

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 the dates set for the period for the exercise of public rights, 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 31 March 2021 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? NB: 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 or from www.ada.org.uk

Annual Internal Audit Report 2020/21

WOORE PARISH COUNCIL

WWW.WOOREPARISHCOUNCIL.ORG

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.			✓ None held.
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.			✓ incomplete at time of audit
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 of income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K. If the authority certified itself as exempt from a limited assurance review in 2019/20, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2019/20 AGAR tick "not covered")			✓
L. If the authority has an annual turnover not exceeding £25,000, it publishes information on a website/webpage up to date at the time of the internal audit in accordance with the Transparency code for smaller authorities.	✓		
M. The authority, during the previous year (2019-20) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set).	✓		
N. The authority has complied with the publication requirements for 2019/20 AGAR (see AGAR Page 1 Guidance Notes).	✓		

O. (For local councils only)	Yes	No	Not applicable
Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

08/03/2021 5/05/2021 7/05/2021

Name of person who carried out the internal audit

MRS SD HACKETT

Signature of person who carried out the internal audit

Date 09/05/2021

*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:

WOORE 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	No*	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	✓		<i>prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i>
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	✓		<i>made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.</i>
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	✓		<i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i>
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	✓		<i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.</i>
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		<i>considered and documented the financial and other risks it faces and dealt with them properly.</i>
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	✓		<i>arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.</i>
7. We took appropriate action on all matters raised in reports from internal and external audit.	✓		<i>responded to matters brought to its attention by internal and external audit.</i>
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.	✓		<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A
			✓

*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:

14/06/2021

and recorded as minute reference:

21036

MINUTE REFERENCE

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

Chairman

SIGNATURE REQUIRED

Clerk

SIGNATURE REQUIRED

www.wooreparishcouncil.org

PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

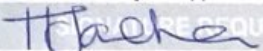
Section 2 – Accounting Statements 2020/21 for

WOORE PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2020 £	31 March 2021 £	
1. Balances brought forward	28,306	54,375	<i>Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to underlying financial records.</i> <i>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.</i>
2. (+) Precept or Rates and Levies	30,727	30,727	<i>Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.</i>
3. (+) Total other receipts	18,098	67,467	<i>Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.</i>
4. (-) Staff costs	6,684	9,156	<i>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.</i>
5. (-) Loan interest/capital repayments	0	0	<i>Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).</i>
6. (-) All other payments	16,072	50,926	<i>Total expenditure or payments as recorded in the cash-book less staff costs (line 4) and loan interest/capital repayments (line 5).</i>
7. (=) Balances carried forward	54,375	92,487	<i>Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).</i>
8. Total value of cash and short term investments	54,375	92,487	<i>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.</i>
9. Total fixed assets plus long term investments and assets	74,726	74,726	<i>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.</i>
10. Total borrowings	0	0	<i>The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).</i>
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	<i>The Council, as a body corporate, acts as sole trustee for and is responsible for managing Trust funds or assets.</i>
		✓	<i>N.B. The figures in the accounting statements above do not include any Trust transactions.</i>

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



Date 14/06/2021

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

10/06/2021

as recorded in minute reference:

21036

MINUTE REFERENCE

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

 MINUTE REQUIRED

Bank reconciliation – pro forma

This reconciliation should include all bank and building society accounts, including short term investment accounts. It must agree to Box 8 in the c ending 31 March 20xx" in Section 2 of the AGAR – and will also agree to Box 7 where the accounts are prepared on a receipts and payments basis highlighted boxes, remembering that unpresented cheques should be entered as negative figures.

Name of smaller authority:

WOORE PARISH COUNCIL

County area (local councils and parish meetings only):

SHROPSHIRE

Financial year ending 31 March 20xx

Prepared by (Name and Role):

HELEN JACKSON, CLERK & RESPONSIBLE FINANCE OFFICER

Date:

14TH JUNE 2021

Balance per bank statements as at 31/3/21:

Current Account
Business Reserve Account

	£	£
	100.00	
	128,150.84	
		128,250.84

Petty cash float (if applicable)

0.00

Less: any unpresented cheques as at 31/3/21 (enter these as negative numbers)

Cheque Number 1760
Cheque Number 1766
Unresolved balance

(11,762.40)
(24,000.00)
(1.69)
(35,764.09)

Add: any un-banked cash as at 31/3/xx

0.00
0.00

Net balances as at 31/3/21 (Box 8)

92,486.75

Explanation of variances – pro forma

Name of smaller authority: **WOORE PARISH COUNCIL**
County area (local councils and boroughs): **SHROPSHIRE**

Insert figures from Section 2 of the AQAR in all Blue highlighted boxes

Next, please provide full explanations, including numerical values, for the following that will be flagged in the green boxes where relevant:
 • variances of more than 15% between totals for individual boxes (except variances of less than £200);
 • New from 2020/21: variances of £100,000 or more require explanation regardless of the % variation year on year;
 • a breakdown of approved reserves on the next tab if the total reserves (Box 7) figure is more than twice the annual precept rates & levies value (Box 2).

	31/03/2020 £	31/03/2021 £	Variance £	Variance %	Explanation Required?	Automatic responses trigger below based on figures input. DO NOT OVERWRITE THESE BOXES	Explanation from smaller authority (must include narrative and supporting figures)
1 Balances Brought Forward	28,336	54,375				Explanation of % variance from PY opening balance not required. Balance brought forward does not agree. Query raised	
2 Precept or Rates and Levies	35,727	35,727	0	0.00%	NO		
3 Total Other Receipts	18,098	87,487	49,389	272.78%	YES		CIL Neighbourhood Fund payment of £24,000 for part funding on project to provide drainage and associated works on council owned land at Newcastle Road, purchased 2018. CIL Payment of £35,992.14 for housing development completed within the Parish.
4 Staff Costs	8,884	9,156	2,472	35.98%	YES		Restated figures for 2020, expenses included previously in error. Variance is entirely due to increase in Clerk overtime hours worked and paid, as a result of the volume of work.
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO		
6 All Other Payments	18,072	50,928	34,854	216.86%	YES		Restated figures for 2020, expenses included in error previously. Drainage and associated works completed on parish council owned land at Newcastle Road completed, at cost of £35,762.40 (inc VAT) (part funded by CIL as noted above).
7 Balances Carried Forward	54,375	87,487			YES	VARIANCE EXPLANATION NOT REQUIRED EXPLANATION REQUIRED ON RESERVES TAB AS TO WHY CARRY FORWARD RESERVES ARE GREATER THAN TWICE INCOME FROM LOCAL TAXATION/LEVIES	
8 Total Cash and Short Term Investments	54,375	87,487				VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and	74,726	74,726	0	0.00%	NO		Method applied for calculating fixed assets was inaccurate as it applied accrual methods of depreciation. This was picked up during internal audit and the PC were advised to change methods and restate figures. The method of applying historic cost and replacement value has now been adopted. The figure of £74,726.39 represents the total cost of all assets. Changes applied to comparative years also and figures restated. There will be a significant variance from figures previously reported for year ended 31st March 2020 as an historic cost value has been applied to all assets. There have been no additions or disposals of assets for year ended 31st March 2021.
10 Total Borrowings	0	0	0	0.00%	NO		

Rounding errors of up to £2 are tolerable
Variances of £200 or less are tolerable

Explanation for 'high' reserves

(Please complete the highlighted boxes.)

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

Earmarked reserves:

- CIL Neighbourhood Fund (not to be used for general expenses). (Newcastle Road, Village Green projects and streetlight replacement project)
- Recreation Fund (not to be used for general expenses). (St. Leonards play area review project)
- General fund (Projects deferred due to COVID e.g HS2 petition, defibrillator replacement, community speed initiatives, smartwater crime prevention)

£	£	£
46,501.14		
11,436.00		
16,218.95		
		<u>74156.09</u>
18330.66		
	<u>18330.66</u>	
		<u><u>92486.75</u></u>

General reserve

Total reserves (must agree to Box 7)

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

In respect of

WOORE 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

ENTER NAME OF EXTERNAL AUDITOR

External Auditor Signature

SIGNATURE REQUIRED

Date

DD/MM/YY

INTERNAL AUDIT REPORT 2020-21 WOORE PARISH COUNCIL

1 INTRODUCTION

As the Council's Internal Auditor I have independently carried out an examination of areas which meet the internal control objectives as listed on the Annual Governance and Accounts Return (AGAR) and best practices as outlined in the Practitioners Guide 2020 & 2021 for the year ended 31st March 2021.

The audit has been carried out using a risk assessment basis approach and examines the Council's compliance with its relevant procedures and controls in operation through a review of the evidence of these controls and selected detailed sampling. The Internal Audit Report on the AGAR was then completed as per conclusions drawn from these detailed findings.

2 OVERALL

I have completed an examination of Council records made available to me to date and have completed the Internal Audit Report positively. **The standard of administration and system of internal controls relating to the audit areas examined throughout the financial year were considered to be of a good standard and meets the needs of the Council and those procedures recommended in The Practitioners' Guides. As the newly appointed Clerk had no experience of the year end process a certain amount of training has been necessary and Fixed Assets and Variance Reports have yet to be completed and have therefore not been audited.**

The table of findings on page 2-4 supports the above statement.

A sample review of Council meeting minutes confirmed that the Council was quorate when it met virtually and that council decisions were clearly recorded. Reliance was placed on the Council's website during the audit and it was found to be both informative and met transparency requirements.

I would like to thank the Clerk for her patience in scanning in and presenting records which have assisted the internal audit process. Should you have any queries with this report please do not hesitate to get in touch.

Regards,

S D Hackett

SDH Accounting & Audit Services Gonsal House Condover Shrewsbury SY5 7EX Date: 7/5/2021

3 INTERNAL AUDIT DETAILED FINDINGS - WOORE PARISH COUNCIL 2020/21

Key Control Objective	Findings	The key control objective has been satisfactorily achieved?
A. Appropriate accounting records have been properly kept throughout the financial year.	The primary accounts record examined 1-4-20 to 31-3-21; (i.e. the excel ledger) was found, following a number of adjustments to be comprehensive, accurate and complete, providing a full audit trail.	Yes
B. Council complied with its financial regulations, payments were supported by invoices/vouchers, all expenditure was approved and VAT was appropriately accounted for.	A sample of 12 payments were agreed between the accounts and Council minutes. 10 of these were selected and satisfactorily traced to supporting invoices/documents. VAT was found to be appropriately accounted for within the accounts.	Yes
C. Council assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	An annual Risk Assessment has yet to be introduced however it is evident that additional measures have been taken as a result of COVID to ensure smooth running of the Council and parish activities. In particular the measures taken to safe guard play areas. Financial Regulations have been revisited during 2020/21 and the need for cloud storage and proper back up procedures identified. Two council members act as internal scrutineers who checked financial transactions in quarters 1-3; and bank reconciliations this demonstrates good internal control. Council and the Clerk have identified that Standing Orders, Data Protection & GDPR policies require further attention.	Overall Yes
D. The annual precept requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored by the Council; and reserves were appropriate.	The Clerk/RFO presented a budget monitoring progress report to Council to support the 2021/22 budget process. Budget monitoring reports are to be provided to Council on a regular basis in future. Budget Setting 2021/22 – A Budget was presented to Council at November meeting and following amendment discussed at the December 2020 meeting in detail. Council resolved that a Precept of £30,727 be requested at the meeting, with any deficit being met by the General Reserve as it was noted that a	Overall Yes; however in year Budget Monitoring requires improvement and year end balances require explanation in the Variance Analysis report.

	healthy year ends position was forecast and CIL monies expected.	
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked.	Reserves – Year end funds £92,487 require explaining to the external auditor in the Variance Analysis Sheet as they are twice that of the precept. Within the Council's reserves there are ring fenced balances including CIL funding. A precept receipt of £30,727, Neighbourhood fund £35,692 and CIL £24,000 was agreed to a supporting SC remittances. A VAT refund receipt of £7,313 relating to 3 quarters of the current year was traced and fully supported. The quarter 4 claim requires minor amendments following adjusts to the accounts.	Yes
F. Petty Cash has been properly accounted for	None held	Yes; as not applicable
G. Payroll – Salaries to employees and allowances to members were paid in accordance with the authority's approvals and PAYE & NI requirements properly applied.	All pay calculations are now processed using HMRC payroll software and are supported by the Clerk's contract and approved by Council. It is unclear what software the previous clerk used for pay calculations; however there is evidence of PAYE being deducted and remitted. The current clerk's salary payments appear reasonable, one payment was checked in detail and was found to be accurate and in agreement with Council decisions and National Pay Scales. The Clerks have been allowed to claim a monthly Working from Home Allowance; the amount claimed exceeds the allowance recommended by HMRC and as such should be treated as a benefit in kind and declared to HMRC. (The recommended HMRC allowance is £26 per month.) It is recommended that the Clerk/RFO seeks further advice on the matter from SALC or SLCC. No allowances have been paid to members during the year.	Yes; however the Clerk needs to investigate further Home Working allowances.
H. Asset and investment registers were accurate and properly maintained.	The Asset Register was in the process of being updated by the Clerk/RFO as current valuations for land purchased had been queried. It has yet to be formally adopted by Council. No investment register is required.	Unable to comment on Asset Register is currently being computed by Clerk/RFO.

I Periodic Bank Reconciliations were properly carried out during the year	Periodic bank reconciliations have been carried out by the Clerk and presented to Council however notably not very regularly. They have however been or are being checked by council scrutineers. Q4 was re-performed by the auditor and found to be correct; given a minor difference of £1.69 was identified. I recommend that this positive adjustment is made in the 2021/22 accounts.	Yes
J Accounting statements prepared during the year were prepared on the correct accounting basis, agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	Following some initial adjustments the AGAR and yearend accounting statement has been prepared accurately on a receipts and payments basis, agrees with the cash book and yearend bank reconciliation. Sample testing supported the accuracy of the audit trail to underlying records.	Yes
K The Council appropriately certified itself as exempt from a limited assurance review by external audit in 2019/20.	Receipts and payments for the year exceeded £25,000; therefore a limited assurance review by external audit was required.	Certification from exemption not applicable
L. Council publishes information on a website/webpage up to date at the time of the internal audit, in accordance with the Transparency Code for smaller councils.	The Council's website was found to be both informative and met Transparency requirements.	Yes
M Council correctly provided the proper opportunity for the exercise of public rights in accordance with the amended Accounts and Audit Regulations 2015 per Covid 19.	The appropriate Notice for the Exercise of Public Rights was uploaded to the Council's website on 9/7/20.	Yes
N. The Council has complied with the publication requirements for the 2019/20 AGAR	All relevant documentation was found on the Council's website at the time of the audit.	Yes

SDH Accounting & Audit Services

Date: 7/5/2021

**CONFIRMATION OF THE DATES OF THE PERIOD FOR THE
EXERCISE OF PUBLIC RIGHTS**

Name of smaller authority: WOORE PARISH COUNCIL

County Area (local councils and parish meetings only): SHROPSHIRE

On behalf of the smaller authority, I confirm that the dates set for the period for the exercise of public rights are as follows:

Commencing on MONDAY 21ST JUNE 2021

and ending on FRIDAY 30TH JULY 2021

(Please enter the dates set by the smaller authority as appropriate which must be 30 working days (i.e. Monday – Friday only, and not Bank Holidays) inclusive and must include the first 10 working days of July 2021 (i.e. Thursday 1 July – Wednesday 14 July).

We have suggested the following dates: Monday 14 June – Friday 23 July 2021. The latest possible dates that comply with the statutory requirements are Thursday 1 July – Wednesday 11 August 2021.)

Signed: H. Jackson Helen Jackson

Role: Clerk & Responsible Finance Officer

This form is only for use by smaller authorities subject to a review:

Please submit this form to PKF Littlejohn LLP with the AGAR Part 3 and other requested documentation – this form is not for publication on your website.