

Annual Governance and Accountability Return 2021/22 Form 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 Form 3 of the Annual Governance and Accountability Return 2021/22

1. Every smaller authority in England that either received gross income or incurred gross expenditure exceeding £25,000 **must** complete Form 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 2022**.
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 2022**. 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 2022
 - 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 2021/22

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 2022 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 2021/22**, approved and signed, page 4
- **Section 2 - Accounting Statements 2021/22**, approved and signed, page 5

Not later than 30 September 2022 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 Form 3 of the Annual Governance and Accountability Return (AGAR) 2021/22

- 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 2022.
- 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 2021) equals the balance brought forward in the current year (Box 1 of 2022).
- 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 2022**.

Completion checklist – 'No' answers mean you may not have met requirements		Yes	No
All sections	Have all highlighted boxes have been completed?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Has all additional information requested, including the dates set for the period for the exercise of public rights , been provided for the external auditor?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Internal Audit Report	Have all highlighted boxes been completed by the internal auditor and explanations provided?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Section 1	For any statement to which the response is 'no', has an explanation been published?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Section 2	Has the authority's approval of the accounting statements been confirmed by the signature of the Chairman of the approval meeting?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Has an explanation of significant variations been published where required?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Has the bank reconciliation as at 31 March 2022 been reconciled to Box 8?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Has an explanation of any difference between Box 7 and Box 8 been provided?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**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 2021/22

North Tawton Town Council

www.northtawtontowncouncil.gov.uk

During the financial year ended 31 March 2022, 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 2021/22 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.			✓ N/A
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 2020/21, 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")			✓ N/A
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			✓ N/A
M. The authority, during the previous year (2020-21) 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 2020/21 AGAR (see AGAR Page 1 Guidance Notes).	✓		
O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

B. VAT RETURN INCORRECTLY INCLUDES VAT FOR WATER RATES INVOICES.
 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: 12/05/2022
 Name of person who carried out the internal audit: Alison Marshall

Signature of person who carried out the internal audit

AJ Marshall

Date

12/05/2022

*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 2021/22

We acknowledge as the members of:

NORTH TAWTON 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 2022, 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
			<i>has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.</i>

*Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.

This Annual Governance Statement was approved at a meeting of the authority on:

07-06-2022

and recorded as minute reference:

7-2-22

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

Chairman

 SIGNATURE REQUIRED

Clerk

 SIGNATURE REQUIRED

<https://northtawtontowncouncil.gov.uk/> AVAILABLE WEBSITE/WEBPAGE ADDRESS

Section 2 – Accounting Statements 2021/22 for

NORTH TAWTON TOWN COUNCIL

	Year ending		Notes and guidance
	31 March 2021 £	31 March 2022 £	
			<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>
1. Balances brought forward	136,556	173,921	<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	122,189	132,216	<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	12,077	30,159	<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	27,666	31,433	<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	1,555	1,555	<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	67,680	89,977	<i>Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).</i>
7. (=) Balances carried forward	173,921	213,332	<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	173,921	213,332	<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	855,425	958,827	<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	2,889	1,487	<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	N/A
		✓	
			<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 2022 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

7/6/22

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

07-06-2022

as recorded in minute reference:

MINUTE REFERENCE

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

SIGNATURE REQUIRED

Section 3 – External Auditor’s Report and Certificate 2021/22

In respect of

NORTH TAWTON TOWN 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 2022; 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 2021/22

(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 2021/22

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 2022.

*We do not certify completion because:

External Auditor Name

ENTER NAME OF EXTERNAL AUDITOR

External Auditor Signature

SIGNATURE REQUIRED

Date

DD/MM/YY

Bank reconciliation – pro forma

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

Name of smaller authority: **NORTH TAWTON TOWN COUNCIL**

County area (local councils and parish meetings only): **WEST DEVON**

Financial year ending 31 March 20xx

Prepared by (Name and Role): **MELANIE BICKELL - RFO**

Date: **05/04/2022**

	£	£
Balance per bank statements as at 31/3/22:		
Triodos	66,268.85	
Lloyds Bank Multipay card	- 131.24	
Unity Trust Current	62,859.81	
Unistry Trust Instant Access	60.38	
NatWest Reserve 1	29,507.33	
NatWest Reserve 2	42,683.52	
NatWest Current account 8	12,132.85	
		213,381.50
Petty cash float (if applicable)		-
Less: any unpresented cheques as at 31/3/22 (enter these as negative numbers)		
Jens Café	- 50.00	
item 2		
item 3		
item 4		
[add more lines if necessary] item 5		
item 6		
item 7		
item 8		
		(50.00)
Add: any un-banked cash as at 31/3/22		
		-
Net balances as at 31/3/22 (Box 8)		<u>213,331.50</u>

North Tawton Town Council
ANNUAL RETURN - Section 2 : Statement of Accounts

Explanation of variances

This is prepared based on information in "Governance and Accountability for Local Councils : a Practitioner's Guide"

Important note: These figures have been prepared on an PAYMENTS and RECEIPTS basis.

Box No.	Description	31/03/2021 £	31/03/2022 £	Variance £	Variance %	Explanation Required?	Notes
1	Balances brought fwd	136556	173921				BALANCE B/F AGREES
2	Annual precept	122189	132216	10027	8%	No	
3	Total other receipts	12077	30159	18082	150%	Yes	£10,995 grant received towards a new pavilion in the park, £1276.73 grant towards carrying out a Housing Needs Survey and additional £5751 cemetery fees income
4	Staff Costs	27666	31433	3767	14%	No	
5	Loan interest/capital repayments	1555	1555	0	0%	No	
6	Total other payments	67680	89977	22297	33%	Yes	£1995.00 paid out on 3 yearly contract to maintain sinks/dryers in the public toilets, £14745 on stone wall surveys and repairs Churchyard and carpark, New office Safe £1040, £4618 on tree survey and tree works
7	Balances carried forward	173921	213332	39411	23%	No	
8	Total Cash and Short Term Investments	173921	213332	39411	23%	No	
9	Total Fixed Assets and Long Term Investments	855425	958827	103402	12%	No	
10	Total Borrowings	2889	1421	-1468	51%	Yes	Payments of £1467.94 made during 2021-22 have reduced balance

Rounding errors of up to £2 are tolerable

Variances of £200 or less are tolerable

BOX 10 VARIANCE EXPLANATION NOT REQUIRED IF CHANGE CAN BE EXPLAINED BY BOX 5 (CAPITAL PLUS INTEREST PAYMENT)

Alison Marshall - Local Council Administration Services

Dinneford House, Dinneford Street, Thorverton, Devon EX5 5NU

t. 07801 575521 / 01392 861228 e. alisonmarshall.lcas@gmail.com

To: North Tawton Town Council

Date: 12th May 2022

Internal Audit Report 2021/2022 for North Tawton Town Council

All Councils are required to implement an annual independent Internal Audit examination of its accounts, accounting processes and internal controls. The aim of this is to ascertain whether the systems of financial and other internal controls, over its activities and operating procedures, are effective. A sample system has been used, as felt appropriate for the size of the Council, to test these processes.

This report details the results of the audit which has been carried out in accordance with the requirements of the Governance and Accountability Practitioners Guide.

Standard Documentation

- The Council has tested internal control systems regularly.
- Financial Regulations, Standing Orders and Code of Conduct documents are in place, have been regularly reviewed, and are in order.
- A Website Accessibility Statement is in place and I understand the document is under review.
- The Council remains short of full membership of 12 Councillors but the website and minutes advertise the fact and invite interest. At any time, the quorum for the Council is 4.
- Email addresses – it is recommended that bespoke Council and Councillor email addresses are in place and I see that this has been actioned.
- Royal mourning period (2021) – the requirements have been observed.

Public Funds

- Payment controls are in place and the Council oversees all payments regularly.
- Purchase and payment documentation cross checked to the accounts was found to be in order.
- VAT requirements have been adhered to generally, although some VAT numbers were missing from the claim paperwork and VAT has been claimed for Pennon Water invoices when there is not VAT to claim on water bills. I recommend that all VAT reclaim paperwork is double checked going forward.
- Petty Cash – no longer held.
- Borrowing is in place and repayments have been evidenced. During my visit to the office I noticed that the loan balance on the AGAR was different to that on the loan statement. Whilst this has now been corrected, I recommend that all AGAR figures are double checked prior to being signed off and submitted to the External Auditor.
- Trust funds are held in a separate bank account and separate meetings take place for Trust business. I recommend that the minutes are uploaded to the website, and that the Trustee details held by the Charity Commission are reviewed due to recent changes. As the 'Trustees' are individual Councillors, and not the Council as a whole, there is no longer a requirement to note the Trust on the AGAR form. I note that the annual return was received 1 day late by the Charity Commission in 2021.

- The accounts are in good order and easy to read. Section 137 payments have been identified, signed off by the Council and spending is within the allowed annual limit. It is noted that the Council is to adopt the General Power of Competence and so Section 137 will no longer apply.
- 'Other' income, such as from the Cemetery, has been accounted for and documented.
- Quotes have been obtained in accordance with the Financial Regulations.

Risk Management and Budget Control

- A Risk Management Policy is in place, has been recently reviewed, and is in good order.
- There is an Internal Control Policy in place.
- The annual general Insurance policy has been reviewed and appears to be in order.
- The latest annual budget document is of a good standard and has been used to set the annual precept by full Council. Regular reviews against budget have taken place. The precept outcome has been minuted appropriately.
- Reserved funds – although the figures is high, all funds have been fully accounted for.
- IT backup is overseen by the Clerk weekly and appears to be in order.
- The website can be accessed and updated by the Clerk and is in order.
- Meeting agendas are thorough and in order.
- Meeting minutes are thorough, easy to read, and in order.
- Annual membership of the Information Commissioners Office (ICO) has been confirmed.
- There is a Privacy Notice, Publication Scheme, Freedom of Information Policy and a Complaints Policy in place, amongst several others policies, evidencing good practice.
- Committees are in place and relevant Terms of Reference have been evidenced. I recommend that the Committee agendas and minutes are uploaded onto the website, as would be expected.
- Play equipment is checked regularly by the Handyman and annually by RoSPA.
- A CCTV system is in place in the Clerk's office and the CCTV Policy is currently under review.
- Burial records – I recommend that all burial related hard copy records are kept in a locked safe.

Employment

- There are two employees and each has a Contract of Employment in place.
- The new Assistant Clerk's employment has been minuted at a full Council meeting but the promotion/appointment of the new Town Clerk has only been noted. I recommend that the latter is agreed by full Council and that the contracted hours and pay scale rate are added.
- PAYE/payroll is outsourced and payments to HMRC have been evidenced. There are no pensions in place although a budget has been set aside in connection with a pension for the new employee. The Pensions Regulator documentation has not been viewed during this audit.
- Staff salary increases and backdated pay – all minuted appropriately.

Asset Control

- The Asset Register is up to date and in order.

Banking and Bank Reconciliations

- Bank reconciliations have been produced regularly and shared with the Council.
- Internet Banking is used, along with some cheques, and the processes adopted appear to be in order as the Council resolves all payments, the RFO arranges the payments, the Council checks the accuracy of the payments and that cheques and cheque book stubs all carry the required two authorised signatures / initials. A bank card is used and the balance is cleared monthly. The Council has resolved to accept the card bank charges of approximately £3 per month.

Year End

- Year-end 31/03/2021 – issues highlighted by the external auditor should be reviewed prior to signing off this year's AGAR documents. I recommend that the 'spare' link to the audit documentation on the 'home' page of the website is deleted.
- Year-end 31/03/2022 – the documents are currently being completed and understanding of requirements has been confirmed by the Clerk. Note – it is now a requirement of the External Auditor to use its 'Variances' template.
- Exercise of Public Rights 2021 – the process appears to have been followed correctly, the dates are in order and the document has been published.

Summary

It is my opinion that proper practices have been followed and that the Council has some effective systems of internal control in place to support the lowering of risk. I have made some recommendations within this report for Council consideration which, if actioned, will further support the lowering of risk going forward.



Alison Marshall May 2022