

# Annual Governance and Accountability Return 2020/21 Part 3

To be completed by Local Councils, Internal Drainage Boards and other Smaller Authorities\*:

- where the higher of gross income or gross expenditure exceeded £25,000 but did not exceed £6.5 million; or
- where the higher of gross income or gross expenditure was £25,000 or less but that:
  - are unable to certify themselves as exempt (fee payable); or
  - have requested a limited assurance review (fee payable)

## Guidance notes on completing Part 3 of the Annual Governance and Accountability Return 2020/21

1. Every smaller authority in England that either received gross income or incurred gross expenditure exceeding £25,000 **must** complete Part 3 of the Annual Governance and Accountability Return at the end of each financial year in accordance with *Proper Practices*.
2. **The Annual Governance and Accountability Return is made up of three parts, pages 3 to 6:**
  - The **Annual Internal Audit Report** **must** be completed by the authority's internal auditor.
  - **Sections 1 and 2** **must** be completed and approved by the authority.
  - **Section 3** is completed by the external auditor and will be returned to the authority.
3. The authority **must** approve Section 1, Annual Governance Statement, before approving Section 2, Accounting Statements, and both **must** be approved and published on the authority website/webpage **before 1 July 2021**.
4. An authority with either gross income or gross expenditure exceeding £25,000 or an authority with neither income nor expenditure exceeding £25,000, but which is unable to certify itself as exempt, or is requesting a limited assurance review, **must** return to the external auditor by email or post (not both) **no later than 30 June 2021**. Reminder letters will incur a charge of £40 +VAT:
  - the Annual Governance and Accountability Return Sections 1 and 2, together with
  - a bank reconciliation as at 31 March 2021
  - an explanation of any significant year on year variances in the accounting statements
  - notification of the commencement date of the period for the exercise of public rights
  - Annual Internal Audit Report 2020/21

Unless requested, do not send any additional documents to your external auditor. Your external auditor will ask for any additional documents needed.

Once the external auditor has completed the limited assurance review and is able to give an opinion, the Annual Governance and Accountability **Section 1, Section 2 and Section 3 – External Auditor Report and Certificate** will be returned to the authority by email or post.

## Publication Requirements

Under the Accounts and Audit Regulations 2015, authorities must publish the following information on the authority website/webpage:

Before 1 July 2021 authorities **must** publish:

- Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited;
- **Section 1 - Annual Governance Statement 2020/21**, approved and signed, page 4
- **Section 2 - Accounting Statements 2020/21**, approved and signed, page 5

Not later than 30 September 2021 authorities **must** publish:

- Notice of conclusion of audit
- **Section 3 - External Auditor Report and Certificate**
- **Sections 1 and 2 of AGAR** including any amendments as a result of the limited assurance review.

It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report, page 3.

The Annual Governance and Accountability Return constitutes the annual return referred to in the Accounts and Audit Regulations 2015. Throughout, the words 'external auditor' have the same meaning as the words 'local auditor' in the Accounts and Audit Regulations 2015.

\*for a complete list of bodies that may be smaller authorities refer to schedule 2 to the Local Audit and Accountability Act 2014.



## Guidance notes on completing Part 3 of the Annual Governance and Accountability Return (AGAR) 2020/21

- The authority **must** comply with *Proper Practices* in completing Sections 1 and 2 of this AGAR. *Proper Practices* are found in the *Practitioners' Guide\** which is updated from time to time and contains everything needed to prepare successfully for the financial year-end and the subsequent work by the external auditor.
- Make sure that the AGAR is complete (no highlighted boxes left empty), and is properly signed and dated. If the AGAR contains unapproved or unexplained amendments, it may be returned and additional costs will be incurred.
- The authority **should** receive and note the Annual Internal Audit Report before approving the Annual Governance Statement and the accounts.
- Use the checklist provided below to review the AGAR for completeness before returning it to the external auditor by email or post (not both) no later than 30 June 2021.
- The Annual Governance Statement (Section 1) must be approved on the same day or before the Accounting Statements (Section 2) and evidenced by the agenda or minute references.
- The Responsible Financial Officer (RFO) must certify the accounts (Section 2) before they are presented to the authority for approval. The authority must in this order; consider, approve and sign the accounts.
- The RFO is required to commence the public rights period as soon as practical after the date of the AGAR approval.
- Do not send the external auditor any information not specifically requested. However, **you must inform your external auditor about any change of Clerk, Responsible Financial Officer or Chairman, and provide relevant authority owned generic email addresses and telephone numbers.**
- Make sure that the copy of the bank reconciliation to be sent to your external auditor with the AGAR covers all the bank accounts. If the authority holds any short-term investments, note their value on the bank reconciliation. The external auditor must be able to agree the bank reconciliation to Box 8 on the accounting statements (**Section 2, page 5**). An explanation **must** be provided of any difference between Box 7 and Box 8. More help on bank reconciliation is available in the *Practitioners' Guide\**.
- Explain fully significant variances in the accounting statements on **page 5**. Do not just send a copy of the detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include complete numerical and narrative analysis to support the full variance.
- If the external auditor has to review unsolicited information, or receives an incomplete bank reconciliation, or variances are not fully explained, additional costs may be incurred.
- Make sure that the accounting statements add up and that the balance carried forward from the previous year (Box 7 of 2020) equals the balance brought forward in the current year (Box 1 of 2021).
- The Responsible Financial Officer (RFO), on behalf of the authority, **must** set the commencement date for the exercise of public rights of 30 consecutive working days which **must** include the first ten working days of July.
- The authority **must** publish on the authority website/webpage the information required by Regulation 15 (2), Accounts and Audit Regulations 2015, including the period for the exercise of public rights and the name and address of the external auditor **before 1 July 2021**.

Completion checklist – 'No' answers mean you may not have met requirements		Yes	No
All sections	Have all highlighted boxes have been completed?	✓	
	Has all additional information requested, including <b>the dates set for the period for the exercise of public rights</b> , been provided for the external auditor?	✓	
Internal Audit Report	Have all highlighted boxes been completed by the internal auditor and explanations provided?	✓	
Section 1	For any statement to which the response is 'no', has an explanation been published?	✓	
Section 2	Has the authority's approval of the accounting statements been confirmed by the signature of the Chairman of the approval meeting?	✓	
	Has an explanation of significant variations from last year to this year been published?	✓	
	Has the bank reconciliation as at <b>31 March 2021</b> been reconciled to Box 8?	✓	
	Has an explanation of any difference between Box 7 and Box 8 been provided?	✓	
Sections 1 and 2	Trust funds – have all disclosures been made if the authority as a body corporate is a sole managing trustee? <b>NB:</b> do not send trust accounting statements unless requested.	✓	

\***Governance and Accountability for Smaller Authorities in England – a Practitioners' Guide to Proper Practices**, can be downloaded from [www.nalc.gov.uk](http://www.nalc.gov.uk) or from [www.ada.org.uk](http://www.ada.org.uk)



# Annual Internal Audit Report 2020/21

Tharston and Hapton Parish Council

tharstonandhapton.norfolkparishes.gov.uk

During the financial year ended 31 March 2021, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2020/21 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.			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 2019/20, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2019/20 AGAR tick "not covered")			✓
L. If the authority has an annual turnover not exceeding £25,000, it publishes information on a website/webpage up to date at the time of the internal audit in accordance with the Transparency code for smaller authorities.			✓
M. The authority, during the previous year (2019-20) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set).	✓		
N. The authority has complied with the publication requirements for 2019/20 AGAR (see AGAR Page 1 Guidance Notes).	✓		
<b>O. (For local councils only)</b> Trust funds (including charitable) – The council met its responsibilities as a trustee.		<del>No</del>	✓

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

10/05/2020 14/05/2021

Name of person who carried out the internal audit

ANNE ELIZABETH BARNES

Signature of person who carried out the internal audit

Anne E. Barnes

Date

14/05/2021

\*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

\*\*Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).



## Section 1 – Annual Governance Statement 2020/21

We acknowledge as the members of:

Tharston and Hapton Parish 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 2021, that:

	Agreed			'Yes' means that this authority:
	Yes	No*		
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	✓			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	has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.
			✓	

\*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:

12/05/2021

and recorded as minute reference:

10h

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

Chairman



Clerk



tharstonandhapton.norfolkparishes.gov.uk



## Section 2 – Accounting Statements 2020/21 for

Tharston and Hapton Parish Council

	Year ending		Notes and guidance
	31 March 2020 £	31 March 2021 £	
1. Balances brought forward	33171	41172	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	21876	23000	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	4233	43555	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	7110	10375	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	2403	2340	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	8595	45481	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	41172	49531	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	41172	49531	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – <b>To agree with bank reconciliation.</b>
9. Total fixed assets plus long term investments and assets	56601	65602	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	21999	20667	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	The Council, as a body corporate, acts as sole trustee for and is responsible for managing Trust funds or assets.
		✓	N.B. The figures in the accounting statements above do not include any Trust transactions.

I certify that for the year ended 31 March 2021 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval

*AAJ*

Date

28/04/2021

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

12/05/2021

as recorded in minute reference:

101

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

### Section 3 – External Auditor’s Report and Certificate 2020/21

In respect of Tharston and Hapton Parish Council

#### 1 Respective responsibilities of the auditor and the authority

Our responsibility as auditors to complete a **limited assurance review** is set out by the National Audit Office (NAO). A limited assurance review is **not a full statutory audit**, it does not constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and hence it **does not** provide the same level of assurance that such an audit would. The UK Government has determined that a lower level of assurance than that provided by a full statutory audit is appropriate for those local public bodies with the lowest levels of spending.

Under a limited assurance review, the auditor is responsible for reviewing Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with NAO Auditor Guidance Note 02 (AGN 02) as issued by the NAO on behalf of the Comptroller and Auditor General. AGN 02 is available from the NAO website – <https://www.nao.org.uk/code-audit-practice/guidance-and-information-for-auditors/> .

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2021; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

#### 2 External auditor’s limited assurance opinion 2020/21

(Except for the matters reported below)\* on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return, in our opinion the information in Sections 1 and 2 of the Annual Governance and Accountability Return is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met. (\*delete as appropriate).

(continue on a separate sheet if required)

Other matters not affecting our opinion which we draw to the attention of the authority:

(continue on a separate sheet if required)

#### 3 External auditor certificate 2020/21

We certify/do not certify\* that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2021.

\*We do not certify completion because:

External Auditor Name

External Auditor Signature

Date



## Tharston and Hapton Parish Council Bank Reconciliation

**Financial year ending 31 March 2021**

Prepared by: Alan Arber Clerk/RFO

Date: 1st May 2021

**Balance per bank statements as at 31 March 2021**

Barclays Community Account	£ 28,914.79	
Jubilee Hall Account	£ 20,616.20	
	<u>£ 49,530.99</u>	

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Net balances at 31 March 2021

£ 49,530.99

### **Cashbook**

Opening balance at 1 April 2020	£ 41,172.75
Add: Receipts	£ 66,555.40
Less: Payments	£ 58,197.16
	<u>£ 49,530.99</u>

## Smaller authority name: WACTON PARISH COUNCIL

### NOTICE OF PUBLIC RIGHTS AND PUBLICATION OF ANNUAL GOVERNANCE & ACCOUNTABILITY RETURN (EXEMPT AUTHORITY)

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

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

NOTICE	NOTES
<p>1. Date of announcement 13<sup>th</sup> June 2021(a)</p> <p>2. Each year the smaller authority prepares an Annual Governance and Accountability Return (AGAR). The AGAR has been published with this notice. It will not be reviewed by the appointed auditor, since the smaller authority has certified itself as exempt from the appointed auditor's review. Any person interested has the right to inspect and make copies of the AGAR, the accounting records for the financial year to which it 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 2021, these documents will be available on reasonable notice by application to:</p> <p>(b) Alan Arber, Parish Clerk/RFO 86 Vanguard Chase, Norwich, NR5 0UH 07813190516 wactonparish@yahoo.com</p> <p>commencing on (c) <u>Monday 14 June 2021</u></p> <p>and ending on (d) <u>Friday 23 July 2021</u></p> <p>3. Local government electors and their representatives also have:</p> <ul style="list-style-type: none"><li>• The opportunity to question the appointed auditor about the accounting records; and</li><li>• 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.</li></ul> <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 only subject to review by the appointed auditor if questions or objections raised under the Local Audit and Accountability Act 2014 lead to the involvement of the auditor. The appointed auditor is:</p> <p>PKF Littlejohn LLP (Ref: SBA Team) 15 Westferry Circus Canary Wharf London E14 4HD (<a href="mailto:sba@pkf-l.com">sba@pkf-l.com</a>)</p> <p>5. This announcement is made by (e) Alan Arber Parish Clerk and RFO</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>



Section 1	2019-2020	2020-2021	Variance (+/-)	Variance %	Explanation
<b>Box 1</b> Balances brought forward	33,171	41,172	8,001		
<b>Box 2</b> Precept	21,876	23,000	1,124	5%	The Parish Council undertook the maintenance costs for the Parish due to the work being put out to tender. This meant the parish council paying out £3200 for the maintenance in the Parish
<b>Box 3</b> Other Income	4,233	43,555	39,322	929%	The Parish Council received £37,572 in CIL monies and also a grant of £1407 for a new defibrillator that they will purchase in 2021 as the grant was received on the last day of the financial year. There was also an increase in VAT reclaim due to the land purchase for the community project of £1300
<b>Box 4</b> Staff costs	7,110	10,375	3,265	46%	Staff costs rose as the Parish Clerks was installed in the local government pension scheme for the year and his hours increased by 2 more per week to 14. The Council paid £2474 into the clerks pension and the increase in hours made a total of £1151 in extra clerks salary
<b>Box 5</b> Loan interest/ capital	2,403	2,340	- 63	-3%	
<b>Box 6</b> Other payments	8,595	45,481	36,886	429%	The Parish council were issued with £37,572 in CIL monies that they are using to put a community land project together for the parishioners
<b>Box 7</b> Balances carried forward	41,172	49,531	8,359	20%	The Parish Council have carried forward a bigger balance forward as the monies left are there the community project they are undertaking in box 6. The total carried over was £8300
<b>Box 8</b> Total Value of short term Investments	41,172	49,531	8,359	20%	The Parish Council have carried forward a bigger balance forward as the monies left are there the community project they are undertaking in box 6. The total carried over was £8300
<b>Box 9</b> Fixed assets & long term assets	56,601	65,602	9,001	16%	The increase in the asset register is due to the land purchase and the erection of a new fence and gate for the community project totalling £9000.
<b>Box 10</b> Total Borrowing	21,999	20,667	- 1,332	-6%	



**Mrs Anne E. Barnes FSLCC**  
**Internal Auditor**  
**79 Caistor Lane**  
**Caistor St Edmund**  
**Norwich**  
**NR14 8RB**



May 14, 2021

Mr A. Arber  
Clerk to Tharston & Hapton Parish Council  
86 Vanguard Chase  
Norwich  
Norfolk  
NR5 0UH

**Dear Chairman and Councillors,**

**Internal Audit Report to Tharston & Hapton Parish Council for Year Ended 31 March 2021**

**For the Attention of the Council**

**A. Appropriate accounting records have been kept properly throughout the year.**

I have inspected the Council's records to 31st March 2021. I have examined your cashbook and found it to be well maintained and up to date, correct and regularly balanced. I have also examined your invoices and bank statements and compared these to your Receipts and Payments account and your accounts in the Minute Book. I note that your payments through Barclays Bank are correctly authorised.

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

I have examined your invoices as presented to me and note that they have been approved by the Council and VAT was properly accounted for and reclaimed. VAT of £782.50 for 2020/21 has been repaid with £1327.04 reclaimed on 7<sup>th</sup> April 2021.

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



### **Review of the Effectiveness of Internal Audit**

I note that the Council has reviewed its internal audit procedures in February 2021 and that all the procedures put in place have been applied.

### **Standing Orders and Financial Regulations adopted and applied**

I note that your Standing Orders and Financial Regulations have been reviewed.

### **Risk Management Arrangements**

I note that your Risk Management Assessments has been approved.

### **Insurance**

I have reviewed the Council's insurance with RSA to ensure the insurance cover is adequate. The cover is from 1 June 2020 to 31 May 2021.

### **D. The Precept or Rates requirement resulted from an adequate budgetary process; progress against the Budget was regularly monitored; and reserves were appropriate.**

I have had sight of the Budget for 2020/21 and Budget 2021/22 and confirm that the Precept was agreed through an adequate budgetary process. The budget was reviewed against actual, and reserves have been reviewed and increased and are appropriate. The Precept of £23,625 is recorded in the Minutes of January 2021.

### **Section 137**

Section 137 Expenditure has been separately recorded in the cashbook and at NIL is within your statutory limits.

### **E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.**

### **Income Controls**

I note that all income is recorded and banked properly, and the Precept agrees with the Parish Council's notification to the Council Tax authority. The Parish Council has very few cash transactions and adequate controls are in place to minimise any loss.

### **VAT Payments Controls**

I confirm that all VAT expenditure has been recorded separately and reclaimed at regular intervals as noted above.

### **F. Petty Cash payments were properly supported by receipts, all petty cash expenditure was approved. and VAT appropriately accounted for.**

### **Petty Cash Procedures**

I note that the Parish Council does not operate a petty cash system.



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

#### **Payroll Controls**

I have examined the PAYE and Pension records for the Clerks Salary and his expenses records. The Clerks salary and expenses have been approved by the Council and PAYE and NIC and pension with Norfolk Pension Fund have been properly operated by the Council as an employer.

Contract of Employment and the Job Description have been examined and are appropriate for the job. The Clerk has been paid in accordance with the salary scales in his contract and any salary increase was approved by the Council and noted in the Minutes.

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

#### **Asset Controls**

I have examined the Council's Asset Register and note that the assets have been reviewed by the Council.

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

#### **Bank Reconciliation**

I have examined the Bank Statements and the Receipts and Payments Book and confirm that there is a Bank Reconciliation for the Barclays Bank plc accounts. The reconciliation is carried out monthly and explanations entered for any un-reconciled amounts or outstanding cheques. The total value of the investments is summarised on the reconciliation.

**J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cashbook, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.**

#### **Year-End Procedures**

I can confirm that the year-end accounts are prepared on a Receipts and Payments basis and that the accounts agree with the cashbook with an appropriate and adequate audit trail.

I note that the Council has completed the Annual Governance and Accountability Return 2020/2021 Part 3 where the higher of gross income or gross expenditure was greater than £25,000 and that the Council has not certified themselves as exempt from a limited assurance review.

- K. IF the authority certified itself as exempt from a limited assurance review in 2019/20, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2019/20 AGAR tick “not covered”)**

The Parish Council has not certified itself as exempt from a limited assurance review in 2019/20.

- L. If the authority has an annual turnover not exceeding £25,000, it publishes information on a website/webpage, up to date at the time of the internal audit, in accordance with the Transparency Code for smaller authorities.**

I have examined your website, [www.tharstonandhaption.norfolkparishes.gov.uk](http://www.tharstonandhaption.norfolkparishes.gov.uk) and found that it has met the requirements of the Transparency Code and all relevant documents are published on the website at the date of this audit.

- M. The authority, during the previous year (2019-20) correctly provided 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).**

I have examined your website and noted the Exercise of Public Rights statement.

- N. The authority has complied with the publication requirements for 2019/20 AGAR (see AGAR Page 1 Guidance Notes).**

I can confirm that the Council has complied with the publication requirements for 2019/20.

- O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.**

The Parish Council has no trusts.

#### **Matters for the Council's Attention**

**I have no matters for the attention of the Council.**

I would like to thank your Clerk for the excellent way he has presented the accounts and for his help and co-operation in preparing for the Internal Audit.

Yours sincerely,



Mrs A.E. Barnes FSLCC