Town Council

Page 1

3110 VAT Overclaim

Total of VAT transactions (refunds and payments) 29,144.27

Total of refunds/ payments matches the total of the VAT returns.

13/04/23 03:07 PM Vs: 8.85.

Andover Town Council

Page 2

Appendix J: Earmarked Reserves

J

Elections	79,036.28
Allotments	88,011.04
Christmas Lights	12,591.74
Property Purchase	102,000.00
CIL Funds	99,099.83
Total:	£ 380,738.89

These figures are evidenced in the Consolidated Balance Sheet in Appendix L.

Annual Internal Audit Report 2022/23

ANDOVER TOWN COUNCIL

ENTER PUBLIC WEBSITE ADDRESS <https://andover-tc.gov.uk/> WEBSITE ADDRESS

During the financial year ended 31 March 2023, 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 2022/23 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.			✓ NO 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 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 2021/22, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2021/22 AGAR tick "not covered")			✓
L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.	✓		
M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations (during the 2022-23 AGAR period, were public rights in relation to the 2021-22 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).		✓	
N. The authority has complied with the publication requirements for 2021/22 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

05/01/2023

04/04/2023

DD/MM/YYYY

Name of person who carried out the internal audit

ENTER NAME OF AUDITOR ANDY BEAMS

Signature of person who carried out the internal audit

Scamp

Date 04/04/2023

*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).

Summary Trial Balance

Year ending 31/03/23

	Credit	Debit
Income		
Allotment Rents and Charges	27,783.52	
Income	0.00	
Interest on Investments	1,041.59	
IT Equipment	0.00	
Precept	361,802.00	
Waste Removal	0.00	
Expenditure		
Administration Costs		229,840.83
Allotment Costs		45,670.84
Allotment Deposit		50.00
Allotment Deposits		0.00
Bus Shelters		0.00
Corporate Management		26,125.44
Democratic Representation		2,663.66
Grants		8,169.88
New Building Fund		0.00
Other Expenditure		0.00
Other Services to the public		9,742.94
Photocopying		0.00
Photocopying		0.00
Photocopying		0.00
Planning/Highways		9,197.35
S. 137 Payments		0.00
Town Centre Development		34,375.34

Summary Trial Balance

Expenditure

Balance Sheet Assets

Stocks		0.00
Stock Adjustment		0.00
VAT Recoverable		1,978.57
Debtors		0.00
Payment in Advance		5,451.54
Cash in Hand & at Bank		550,097.77
Investments		0.00
Long term assets		0.00
Loans Made		0.00

Balance Sheet Liabilities

Loans Received	0.00	
VAT Payable	0.00	
Creditors	12,791.02	
Receipts in Advance	0.00	
Reserves (at start of year)	528,948.03	
Trial Balance Total	932,364.16	932,364.16

Total of credits and debits match.

Consolidated Balance Sheet

Unaudited

31/03/22

£

31/03/23

£

Current assets

0.00	Investments	0.00
0.00	Loans Made	0.00
0.00	Investment	0.00
0.00	Stocks	0.00
3,898.93	VAT Recoverable	1,978.57
0.00	Debtors	0.00
0.00	Payment in Advance	5,451.54
535,075.20	Cash in Hand & at Bank	559,097.77
538,974.13	TOTAL CURRENT ASSETS	566,527.88
538,974.13	TOTAL ASSETS	566,527.88

Current liabilities

0.00	Loans Received	0.00
0.00	Temporary Borrowing	0.00
0.00	VAT Payable	0.00
10,028.10	Creditors	12,791.02
0.00	Receipts in Advance	0.00
10,028.10	TOTAL CURRENT LIABILITIES	12,791.02
528,946.03	TOTAL ASSETS LESS CURRENT LIABILITIES	553,736.86
0.00	Long Term Borrowing	0.00
0.00	Deferred Liabilities	0.00
0.00	Deferred Credits	0.00
0.00		0.00
528,946.03	NET ASSETS	553,736.86

Represented by

110,587.31	General Fund	
	General / Operational Reserves	172,997.97
	Notice Boards	
0.00	Earmarked - Notice Boards	0.00
	Elections	
98,012.32	Earmarked - Elections	79,036.28
15,883.35	Earmarked - Section 106	0.00
2,000.00	Earmarked - Afest	0.00
98,255.04	Earmarked - Allotments	88,011.04
1,800.00	Earmarked - Youth Council	0.00
15,758.00	Earmarked - Christmas Lights	12,591.74
0.00	Earmarked - Civic Regalia	0.00
10,000.00	Earmarked - Bus Shelter	0.00
157,998.00	Earmarked - Property Purchases	102,000.00
13,000.00	Earmarked - Grants Project	0.00
4,580.00	Earmarked - Staffing Projects	0.00
1,072.01	Earmarked - Defibrillators	0.00

Consolidated Balance Sheet

Unaudited

31/03/22		31/03/23
£		£
0.00	Earmarked - Vigo Park	0.00
0.00	Earmarked - Public Conveniences	0.00
0.00	Earmarked - Contribution to Tourism	0.00
0.00	Allotment Deposits	0.00
0.00	CIL - Funds held separately from General Reserves	99,099.83
0.00	LONG TERM Investment Accounts	0.00
0.00	Liability Reserves e.g. deposits	0.00
528,946.03		553,736.86
418,358.72	Reserves total excluding general fund and liabilities	380,738.89
0.00	Reserves total of liabilities e.g. deposits	0.00
110,587.31	General fund total	172,997.97
528,946.03		553,736.86

Signed _____

Chairman

Date

AUDIT OPINION

Responsible Financial Officer

Appendix M: Asset Register.

M

Assets list

No.	Ref.	Description	Location	Purchase date	Cost	Current Value	Insurance Value	Renewal	Previous Value
Environment - Board									
4	1	Noticeboard on old Office Building	Passageway to Black Swan Yard.	10/04/2013	£2,968.80	£2,968.80	£3,000.00		
31		Notice board - near St Mary's church			£408.00	£408.00	£1,000.00		
Board Totals					£3,376.80	£3,376.80	£4,000.00		
Environment - Furniture e.g. Seat									
34		Memorial Bench for WW1 - no.1	Saxon Fields	31/05/2017	£643.67	£643.67	£1,000.00		
35		Memorial Bench for WW1 - no.2	St Mary's Church	31/05/2017	£643.67	£643.67	£1,000.00		
36		Memorial Bench for WW1 - no.3	St Mary's Church		£643.67	£643.67	£1,000.00		
37		Memorial Bench for WW1 - no.4	Vigo Park	31/05/2017	£643.67	£643.67	£1,000.00		
38		Memorial Bench for WW1 - no.5	Charlton Road, Hospital verge	31/05/2017	£643.67	£643.67	£1,000.00		
39		Memorial Bench for WW1 - no.6	TVBC Storage	31/05/2017	£643.67	£643.67	£1,000.00		
49		SIDs			£6,470.00	£6,470.00	£7,000.00		
Furniture e.g. Seat Totals					£10,332.02	£10,332.02	£13,000.00		
Environment Totals					£13,708.82	£13,708.82	£17,000.00		

Land, Buildings, Vehicle, Plant - Land

17		Allotment Site - Admirals Way - 29 plots			£1.00	£1.00	£1.00		
----	--	--	--	--	-------	-------	-------	--	--

13/04/23 10:12 PM Vs: 6.16.00

Andover Town Council

Page 1

No.	Ref.	Description	Location	Purchase date	Cost	Current Value	Insurance Value	Renewal	Previous Value
18		Allotment Site - Barlows Lane - 101 plots	Barlows Lane, Andover, Hampshire		£1.00	£1.00	£1.00		
19		Allotments Site - Churchill Way - 45 plots			£1.00	£1.00	£1.00		
20		Allotment Site - Mylen Road - 26 plots			£1.00	£1.00	£1.00		
21		Allotment Site - Old Winton Road - 81 plots			£1.00	£1.00	£1.00		
22		Allotment Site - Ox Drove - 11 plots			£1.00	£1.00	£1.00		
23		Allotment Site - Picket Twenty - ? Plots	Picket Twenty		£1.00	£1.00	£1.00		
24		Allotment Site - Saxon Heights - 10 Plots	Brocade Road		£1.00	£1.00	£1.00		
25		Allotment Site - The Drove - 131 plots			£1.00	£1.00	£1.00		
26		Allotment Site - Vigo Road - 106 plots			£1.00	£1.00	£1.00		
Land Totals					£10.00	£10.00	£10.00		

Land, Buildings, Vehicle, Plant - Other

27		Fence at Mylen Road			£5,386.00	£5,386.00	£6,000.00		
29		Christmas Lights - wrap arounds			£1,000.00	£1,000.00	£0.00		
30		Display boards at allotments.			£1,000.00	£1,000.00			
32		Christmas Tree fencing stored with TVBC		31/12/2012	£0.00	£0.00	£0.00		
50		Gates At Churchill Way			£3,742.00	£3,742.00	£5,000.00		
Other Totals					£11,128.00	£11,128.00	£11,000.00		

13/04/23 10:12 PM Vs: 6.16.00

Andover Town Council

Page 2

No.	Ref.	Description	Location	Purchase date	Cost	Current Value	Insurance Value Renewal	Previous Value
Land, Buildings, Vehicle, Plant Totals					£11,138.00	£11,138.00	£11,010.00	
Office Equipment - Computer								
2	Fern	Lenovo Desktop Computer		28/02/2012	£500.00	£500.00	£0.00	
Computer Totals					£500.00	£500.00	£0.00	
Office Equipment - Desks / Furniture								
51		Filing Cabinets x2			£573.00	£573.00	£600.00	
Desks / Furniture Totals					£573.00	£573.00	£600.00	
Office Equipment - Keyboard								
42	Micha keyboard	Wireless keyboard			£20.00	£20.00	£0.00	
43	Micha keyboard	Microsoft ergonomic wireless keyboard, number pad and mouse						
Keyboard Totals					£20.00	£20.00	£0.00	
Office Equipment - Laptop								
6	Wendy	Samsung Laptop		01/06/2014	£500.00	£500.00	£0.00	
9	Gail 1	Lenovo Laptop - Town Clerk		19/10/2022	£354.00	£354.00	£0.00	
10	Gail 2	Lenovo Laptop - RFO		19/10/2022	£354.00	£354.00	£0.00	
13	Tor	Lenovo Laptop - Deputy Town Clerk		20/03/2018	£360.00	£360.00	£0.00	
14	Micha laptop	Lenovo Laptop - Committee Officer		20/03/2018	£360.00	£360.00	£1,000.00	
15	Nikki	Lenovo laptop - Community Officer		20/03/2018	£360.00	£360.00	£1,000.00	

13/04/23 10:12 PM Vs: 6.16.00

Andover Town Council

Page 3

No.	Ref.	Description	Location	Purchase date	Cost	Current Value	Insurance Value Renewal	Previous Value
40	Jo laptop	Lenovo B50-10 Model Name 80QR.			£450.00	£450.00	£1,000.00	
Laptop Totals					£2,738.00	£2,738.00	£3,000.00	
Office Equipment - Monitor								
11		HKC Monitor		23/03/2016	£144.00	£144.00	£0.00	
12		HKC Monitor		23/03/2016	£144.00	£144.00	£0.00	
16	16	3 x AOC Monitors		20/03/2018	£450.00	£450.00	£0.00	
Monitor Totals					£738.00	£738.00	£0.00	
Office Equipment - Printer								
44	Micha printer	HP Envy 6000 printer			£100.00	£100.00	£0.00	
46	Tor's printer	HP Envy 6000 printer			£100.00	£100.00	£0.00	
Printer Totals					£200.00	£200.00	£0.00	
Office Equipment - Projector								
7	7	Projector		03/10/2014	£700.00	£700.00	£0.00	
Projector Totals					£700.00	£700.00	£0.00	
Office Equipment - Reference Book								
47	Tor CAB	CAB - 12th Edition		01/01/2020	£100.00	£100.00	£0.00	
48	CAB Gail	CAB - 13th Edition		05/01/2023	£105.00	£105.00	£0.00	
Reference Book Totals					£205.00	£205.00	£0.00	
Office Equipment - Tablet computer								
33	Jo's tablet	InspectEDGE tablet with Samsung Galaxy Tablet with cover		16/02/2023	£216.00	£216.00		

13/04/23 10:12 PM Vs: 6.16.00

Andover Town Council

Page 4

No.	Ref.	Description	Location	Purchase date	Cost	Current Value	Insurance Value Renewal	Previous Value
52		3 x tablets for wardens.			£894.00	£894.00	£1,000.00	
Tablet computer Totals					£1,110.00	£1,110.00	£1,000.00	
Office Equipment - Workstation								
3	3	Desks and office furniture secondhand/gifts		15/06/2011	£112.00	£112.00	£0.00	
Workstation Totals					£112.00	£112.00	£0.00	
Office Equipment Totals					£6,896.00	£6,896.00	£4,600.00	
Assets Grand Total					£31,742.82	£31,742.82	£32,610.00	

Note that current value MUST equal purchase value.
(Council's do not depreciate assets.)

Section 1 - Statement of accounts - English version**Andover Town Council**

	Annual return last year	Year ending 31 March 2023 £	Variance
1. Balances brought forward	449,861.23	528,946.03	
2. (+) Annual precept	349,584.80	361,802.00	3.49%
3. (+) Total other receipts	46,640.93	28,825.11	-38.20%
4. (-) Staff costs	146,666.37	183,630.76	25.20%
5. (-) Loan interest / capital repayments	0.00	0.00	0.00%
6. (-) Total other payments	170,474.56	182,205.52	6.88%
7. (=) Balances carried forward	528,946.03	553,736.86	
8. Total cash and investments	535,075.20	559,097.77	
9. Total fixed assets and long term assets	5,176.00	31,742.82	513.27%

Signed _____
Chair

Clerk / Responsible Financial Officer

Appendix O: Draft Annual Governance Statement (AGAR section 1)

O

Section 1 – Annual Governance Statement 2022/23

We acknowledge as the members of:

ANDOVER TOWN 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 2023, 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
			✓

*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:

27/04/2023

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

www.andover-tc.gov.uk PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

Appendix P: Draft Accounting Statement (AGAR section 2)

P

Section 2 – Accounting Statements 2022/23 for

ANDOVER TOWN COUNCIL

	Year ending		Notes and guidance
	31 March 2022 £	31 March 2023 £	
1. Balances brought forward	449,861	528,946	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	349,585	361,802	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	46,640	28,825	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	146,666	183,631	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	170,474	182,206	Total expenditure or payments as recorded in the cash-book less staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	528,946	553,737	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	535,075	559,098	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	5,176	31,743	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).

For Local Councils Only	Yes	No	N/A	
11a. Disclosure note re Trust funds (including charitable)		✓		The Council, as a body corporate, acts as sole trustee and is responsible for managing Trust funds or assets.
11b. Disclosure note re Trust funds (including charitable)			✓	The figures in the accounting statements above do not include any Trust transactions.

I certify that for the year ended 31 March 2023 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

13/04/2023

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

DD/MM/YYYY

as recorded in minute reference:

MINUTE REFERENCE

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

SIGNATURE REQUIRED

Appendix Q: Draft Notice of Public rights and Dates for inspection.

Q

Name of Smaller authority: ANDOVER TOWN COUNCIL

NOTICE OF PUBLIC RIGHTS AND PUBLICATION OF UNAUDITED ANNUAL GOVERNANCE & ACCOUNTABILITY RETURN ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

Local Audit and Accountability Act 2014 Sections 26 and 27
The Accounts and Audit Regulations 2015 (SI 2015/234)

NOTICE	NOTES
<p>1. Date of announcement <u>30TH APRIL 2023</u> (a)</p> <p>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.</p> <p>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 2023, these documents will be available on reasonable notice by application to:</p> <p>(b) GAIL FOSTER, TOWN CLERK OFFICE 108, 4TH FLOOR, CHANTRY HOUSE CHANTRY WAY, ANDOVER, SP10 1LZ</p> <p>commencing on (c) <u>MONDAY 5TH JUNE 2023</u></p> <p>and ending on (d) <u>FRIDAY 14TH JULY 2023</u></p> <p>3. Local government electors and their representatives also have:</p> <ul style="list-style-type: none"> 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. <p>The appointed auditor can be contacted at the address in paragraph 4 below for this purpose between the above dates only.</p> <p>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:</p> <p>BDO LLP Arcadia House Maritime Walk Ocean Village Southampton SO14 3TL ✉ councilaudits@bdo.co.uk</p> <p>5. This announcement is made by (e) <u>GAIL FOSTER – RFO.</u></p>	<p>(a) Insert date of placing of the notice which must be not less than 1 day before the date in (c) below</p> <p>(b) Insert name, position and address/telephone number/ email address, as appropriate, of the Clerk or other person to which any person may apply to inspect the accounts</p> <p>(c) Insert date, which must be at least 1 day after the date of announcement in (a) above and at least 30 working days before the date appointed in (d) below</p> <p>(d) The inspection period between (c) and (d) must be 30 working days inclusive and must include the first 10 working days of July.</p> <p>(e) Insert name and position of person placing the notice – this person must be the responsible financial officer for the smaller authority</p>

Appendix R: Virements for Year End.

R

What is a Virement and why are they used?

Virements can be either movements of money between accounts, or re-allocations of budget lines. If an unforeseen project is agreed by Council to go ahead, there may not be a budget set aside for it. The council can therefore decide to move funds from a budget that is underspent, or from General / Operational Reserves to create a new budget for the new project. This would be a virement.

If moving funds from an Earmarked Reserve into General Reserves (or vice-versa) this is also a virement. All virements should be approved by Full Council.

What happens if Council overspend against a budget line?

If Council approve spending in excess of that budgeted, then the overspend automatically comes out of General / Operational Reserves.

What happens if Council underspend against a budget line?

If Council do not spend all of a budget line in the course of the financial year, then any underspend remains in the General / Operational Reserves. There is no need to agree to move an underspend into Operational Reserves.

This is most easily demonstrated at the beginning of the financial year when half the annual precept amount is paid to the Council and sits in the Operational Reserve which is then at its highest.

Are Virements necessary at Year End?

Some Councils make virements between all their accounts at the financial year end to “tidy up” the accounts. This is done to make each budget line “fit” the spending that has taken place. The current (2022) Practitioners Guide advises in clause 5.27 that this exercise is not necessary; *“virements (transfers between budget lines) are permitted but not required - they should be used to clarify the situation of the authority alongside budget variances arising from unforeseen circumstances.”*

Council can however, decide to move underspends into Earmarked Reserves (EMR) for specified future projects.

RFO's recommendation for Year End 2022-2023.

There is an overall underspend of £ 18,635.96 (see Appendix F) which *could* be moved into EMR.

Given that Council have agreed a predicted shortfall in the budget for Year 2023-24 of £17,408.05, the RFO recommends that no virement is made to Earmarked Reserves.

Appendix S: Standing Orders to consider if minor changes should be recommended to full Council.

S

The most recently approved version of the Standing Orders can be viewed [here](#).

Council will need to review and approve the Standing Orders in the Annual meeting, but as this meeting will be choosing a new Mayor and Deputy Mayor and will also be appointing members to new responsibilities, Councillors are asked if the following amendments should be made in advance of the May meeting:

Current wording:

8. VOTING ON APPOINTMENTS

a. Where more than two persons have been nominated for a position to be filled by the Council and none of those persons has received an absolute majority of votes in their favour, the name of the person having the least number of votes shall be struck off the list and a fresh vote taken. This process shall continue until a majority of votes is given in favour of one person. A tie in votes may be settled by the casting vote exercisable by the chairman of the meeting.

For consideration:

8. VOTING ON APPOINTMENTS

a. These Standing Orders are only applicable to Councillors or members of the public with voting rights on Committees or Sub-Committees. For the sake of clarity, Allotment Wardens are not appointed by vote.

b. Each candidate for an appointment will require a proposer and a seconder before voting can occur. If candidates do not receive a proposer and seconder they cannot be included in the vote for office.

c. Where more than two persons have been nominated for a position to be filled by the Council and none of those persons has received an absolute majority of votes in their favour, the name of the person having the least number of votes shall be struck off the list and a fresh vote taken. This process shall continue until a majority of votes is given in favour of one person. A tie in votes may be settled by the casting vote exercisable by the chairman of the meeting.

d. An absolute majority is between two candidates where the winning candidate has the majority of votes. Voting will be by show of hands and applicants will remain in the room. If more than 2 nominations are received, the Mayor will conduct the vote in alphabetical order by asking for a show of hands in favour of each candidate. Each member will have one vote. At the end of the first round of voting the candidate with the lowest number of votes will be eliminated and second round of voting shall take place in alphabetical order. This will continue until two candidates are left, at the final round of voting the candidate with the most votes will be appointed.

Appendix T: Committee Work Programme

T

Date of Meeting	ITEM	Requested by	Purpose of Item	Status
Jan/Feb 2023	Internal Audit Arrangements	STAT	To note Internal Audit arrangements for YE 31 March 2023	Completed. 8 Feb. FC.
Feb 2023	Investment Strategy	P&R	To consider an Investment Strategy in line with the Financial Regulations	On 21 Feb P+R agenda.
April 2023	Annual Report	STAT	To approve the contents of the Annual Report for 2022/2023	Work to start ASAP.
April 2023	Earmarked Reserves	P&R	For reporting to Policy & Resources.	Ongoing, Aiming for End Feb deadline.
April 2023	Virements	P&R	To consider virements for 2022/2023	Recommend to full Council
May 2023	Review of all Policies	P&R	To ensure the Town Council's policies are up to date.	To note that all policies will be reviewed during Purdah and approved as per Standing Orders in May 2023.
May 2023	Review of Business Plan		To ensure the Town Council is up to date with the Business Plan	To be actioned by the next Council