

# **HORDEN RECREATION GROUND**

**INCOME AND EXPENDITURE ACCOUNTS 2020/21**

**CHARITY NAME: HORDEN RECREATION GROUND**

**Charity Commission Registered Number 520826**

**For the Financial Year Ended 31<sup>st</sup> March 2021**

<b>SECTION A Unrestricted Funds</b>		
<b>INCOME - SUMMARY</b>	<b>2019/2020</b>	<b>2020/2021</b>
	£	£
BALANCE BROUGHT FORWARD	£44,435	£15,135
TOTAL INCOME	£32,522	£109,928
TOTAL	£79,956	£125,063
<b>EXPENDITURE- SUMMARY</b>		
	<b>2019/2020</b>	<b>2020/2021</b>
	£	£
TOTAL EXPENDITURE	£64,821	£37,594
NET TOTAL (Inc-Exp)	£15,135	£87,469
TOTAL CASH & INVESTMENTS	£15,135	£87,469

A detailed income/expenditure report can be found in **APPENDIX 1**.

### **SECTION B Restricted Income Funds**

Horden Parish Council, as sole Trustees of the Charity, support Horden Recreation Ground financially via a grant donation, under their powers, specifically the Open Spaces Act 1906 s.9 and s.10. The grant donation is used solely to offset the expenditure incurred by Horden Recreation Ground.

### **SECTION C Endowment Funds**

Name of Charity Horden Recreation Ground

Has the charity any endowment funds NO

### **SECTION D Statement of Assets and Liabilities at Year End**

For the Financial Year ended 31<sup>st</sup> March 2021

D1a Cash Funds	£87,469
D1b Other Monetary Assets	N/A



The land identified in the schedule to the scheme must be retained by the trustee for use of the object of the charity.

Professional Advisers

Mortons Solicitors, Sunderland  
Wellers Hedleys, Kent

## SECTION 2

### Trustees and Governance

Name of Trustee	Dates during which the named trustees acted if not for the whole period of this report	Name of person (or body) entitled to appoint any charity trustee
Horden Parish Council	2020/21	Horden Parish Council

Please explain briefly how trustees are elected or appointed.

Trustee selection method

The term Trustee in accordance with the document of transfer dated 5<sup>th</sup> November 1998 applied to Horden Parish Council as a corporate body. There are no individual Trustees.

Names of the charity's  
Custodian trustees

Not Applicable.

## SECTION 3

### Activities and Achievements

Horden Recreation Ground continues to provide value for money recreational services to the local public. The park boasts two play areas, cricket field, general training pitch with floodlights, football ground, bowling greens, a multi-sports pitch, decorative bandstand and two sculptures.

The park has benefited from winning Green Flag and Green Heritage Site status each year from 2005 onwards.

The ground is host to a number of thriving sports clubs;

Horden Cricket Club.  
Horden Colliery Welfare Football Club.  
Horden Colliery Welfare Junior Football Club.  
Horden Mens and Ladies Bowls Club.

The ground floor of Ambulance House is designated the Vintage Tearoom, which is open three days per week, March to October, and ran by volunteers. The upper floor is occupied by Horden Heritage Centre, to showcase displays of local memorabilia, which have been donated or loaned to the Centre. The memorabilia is available to view by the public free of charge.

## SECTION 4

## Policies

Charity trustees should give in their report a description of the policies that they have adopted.

### Reserves Policy

Horden Parish Council operating as trustees, use a five year strategic plan in which reserves are allocated. Contingency funds are set aside in the form of a grant donation for the ground when applicable in order to purchase equipment of effect emergency repairs where required.

### Grant-making Policy

The Trust, through the parish council try to access external grants/funding opportunity whenever practical. Any grants obtained will be utilised for the benefit of improvements to recreation facilities and on revenue costs associated therewith.

### Investments selection policy

There is no such policy.

### Review of major risks

The Charity has an extensive asset base. Major refurbishment is required to the properties which commenced in 2019/20.

## SECTION 5


## Signature and Declaration

### Declaration

I declare, in my capacity of charity trustee, that:

- The trustees have approved the report above; and
- Have authorised me to sign it on their behalf.

### Signature



### Full Name

WILLIAM MORROW

### Position (eg. Secretary, Chair)

CHAIRMAN

### Dated

22/04/2021

## Detailed Receipts &amp; Payments by Budget Heading 31/03/2021

## Cost Centre Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
<b>100 Income</b>							
1130 Cricket Social Club Rent	660	660	0			100.0%	
1150 Ambulance House Rent	1	1	0			100.0%	
1160 Bowls Ground Fees	291	578	287			50.3%	
1170 Cricket Ground Fees	284	1,785	1,501			15.9%	
1180 Football Ground Fees	1,290	1,890	600			68.3%	
1190 Other Ground Fees	201	380	179			52.9%	
1210 Electricity Recharge	463	630	167			73.5%	
1220 Water Recharge	127	530	403			24.0%	
1270 Wayleaves	110	96	(14)			114.6%	
1400 Parish Council Grant	101,558	101,558	0			100.0%	
1403 Income-Tenant Water Recharge	205	0	(205)			0.0%	
<b>Income :- Receipts</b>	<b>105,190</b>	<b>108,108</b>	<b>2,918</b>			<b>97.3%</b>	<b>0</b>
<b>Net Receipts</b>	<b>105,190</b>	<b>108,108</b>	<b>2,918</b>				
<b>200 Expenditure</b>							
4070 Professional Fees	3,150	2,100	(1,050)		(1,050)	150.0%	
4100 Council Tax	2,027	2,204	177		177	92.0%	
4120 Water	1,565	3,518	1,953		1,953	44.5%	
4130 Electricity	3,324	3,990	666		666	83.3%	
4150 Telephone/Fax	363	520	157		157	69.8%	
4170 Cleaning	139	350	211		211	39.8%	
4180 Clothing	90	250	160		160	36.0%	
4200 Buildings	1,345	71,800	70,455		70,455	1.9%	
4210 Plant and Equipment	231	1,500	1,269		1,269	15.4%	
4220 Play Equipment	1,904	2,500	596		596	76.2%	
4230 Trade Waste	1,610	1,575	(35)		(35)	102.2%	
4250 Tools	118	300	182		182	39.2%	
4260 Equipment Repairs	1,616	1,600	(16)		(16)	101.0%	
4270 Grounds Maintenance	6,936	8,000	1,064		1,064	86.7%	
4290 Equipment Fuel	2,472	2,419	(53)		(53)	102.2%	
4300 Vehicle Maintenance	1,584	1,000	(584)		(584)	158.4%	
4310 Horticulture	3,543	3,800	257		257	93.2%	
4320 Health and Safety	905	663	(242)		(242)	136.5%	
4500 Miscellaneous Expenditure	0	19	19		19	0.0%	
<b>Expenditure :- Indirect Payments</b>	<b>32,922</b>	<b>108,108</b>	<b>75,186</b>	<b>0</b>	<b>75,186</b>	<b>30.5%</b>	<b>0</b>
<b>Net Payments</b>	<b>(32,922)</b>	<b>(108,108)</b>	<b>(75,186)</b>				

## Detailed Receipts &amp; Payments by Budget Heading 31/03/2021

## Cost Centre Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
Grand Totals:- Receipts	105,190	108,108	2,918			97.3%	
Payments	32,922	108,108	75,186	0	75,186	30.5%	
<b>Net Receipts over Payments</b>	<u>72,268</u>	<u>0</u>	<u>(72,268)</u>				
<b>Movement to/(from) Gen Reserve</b>	<u>72,268</u>						



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## Internal Audit Report

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### Charity Arrangements – Horden Recreation Ground

Ref No: 12101/2021/02.bf

### Final Report

**Assurance Opinion: Substantial**

**Prepared by: Jill Nattrass, Senior Auditor**

**Reviewed by: David Mitchell, Principal Auditor  
Tracy Henderson, Interim Audit Manager**

**Date issued: 15 April 2021**

#### **Distribution List**

**For Action: Gemma Rowe, Deputy Town Clerk / RFO  
Kevin Wilkinson, Clerk to the Council**

**For Information: Stephen Carter, Interim Chief Internal Auditor and  
Corporate Fraud Manager**

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## **Introduction**

1. As part of the 2020/21 Internal Audit Plan, an audit was carried out in March 2021 to evaluate the control framework in place on the management of the risks associated with Charity Arrangements – Horden Recreation Ground.
2. The last audit in this area was completed in March 2020 when a Substantial Level of assurance was provided.
3. The audit examined the financial arrangements in place for Horden Recreation Ground Charity, including receipts and payments, banking arrangements, and grant money requested and received from Horden Parish Council covering the period 1st April 2020 to 28<sup>th</sup> February 2021.
4. Due to the COVID 19 pandemic restrictions, the hard copy documentation required to carry out the audit review was collected from the Parish Council's Offices by the auditor who carried out the review remotely, working from home, in accordance with the latest Government guidance. Where required, additional supporting information was obtained electronically by email and the requirements of a full audit review were met.

## **Conclusion**

5. The audit work carried out can provide a **Substantial** level of assurance that the control framework and procedures in place are effective in managing the associated risks.

## **Summary of Findings**

6. The Charity Financial Arrangements are administered by Horden Parish Council and arrangements are in place to ensure that receipts and payments relating to the Charity are kept separate from those of the Parish Council. A separate bank account and financial statements are maintained.
7. Horden Recreation Ground has its own Committee established which is separate to the Parish Council. Due to the COVID 19 pandemic restrictions, no Committee meetings were held during the period April 2020 to August 2020, but meetings resumed on 3<sup>rd</sup> September 2020.
8. The Grant Donation for 20/21 from Horden Parish Council to Horden Recreation Ground Charity of £101,958.00 had been appropriately approved and recorded in the minutes of the Committee meeting held on 5<sup>th</sup> December 2019. The donation was paid in three instalments during the year.
9. All receipts for rents, water charges and donations, paid directly into the Council offices and by Direct Credits were examined covering the period 1<sup>st</sup> April 2020 to 28<sup>th</sup> February 2021, all were found to have been recorded accurately in the accounts and appeared in the bank account as expected.

10. 58 purchase orders were raised during the period April 2020 to February 2021 and a sample of 10 purchase orders were selected for review. The audit confirmed that all orders had been signed by either the Deputy Parish Clerk or the Parks and Cemetery Manager and that there was a corresponding invoice retained relating to each order.
11. Due to the COVID 19 pandemic restrictions, as Council/Committee meetings were not held during the period April 2020 and August 2020 it was not possible for invoice payments to be reviewed and subject to formal approval prior to payment been made.
12. Instead, it was practice for invoices to be reviewed and approved by the Chair of the Finance and General Purposes Committee on a monthly basis and for cheque payments to be made. The formal approval of invoice payments was obtained in retrospect when Council/Committee meetings resumed in September 2020. A review of the sample of ten transactions tested confirmed that all invoice payments had been recorded accurately in the accounts and appeared in the bank account as expected.
13. A separate asset register is in place from that of the Council and it has been updated with disposal and acquisitions since it was evidenced at the last audit review. The asset register is to be included in agenda for the next Committee meeting.
14. Accounts must be submitted to the Charity Commission within 10 months of the end of the financial year. The Trustees Report and the Charity's accounts for 2019/2020 were approved by Committee on 3<sup>rd</sup> September 2020 and submitted online on the 14<sup>th</sup> September 2020 within the stated deadline.
15. As a result of the audit, there have been no recommendations made.

## **Background**

16. This review has been carried out in accordance with the Terms of Reference.
17. This review aims to help management achieve its objectives by providing an opinion on the adequacy of the control framework in place to manage risks effectively. The conclusions from the review will inform the annual audit opinion provided by the Chief Internal Auditor on the adequacy and effectiveness of the entire control environment operating across the whole of the Authority, required to inform the Annual Governance Statement.
18. The report is intended to present to management the findings and conclusions of the audit. Wherever possible, findings and recommendations made to improve the control framework have been discussed with the appropriate officers and their views taken into account.

19. In carrying out the audit, the time and assistance afforded by Gemma Rowe was greatly appreciated.

### **Scope and Audit Approach**

20. The scope and audit approach for this review were agreed as part of the preparation stage of the audit and were reflected in the agreed terms of reference. The scope was informed by a Control Risk Assessment (CRA) determined in consultation with appropriate officers.

### **Limitations**

21. Due to the Covid-19 restrictions in place at the time of this audit a site visit by the auditor to inspect all original documentation and records was not possible. Gaps in testing as a result of this were generally mitigated through the supply of copy records and documentation by email where this was practical, and the results of this audit and audit opinion should be viewed with these restrictions in mind.

### **Overall Assurance Opinion**

22. Based upon the ratings of our findings and recommendations arising during the audit, we define the overall conclusion through the following assurance opinions.

<b>Opinion</b>	<b>Definition</b>
<b>Substantial Assurance</b>	There is a sound system of control. Any weaknesses identified expose some of the system objectives to minor risk.
<b>Moderate Assurance</b>	Whilst there is basically a sound system of control, there are some weaknesses, which expose objectives to risk.
<b>Limited Assurance</b>	There are weaknesses in key areas in the system of control, which expose objectives to unacceptable levels of risk.