

Title	End of Year Finance 2022-2023
Authors	RFO
Meeting	Goring-on-Thames Parish Council Annual Council Meeting – 15 th May 2023

- 26.1. To note the reconciled bank accounts as of 31st March 2023.**
- 26.2. To approve the annual accounts for 2022/2023, including:**
- **variances report**
 - **reserves balances**
 - **budget variations**
 - **cash and investment reconciliation – Balance Sheet**
 - **adjustments**
 - **reconciliation of Box 7 and Box 8**
- 26.3. To receive the Internal Audit report, consider recommendations and agree actions.**
- 26.4. To agree content and approve the Annual Governance and Accountability Return (AGAR) Section 1 “Annual Governance Statement” 2022/2023**
- 26.5. To approve the Annual Governance and Accountability Return (AGAR) Section 2 “Accounting Statements” 2022/2023**
- 26.6. To approve the dates for the public rights of inspection: 5th June – 14th July 2022, being 30 working days including the first 10 working days of July.**

Goring-on-Thames Parish 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 INCOME and EXPENDITURE basis.

Box No.	Description	31/03/2022 £	31/03/2023 £	Variance £	Variance %	Explanation Required?	Notes
1	Balances brought fwd	204727	272890				BALANCE B/F AGREES
2	Annual precept	158306	160065	1759	1%	No	N/A
3	Total other receipts	96357	90246	-6111	6%	No	N/A
4	Staff Costs	39130	49446	10316	26%	Yes	See attached sheet for complete breakdown, increased costs associated with staff changes commensurate with Council size.
5	Loan interest/capital repayments	0	0	0	0%	No	N/A
6	Total other payments	147371	150839	3468	2%	No	N/A
7	Balances carried forward	272890	322915	50026	18%	Yes	
8	Total Cash and Short Term Investments	265391	318397	53006	20%	Yes	
9	Total Fixed Assets and Long Term Investments	606557	618396	11839	2%	No	N/A
10	Total Borrowings	0	0	0	0%	No	N/A

This report is intended as a guide to the variances you may need to explain. The specific requirements vary between external auditors so please check the requirements shown on the pro forma provided to your council

Please note a breakdown of approved reserves will also be required if the total reserves (Box 7) figure is more than twice the annual precept value (Box 2)

Variance in Box 4	£	39,129.90	FY2021-2022
	£	49,445.85	FY2022-2023
	£	10,315.95	Variance
		26%	As a %age

Explanation

In 2022-2023 there was an increase because:

- There was a change in Clerk. There was an overlap in Clerks for handover, and subsequent mentoring of the new Clerk.
- There was a change in Assistant Clerk, the new Assistant Clerk had greater responsibilities and more hours, and higher SCP due to experience.
- The addition of an extra member of staff on the LGPS Pension scheme.
- £1 per hour uplift to all members of staff due to the 2022-2023 National Salary Award.

The overall increase in staff hours is commensurate with the size of the Council to ensure it's smooth running.

For full details of the figures see tables below

NOTE: Previous finance software rounded all figures to whole pounds for AGAR reporting. New software retains all pence figures; this results in some minor reporting errors between the two years.

Goring-on-Thames Parish Council
Reserves Balance
2022-2023

<u>Reserve</u>	<u>OpeningBalance</u>	<u>Transfers</u>	<u>Spend</u>	<u>Receipts</u>	<u>CurrentBalance</u>
Earmarked					
320 EMR Operating Reserve	71,464.00				71,464.00
325 EMR Tree Felling & Replac	12,000.00				12,000.00
330 EMR Playground Equipmer	20,500.00				20,500.00
335 EMR Wallingford Road Pav	5,000.00				5,000.00
340 EMR Car Park Reserves	12,000.00				12,000.00
345 EMR Community Infrastruct	31,414.86	37,525.50			68,940.36
350 EMR Pedestrian Safety Pro		511.17			511.17
355 EMR Street Lighting Replac	42,489.17	-1,039.26			41,449.91
360 EMR COVID-19 Response	4,555.27				4,555.27
365 EMR Security	3,249.04				3,249.04
370 EMR Public Spaces Strateg	11,007.37				11,007.37
375 EMR GGBN Reserved Mon	1,030.74	-332.00			698.74
380 EMR External Audit Costs	3,700.00	-3,700.00			0.00
385 EMR WHBG Reserved Plot	5,500.00				5,500.00
390 EMR Summer of Play	12,303.07	-12,303.07			0.00
395 EMR Winter of Play					0.00
400 EMR Jubilee	4,802.60	-4,802.60			0.00
410 EMR WHBG - 99Y Mainten	5,000.00				5,000.00
415 EMR Public Buildings		8,000.00			8,000.00
420 EMR Election Costs	8,000.00	-8,000.00			0.00
425 EMR Freedom of Goring	1,000.00	-60.00			940.00
430 EMR Previous Financial Ye	4,374.04	-4,374.04			0.00
Total Earmarked	259,390.16	11,425.70			270,815.86
TOTAL RESERVE	259,390.16	11,425.70			270,815.86
GENERAL FUND					52,099.54
TOTAL FUNDS					322,915.40

Goring-on-Thames Parish Council
Summary of Income & Expenditure 2022-2023
All Cost Centres and Codes (Between 01/04/2022 and 31/03/2023)

100 General Income

Code	Title	Income			Expenditure			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
1010	Bank Interest	560.00	1,495.84	935.84				935.84 (167%)
1020	CIL Receipts	23,837.00	37,871.25	14,034.25				14,034.25 (58%)
1030	Community Car Park	2,400.00	7,816.91	5,416.91				5,416.91 (225%)
1040	Events Income		1,622.74	1,622.74				1,622.74 (N/A)
1050	Grants/S106/Donations	1,500.00	2,500.00	1,000.00				1,000.00 (66%)
1060	Insurance							(N/A)
1070	Miscellaneous Income / Other	200.00	226.48	26.48				26.48 (13%)
1080	Precept	160,065.00	160,065.00					(0%)
1090	Property Income	8,500.00	13,906.85	5,406.85				5,406.85 (63%)
1100	Loan Repayments	7,000.00	7,000.00					(0%)
1999	VAT Refund							(N/A)
SUB TOTAL		204,062.00	232,505.07	28,443.07				28,443.07 (N/A)

200 Burial Ground Income

Code	Title	Income			Expenditure			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
2010	Grazing & Miscellaneous	60.00	61.10	1.10				1.10 (1%)
2020	Interments and Plots	14,000.00	12,391.00	-1,609.00				-1,609.00 (-11%)
2030	Memorials; Including Bench Donat	6,000.00	3,370.00	-2,630.00		486.49	-486.49	-3,116.49 (-51%)
SUB TOTAL		20,060.00	15,822.10	-4,237.90		486.49	-486.49	-4,724.39 (-51%)

300 Administration

Code	Title	Income			Expenditure			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
3010	Allowances, Expenses & Training				2,000.00	1,217.31	782.69	782.69 (39%)
3020	Awards and honours				1,000.00	60.00	940.00	940.00 (94%)
3030	COVID-19 Response (not Staff)							(N/A)
3040	Election Fees				16,185.00	16,198.56	-13.56	-13.56 (-0%)
3050	Hire of Meeting Room				500.00		500.00	500.00 (100%)
3060	Postage, copies and printing				2,000.00	456.93	1,543.07	1,543.07 (77%)
3070	Publications				700.00	262.05	437.95	437.95 (62%)
3080	Subscriptions				1,000.00	1,053.62	-53.62	-53.62 (-5%)
3090	Legal Fees				2,500.00	2,772.00	-272.00	-272.00 (-10%)
3100	Rates and Taxes				1,500.00	1,497.00	3.00	3.00 (0%)
3110	Website				100.00		100.00	100.00 (100%)
3120	Annual Meeting of the Parish				1,000.00	177.34	822.66	822.66 (82%)
SUB TOTAL					28,485.00	23,694.81	4,790.19	4,790.19 (N/A)

400 General Finance and Gran

Code	Title	Income			Expenditure			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
4010	Audit and Accountancy				1,515.00	1,515.00		(0%)
4020	Bank Charges				100.00	73.67	26.33	26.33 (26%)
4030	Churches S214(6) LG Act 1972							(N/A)
4040	Miscellaneous Expenditure		231.00	231.00		632.66	-632.66	-401.66 (N/A)
4050	S137 and Other (Non-Grant) Payrr							(N/A)

Goring-on-Thames Parish Council
Summary of Income & Expenditure 2022-2023
All Cost Centres and Codes (Between 01/04/2022 and 31/03/2023)

4060 Staff Costs	218.50	218.50	45,000.00	49,664.35	-4,664.35	-4,445.85 (-9%)
4070 Transport S26-29 LGR Act 1997			700.00	700.00		(0%)
4080 Loans to Local Organisations			7,000.00	7,000.00		(0%)
4090 Grants under General Powers of C			7,000.00	7,000.00		(0%)
SUB TOTAL	449.50	449.50	61,315.00	66,585.68	-5,270.68	-4,821.18 (N/A)

500 Burial Ground Expenses

Code	Title	Income			Expenditure			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
5010	WHBG General Maintenance				1,000.00	110.12	889.88	889.88 (88%)
5020	WHBG Mowing & Hedges				3,500.00	2,465.00	1,035.00	1,035.00 (29%)
5030	WHBG Plot Preparation				3,000.00	3,075.00	-75.00	-75.00 (-2%)
5040	WHBG Waste				1,200.00	785.31	414.69	414.69 (34%)
SUB TOTAL					8,700.00	6,435.43	2,264.57	2,264.57 (88%)

600 Facilities

Code	Title	Income			Expenditure			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
6010	Car Park				3,000.00	2,625.60	374.40	374.40 (12%)
6020	Defibrillator				1,000.00	1,002.99	-2.99	-2.99 (-0%)
6030	General Maintenance & Repair				4,000.00	2,666.50	1,333.50	1,333.50 (33%)
6040	Grass Weeding Strimming Fertilisi				13,500.00	11,083.00	2,417.00	2,417.00 (17%)
6050	Hedges/Fences/Paddocks/Gates				2,000.00	1,838.20	161.80	161.80 (8%)
6060	Pedestrian Safety Projects				3,000.00	595.75	2,404.25	2,404.25 (80%)
6070	Inspections Surveys & Reports				3,000.00	2,303.58	696.42	696.42 (23%)
6080	Insurance				1,749.00	1,807.52	-58.52	-58.52 (-3%)
6090	Office Equipment				2,000.00	207.50	1,792.50	1,792.50 (89%)
6100	Playground Equipment Maintenan				2,500.00		2,500.00	2,500.00 (100%)
6110	Property Sundries				4,000.00	3,979.72	20.28	20.28 (0%)
6120	Public Spaces Review				3,000.00	2,007.50	992.50	992.50 (33%)
6130	Security, Fire & Safety				450.00	74.70	375.30	375.30 (83%)
6140	Software and back-ups				4,000.00	2,345.85	1,654.15	1,654.15 (41%)
6150	Street Furniture & Seats				500.00	509.69	-9.69	-9.69 (-1%)
6160	Street Lighting		500.00	500.00	24,000.00	23,437.96	562.04	1,062.04 (4%)
6170	Street Light Replacements					3,427.82	-3,427.82	-3,427.82 (N/A)
6180	Summer of Play 2021-2022				22,000.00	17,489.42	4,510.58	4,510.58 (20%)
6190	Telephone & Internet				500.00	358.52	141.48	141.48 (28%)
6200	Traveller Eviction & Cleanup							(N/A)
6210	Trees				1,612.00	1,649.86	-37.86	-37.86 (-2%)
6220	Utilities - Gas, Water, Electricity		1,252.54	1,252.54	4,000.00	5,189.56	-1,189.56	62.98 (1%)
6230	Vandalism				500.00		500.00	500.00 (100%)
6240	Waste / Litter / Street Cleaning				5,000.00	3,718.96	1,281.04	1,281.04 (25%)
6250	Winter & Flooding							(N/A)
6255	Jubilee 2022				13,500.00	12,491.36	1,008.64	1,008.64 (7%)
6260	Village Planting				5,500.00	2,379.00	3,121.00	3,121.00 (56%)
SUB TOTAL			1,752.54	1,752.54	124,311.00	103,190.56	21,120.44	22,872.98 (N/A)

700 Neighbourhood Plan

Code	Title	Income			Expenditure			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend

Goring-on-Thames Parish Council
Summary of Income & Expenditure 2022-2023
All Cost Centres and Codes (Between 01/04/2022 and 31/03/2023)

7010 GNP Consultancy							(N/A)
7020 GNP Examination & Preparation							(N/A)
7030 GNP Meetings							(N/A)
7040 GNP Misc Expenses / Purchases		120.00	110.39	9.61	9.61		(8%)
7050 GNP Printing / Exhibitions							(N/A)
7060 GNP Printing							(N/A)
7070 GNP Referendum Preparation							(N/A)
7080 GNP Research Materials							(N/A)
SUB TOTAL		120.00	110.39	9.61	9.61		(N/A)
Restated							(N/A)
NET TOTAL	224,122.00	250,529.21	26,407.21	222,931.00	200,503.36	22,427.64	48,834.85 (10%)
V.A.T.		17,271.99			16,154.85		
GROSS TOTAL		267,801.20			216,658.21		

Goring-on-Thames Parish Council

Appendix T

BALANCE SHEET

31/03/2023

<i>(Last) Year Ended</i> 31 Mar 2022		<i>(Current) Year Ended</i> 31 Mar 2023
£	CURRENT ASSETS	£
	Stocks and stores	
3,469.39	Work in progress	
	Debtors (Net of provision for doubtful debts)	1,644.35
4,029.62	Prepayments	
	VAT Recoverable	2,912.48
265,390.54	Temporary lendings (investments)	
	Cash in hand	318,396.82
272,889.55	TOTAL ASSETS	322,953.65
	CURRENT LIABILITIES	
	Creditors	38.25
<u>272,889.55</u>	NET ASSETS	<u>322,915.40</u>
	Represented by:	
13,499.39	General fund Balance	52,099.54
	Reserves:	
	Capital	
259,390.16	Earmarked	270,815.86
	Adjustments	
<u>272,889.55</u>		<u>322,915.40</u>

The above statement represents fairly the financial position of the council as at 31 Mar 2023

Signed _____
Responsible Financial Officer

Date _____

Goring-on-Thames Parish Council
ADJUSTMENTS FOR THE YEAR ENDING 31/03/2023

Creditors - Increase Expenditure

365 Licences
Mileage

Code

Software and back-ups	36.45
Allowances, Expenses & Trai	1.80
	£38.25

Debtors - Increase Income

Community Car Park	
Personal Trainer Fees	Adrian Jimenez
Burial Ground Grazing	Lissie Steward

Code

Community Car Park	1,576.00
Property Income	7.25
Grazing & Miscellaneous	61.10
	£1,644.35

**Goring-on-Thames Parish Council
Reconciliation between Box 7 and Box 8**

31/03/2023

This report explains the difference between the total balance in Box 7 and the cash balance in Box 8 by showing the totals for each type of adjustment, the details of which can be listed using the Adjustments report. It deducts the additional assets which have been included on the balance sheet and adds back in the liabilities to arrive at the balance for actual cash and short term investments. This only applies to Annual Returns prepared on Income and Expenditure basis

	<i>Amount</i>	<i>Amount</i>
Box 7 - Balances carried forward		322,915.40
Debtors	1,644.35	
Prepayments		
Stocks and Stores		
VAT Recoverable	2,912.48	
TOTAL DEDUCTIONS		4,556.83
Creditors	38.25	
Receipts in Advance		
Doubtful Debts		
TOTAL ADDITIONS		38.25
Box 8 - Total cash and short term investments		318,396.82

4 May 2023

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2022/23 Internal Audit Report for Goring-on-Thames Parish Council

From Jane Olds – Internal Auditor

I reviewed the documents provided and met with the Clerk, Sarah Edmunds and Assistant Clerk, Laura White, on 3 May via Zoom and finalised the information on 4 May.

BASIS OF REPORT

This internal audit report is based upon the JPAG (Joint Panel on Accountability and Governance) Governance and Accountability for Smaller Authorities in England 2022 publication.

The scope of this internal audit is focused on assessing the effectiveness of the Council's internal controls and was outlined in the original Letter of Engagement. Where any such controls are found to be deficient, the internal audit will help lead to improvement in those processes.

By applying the principles of internal auditing, outlined in the current Accounts and Audit Regulations and applying the approach to internal audit testing outlined above, every effort is made to ensure that all internal audits are conducted with due professional care, integrity and independence. All conclusions derived from the audit are based upon objective and traceable evidence.

Please note: it would be incorrect to view internal audit as the detailed inspection of all records and transactions of the Council in order to detect error or fraud. It is the periodic independent review of a Council's internal controls resulting in an assurance report designed to improve effectiveness and efficiency of the activities and operating procedures under the Council's control. Managing the Council's internal controls should be a day-to-day function of the staff and Councillors and not left for internal audit. (Source: Governance and Accountability for Smaller Councils - A Practitioners' Guide 2022 – Section 4).

Annual Return Section	Process	Findings	Recommendations and actions
A	Bookkeeping Arrangements	Appropriate books of account have been kept properly throughout the year and are well maintained with sound audit trails.	No further recommendations.

Annual Return Section	Process	Findings	Recommendations and actions
B	Council's Financial Regulations have been met with regard to expenditure	<p>The Council's Financial Regulations have been met in that appropriate authorisations have been given for each level of expenditure.</p> <p>Payments were supported by invoices, and expenditure was approved and VAT appropriately accounted for.</p>	No further recommendations.
C	Review of Internal Controls	The Council has adequate Internal Control provision including a policy and a Councillor Responsible for Internal Financial Control.	Devise a financial control checklist for the Councillor.
C	Review of Risk Assessment	The Council has assessed the significant risks to achieving its objectives using their Risk Assessment; the document was adopted at a meeting on 15 June and has been published.	<p>The Risk Management Assessment could be expanded on to include more of the financial risks which could affect the Council.</p> <p>Recommendations on what to include in a more comprehensive document are provided in the latest edition of JPAG starting at 5.84 (page 43) and there is a model document available from the SLCC advice pages.</p>
D	Budgetary Controls (Precept requirement)	The annual Precept requirement resulted from an adequate budgetary process.	Ensure that the budget amount (both expected expenditure and expected income) and the Precept amount are agreed and Minuted by Full Council.
D	Budgetary Controls (Budget monitoring)	Progress against the budget was monitored and minuted regularly.	No further recommendations.
D	Reserves were appropriate	Reserves were accounted for.	Adopt a Reserves Policy.
D	The final outturn is in line with expectations	The final outturn was materially in line with expectations.	No further recommendations.

Annual Return Section	Process	Findings	Recommendations and actions
E	Income controls	Expected income was fully received and properly recorded.	No further recommendations.
E	VAT	VAT had been appropriately accounted for.	No further recommendations.
F	Petty cash controls	Petty cash is not operated by the Council.	No further recommendations.
G	Payroll controls	Salaries to employees were paid in accordance with Council approvals.	No further recommendations.
H	Asset Controls - all material assets correctly recorded	The current asset register has correctly recorded all material Assets. The correct basis of valuation has been applied.	Ensure that the insurance value of items has also been reviewed.
H	Asset Controls - all additions and removals correctly recorded	Additions in the year have been correctly recorded within the Cash Book and Register.	No further recommendations.
H	Asset Controls - all Deeds and Titles established and shown on register?	All appropriate Deeds and Titles have been established but are not available on the current iteration of the Register.	Ensure that the Registration Titles are included in Scribe.
H	Investment Registers	No current Register is available.	An Investment Register and Strategy should be devised.
I	Bank Reconciliations	Periodic and year-end reconciliations were properly carried out.	No further recommendations.
J	Accounting Statements	The Accounting Statements prepared during the year were prepared on the correct accounting basis and were supported by an adequate audit trail.	No further recommendations.
K	Limited Assurance Review Exemption	The Council does not meet the exemption criteria.	No further recommendations.
L	Information published on website	The information is available.	Review the website to ensure that all information is current and relevant.
M	Exercise of Public Rights	The Parish Council published the exercise of public rights notice on the website and noticeboard with the following dates: 17 June to 28 July.	No further recommendations.

Annual Return Section	Process	Findings	Recommendations and actions
N	AGAR publication Requirements	The Parish Council complied with the publication requirements for the 2021/22 AGAR.	No further recommendations.
O	Trust funds (If applicable) – the Council met its responsibilities as a trustee	The Parish Council operates as a Trustee for three external bodies. 'Zero' returns are filed as no accounts are necessary.	No further recommendations.

Transparency Compliance

Process	Criteria	Findings	Recommendations and actions
Review of Internal audit action plan has been considered and actioned?	Good Practice	The Internal Audit had been reviewed the previous year.	No further recommendations.
External Audit recommendations have been considered and actioned.	Good Practice	The Conclusion of Audit report had been received for 21/22 and had been published on the website. Findings: 1. The Risk Assessment had not been reviewed. 2. The Financial Regulations and Standing Orders had not been reviewed.	The External Auditor was mistaken with their comment about the Risk Assessment as it had been reviewed and published in May 2021. The Parish Council had reviewed the Financial Regulations and Standing Orders in the previous March ready for the new municipal year.
Accounting Statements agreed and reconciled to the Annual Return	Section 2 of the Annual Return is complete and accurate and reconciles to the statement of accounts.	The accounting statements in this annual return present fairly the financial position of the Council and its income and expenditure.	No further recommendations.
Compliance with the Transparency Code	While the Parish Council does not fall in to the criteria for Councils below the £25k threshold, it is good practise for Parish Councils above the threshold to comply.		

Process	Criteria	Findings	Recommendations and actions
Compliance with the Transparency Code	1) Expenditure over £100 is recorded on the Council website and with all information requirements	Recorded in the Finance Appendix of the Minutes.	No further recommendations.
Compliance with the Transparency Code	2) Annual Return published on the website	Available on the website.	No further recommendations.
Compliance with the Transparency Code	3) Explanation of significant variances	Available on the website.	No further recommendations.
Compliance with the Transparency Code	4) Explanation of difference between Box 7 & 8 if applicable	Not currently available.	Publish on the website as part of the Variances.
Compliance with the Transparency Code	5) Annual Governance Statement recorded	Available on the website.	No further recommendations.
Compliance with the Transparency Code	6) Internal Audit Report Published	Available on the website.	No further recommendations.
Compliance with the Transparency Code	7) A List of Councillors' responsibilities	Available on the website.	No further recommendations.
Compliance with the Transparency Code	8) Details of Public Land and Building Assets	Available on the website.	No further recommendations.
Compliance with the Transparency Code	9) Minutes & Agenda	Available on the website.	No further recommendations.

Further Recommendations:

Following the completion of the Internal Audit, the Council should undertake a review of effectiveness as per Regulation 6 of the Accounts and Audit Regulations 2015. A blank form can be supplied.

Training

The staff and Councillors should be encouraged to take up the training offered by the local County Association, SLCC and ICCM to increase their knowledge and expand professional development.

OALC has a number of training courses appropriate for Councillors; this includes the Essentials of Employing People which I recommend all members of the Staffing Committee attend, and Chairmanship which all of the Council Chairs (Full Council and Committees) should attend. Other courses to attend are Roles and Responsibilities and Councillor Fundamentals.

The Clerks may like to be able to consider taking their continual professional development further with the Level 4 Community Governance Course, however this would require support from the Council.

Investment in staff is essential, particularly as the Council should recognise that qualified professional staff are one of the Council's main assets.

I recommend including a regular agenda item and maintaining a budget for training.

Financial Responsibility

While the Clerks / RFO are responsible for the day-to-day running of the Parish, the Council should be reminded that, as a corporate body, it is the Council which is responsible for financial governance and this responsibility should not be taken lightly. I recommend that the Council continues to appoint a Councillor Responsible for Internal Financial Control to help the Clerks/RFO and the Internal Financial Control Policy is reviewed.

Reserves and year end management

In order that any underspends from the previous year are managed appropriately, the RFO may recommend transferring amounts to the earmarked reserves or to vire unspent funds to the appropriate budget for the following year – with the minuted agreement of the Council. The general reserve should be reviewed in order that the Council can continue to justify the Precept requirement.

Banking

In view of the difficulties the Council has experienced with the current provider, the Council should ensure that the banking provision is fit for purpose. As part of this review, consideration should also be given to the bank accounts which hold more than £85,000 due to the Financial Services Compensation Scheme thresholds. Holding the funds in one or two bank accounts is not prudent. Additionally, there may be more appropriate ways of investing the funds for a more satisfactory return.

Investment Strategy

An investment register and strategy should be devised as the Council holds more than £100,000.

See the Practitioners' Guide sections 1.11, 4.20 and 5.28

Insurance

The Insurance is currently coming to the end of a three-year long term agreement. The Council should do a full review of the provision prior to agreeing a new policy.

External Auditor Certificate 21/22

As mentioned above, the External Auditor Certificate included two matters. However, both of these matters were, in my opinion, incorrect and the Council may have liked to have disputed them. I can confirm that the Risk Assessment had been reviewed and adopted in 2021/22 and the Financial Regulations were satisfactory.

Council Corporate Responsibility

The Council should be reminded that, while it has a collective (corporate) responsibility, as per the Standing Orders (Section 25), no Councillor may act alone, and no individual Councillor may give instructions either to contractors or members of staff.

Civility and Respect Pledge

I noted that the Council has not yet signed up to the Civility and Respect pledge. This has been developed by NALC, SLCC and One Voice Wales. It is designed as a starting point to encourage all Councils – regardless of size – to be civil and respectful to all, but it also has advice and assistance which can be used should any member fall short of the pledge. Training via Breakthrough Communications can be obtained.

Conclusion

The above are recommendations to help the Council improve its processes and in no way detract from the work it, and the Clerks, have already done.

I have noted that many of the actions which I recommended last year have been completed; the Clerks and Council should be commended for this.

Goring-on-Thames Parish Council has an electorate in the region of 2801 and the Precept for the year 22/23 was set at £160,065.

In general, I believe that the Council has competent arrangements in place to satisfy itself that its systems of internal financial control are transparent and effective. There are approval and authorisation controls to minimise risk. The audit and management trail for financial transactions is good.

For information, I have now undertaken four reviews of the Parish Council and I recommend that the Council fully reviews the internal audit provision for the year 2023/24.

This report should be noted and taken to the next meeting of the Council for minuting to inform them of the Internal Audit work carried out.

I hope that this report is of help to the Council. If you would like any further assistance or clarification, please do contact me.

Jane Olds

Jane Olds
Internal Auditor

Annual Governance and Accountability Return 2022/23 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 2022/23

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 2023**.
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 2023**. 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 2023
 - 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 2022/23

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 2023 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 2022/23**, approved and signed, page 4
- **Section 2 - Accounting Statements 2022/23**, approved and signed, page 5

Not later than 30 September 2023 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) 2022/23

- 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. Any amendments must be approved by the authority and properly initialled.
- 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 2023.
- 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.
- 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 bank reconciliation is incomplete or variances not **fully** explained then 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 2022) equals the balance brought forward in the current year (Box 1 of 2023).
- 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 2023**.

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 Responsible Financial Officer signed the accounting statements before presentation to the authority for approval?	✓	
	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 been published where required?	✓	
	Has the bank reconciliation as at 31 March 2023 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 2022/23

Goring-on-Thames Parish Council

www.goringparishcouncil.gov.uk ENTER PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

During the financial year ended 31 March 2023, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2022/23 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.			✓
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic bank account reconciliations were properly carried out during the year.	✓		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K. If the authority certified itself as exempt from a limited assurance review in 2021/22, it met the exemption criteria and correctly declared itself exempt. <i>(If the authority had a limited assurance review of its 2021/22 AGAR tick "not covered")</i>			✓
L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.	✓		
M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations <i>(during the 2022-23 AGAR period, were public rights in relation to the 2021-22 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set)</i> .	✓		
N. The authority has complied with the publication requirements for 2021/22 AGAR <i>(see AGAR Page 1 Guidance Notes)</i> .	✓		

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

04/04/2023 / 03/05/2023 / 04/05/2023 /

Name of person who carried out the internal audit

JANE OLDS ENTER NAME OF INTERNAL AUDITOR

Signature of person who carried out the internal audit

SIGNATURE REQUIRED

Date

04/05/2023 /

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

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

Section 1 – Annual Governance Statement 2022/23

We acknowledge as the members of:

Goring-on-Thames 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 2023, 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:

15/05/2023

and recorded as minute reference:

23.01.26.4 MINUTE REFERENCE

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

Chairman

SIGNATURE REQUIRED

Clerk

SIGNATURE REQUIRED

www.goringparishcouncil.gov.uk PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

Section 2 – Accounting Statements 2022/23 for

Goring-on-Thames Parish Council

	Year ending		Notes and guidance
	31 March 2022 £	31 March 2023 £	
			<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	204,727	272,890	<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	158,306	160,065	<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	96,357	90,246	<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	39,129	49,446	<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	147,371	150,839	<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	272,890	322,915	<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	256,391	318,397	<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	606,557	618,396	<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>

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

I certify that for the year ended 31 March 2023 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

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

SIGNATURE REQUIRED

Date

04/04/2023

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

15/05/2023

as recorded in minute reference:

23.01.26.5 MINUTE REFERENCE

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

SIGNATURE REQUIRED

Section 3 – External Auditor’s Report and Certificate 2022/23

In respect of

Goring-on-Thames Parish Council
ENTER NAME OF AUTHORITY

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 2023; 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 2022/23

(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 2022/23

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 2023.

*We do not certify completion because:

External Auditor Name

ENTER NAME OF EXTERNAL AUDITOR

External Auditor Signature

SIGNATURE REQUIRED

Date

DD/MM/YYYY



GORING-ON-THAMES PARISH COUNCIL

NOTICE OF PUBLIC RIGHTS AND PUBLICATION OF UNAUDITED ANNUAL GOVERNANCE & ACCOUNTABILITY RETURN

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

Local Audit and Accountability Act 2014 Sections 26 and 27

The Accounts and Audit Regulations 2015 (SI 2015/234)

NOTICE

1. Date of announcement **Sunday 4th June 2023**

2. Each year the smaller authority's Annual Governance and Accountability Return (AGAR) needs to be reviewed by an external auditor appointed by Smaller Authorities' Audit Appointments Ltd. The unaudited AGAR has been published with this notice. As it has yet to be reviewed by the appointed auditor, it is subject to change as a result of that review.

Any person interested has the right to inspect and make copies of the accounting records for the financial year to which the audit relates and all books, deeds, contracts, bills, vouchers, receipts and other documents relating to those records must be made available for inspection by any person interested. For the year ended 31 March 2022, these documents will be available on reasonable notice by application to:

The Clerk to the Council
Goring-on-Thames Parish Council
Gardiner Pavilion
Upper Red Cross Road
Goring, RG8 9BD

Direct: 07928 857549
Office: 01491 874444
e-mail: clerk@goringparishcouncil.gov.uk

commencing on **Monday 5th June 2023**
and ending on **Friday 14th July 2023** [the 30th working day after commencement date above]

3. Local government electors and their representatives also have:

- The opportunity to question the appointed auditor about the accounting records; and
- The right to make an objection which concerns a matter in respect of which the appointed auditor could either make a public interest report or apply to the court for a declaration that an item of account is unlawful. Written notice of an objection must first be given to the auditor and a copy sent to the smaller authority.

The appointed auditor can be contacted at the address in paragraph 4 below for this purpose between the above dates only.

4. The smaller authority's AGAR is subject to review by the appointed auditor under the provisions of the Local Audit and Accountability Act 2014, the Accounts and Audit Regulations 2015 and the NAO's Code of Audit Practice 2015. The appointed auditor is:

Moore (Ref RD/hd)
Rutland House,
Minerva Business Park,
Lynch Wood,
Peterborough
PE2 6PZ



5. This announcement is made by **Mrs S Edmunds**
Clerk to the Council &
Responsible Financial Officer

LOCAL AUTHORITY ACCOUNTS: A SUMMARY OF YOUR RIGHTS

Please note that this summary applies to all relevant smaller authorities, including local councils, internal drainage boards and 'other' smaller authorities.

The basic position

By law, any interested person has the right to inspect the accounting records of smaller authorities. If you are a local government elector or registered to vote in the local councils' elections, then you are able to ask questions about the accounts and object to them.

The right to inspect the accounting records

When your council has finalised its accounts for the previous financial year, they must advertise that they are available for people to inspect. You must then provide the council with reasonable notice of your intentions. Following this, by arrangement you will then have 30 working days to inspect and make copies of the accounting records and supporting documents. You may be required to pay a copying charge.

The right to ask the auditor questions about the accounting records

If you have any questions regarding the accounting records, you should first ask your smaller authority. This must be done during the 30-day period for the exercise of public rights. You may also ask the appointed auditor questions about an item in the accounting records. However, the auditor can only answer 'what' questions, not 'why' questions so is limited with their response. To avoid any confusion, it is advised that you put your questions in writing.

The right to make objections

Should you view something as unlawful or believe there are matters of wider concern in the accounts, you may wish to object. If you are a local government elector, you have the right to ask the external auditor to apply to the courts for a declaration that an item is contrary to the law and should be reported as a matter of public interest. This must be done by telling the appointed auditor which specific item in the accounts you object to and why you believe it to be unlawful or think a public interest report should be made about it. You must provide clear evidence to support your objection, and this should be done in writing and the copied to the council.

You should not use the 'right to object' to make a personal complaint or claim against your smaller authority. Complaints of this nature should be taken to your local Citizens' Advice Bureau, local Law Centre or to your solicitor.

A final word

Smaller authorities, and so local taxpayers, meet the costs of dealing with questions and objections. In deciding whether to take your objection forward, the auditor must consider the cost that will be involved. They will only continue with the objection if it is in the public interest to do so. If you appeal to the courts against an auditor's decision, you may have to pay for the action yourself.



RESERVES POLICY

1 Introduction

- 1.1 Goring-on-Thames Parish Council is required to maintain adequate financial reserves to meet the needs of the Council. The purpose of this policy is to set out how the Council will determine and review the level of reserves.
- 1.2 Local Government Finance Act 1992 s32 & 43 require local authorities to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement. However, there is no specified minimum level of reserves that an authority should hold and it is the responsibility of the Responsible Financial Officer to advise the Council about the level of reserves and to ensure that there are procedures for their establishment and use.

2 Types of Reserves

- 2.1 Reserves can be categorised as general or earmarked.
- 2.2 Earmarked reserves can be held for several reasons:
 - a) Renewals – to enable services to plan and finance an effective programme of vehicle, equipment and infrastructure replacement and planned property maintenance. These reserves are a mechanism to smooth expenditure so that a sensible replacement programme can be achieved without the need to vary budgets.
 - b) Carry forward of underspend - some services commit expenditure to projects, but cannot spend the budget in year. Reserves are used as a mechanism to carry forward these resources.
 - c) Insurance reserve – to enable the Council to meet the excesses of claims not covered by insurance.
 - d) Other earmarked reserves may be set up from time to time to meet known or predicted liabilities.
 - e) General Reserves are funds which do not have any restrictions as to their use. These reserves can be used to smooth the impact of uneven cash flows, offset the budget requirement if necessary or can be held in case of unexpected events or emergencies.

3 Earmarked Reserves

- 3.1 Earmarked reserves will be established on a “needs” basis, in line with anticipated requirements.
- 3.2 Any decision to set up a reserve must be made by the Council.
- 3.3 Expenditure from reserves can only be authorised by the Council.
- 3.4 Reserves should not be held to fund on-going expenditure. This would be unsustainable as, at some point, the reserves would be exhausted. To the extent that reserves are used to meet short term funding gaps, they must be replenished in the following year. However, earmarked reserves that have been used to meet a specific



liability would not need to be replenished, having served the purpose for which they were originally established.

- 3.5 All Earmarked Reserves are recorded on a central schedule held by the Responsible Financial Officer which lists the various Earmarked Reserves and the purpose for which they are held.
- 3.6 Reviewing the Council's Financial Risk Assessment is part of the budgeting and year end accounting procedures and identifies planned and unplanned expenditure items and thereby indicates an appropriate level of Reserves.

4 General Reserves

- 4.1 The level of General Reserves is a matter of judgement and so this policy does not attempt to prescribe a blanket level. The primary means of building general reserves will be through an allocation from the annual budget. This will be in addition to any amounts needed to replenish reserves that have been consumed in the previous year.
- 4.2 Setting the level of General Reserves is one of several related decisions in the formulation of the medium term financial strategy and the annual budget. The Council must build and maintain sufficient working balances to cover the key risks it faces, as expressed in its financial risk assessment.
- 4.3 If in extreme circumstances General Reserves were exhausted due to major unforeseen spending pressures within a particular financial year, the Council would be able to draw down from its earmarked reserves to provide short term resources.
- 4.4 Even at times when extreme pressure is put on the Council's finances the Council must keep a minimum balance sufficient to pay one month's salaries to staff in General Reserves at all times.

5 Opportunity Cost of Holding Reserves

- 5.1 In addition to allowing the Council to manage unforeseen financial pressures and plan for known or predicted liabilities, there is a benefit to holding reserves in terms of the interest earned on funds which are not utilised. This investment income is fed into the budget strategy.
- 5.2 However, there is an "opportunity cost" of holding funds in reserves, in that these funds cannot then be spent on anything else. As an example, if these funds were used to repay debt, the opportunity cost would equate to the saving on the payment of interest and the minimum revenue provision, offset by the loss of investment income on the funds. However, using reserves to pay off debt in this way would leave the Council with no funds to manage unexpected risks nor provide a mechanism to fund the planned expenditure for which the reserves were earmarked.
- 5.3 Given the opportunity costs of holding reserves, it is critical that reserves continue to be reviewed each year as part of the budget process to confirm that they are still required and that the level is still appropriate.

6 Current Level of Financial Reserves

- 6.1 The level of financial reserves held by the council will be agreed by the Parish Council during the discussions held regarding the setting of the budget for the next financial year.
- 6.2 The current level of operating reserves to be held by the Council is approximately 40% of the annual precepted figure, this fully covers approximately six months'



expenditure of standard payments. This figure is current £71464 for the financial year of 2023/24. The Council agreed to the following levels of reserves:

EARMARKED RESERVES				
	Account	End Last Year FY 2022-2023	In Year Amendment	Proposed End of Year FY 2023-2024
320	EMR Operating Reserve	71464		71464
325	EMR Tree Felling & Replacement	12000		12000
330	EMR Playground Equipment	20500		20500
335	EMR MIGGS Pavement Widening	5000	-3000	2000
340	EMR Car Park Reserves	12000	2000	14000
345	EMR CIL	68940	-15000	53940
350	EMR Pedestrian Safety	511		511
355	EMR Street Lighting Replacement	41450		41449
360	EMR Covid-19 Response	4555	-4555	0
365	EMR Security	3249		3249
370	EMR Public Spaces Strategy	11007		11007
375	EMR GGBN Reserved Monies	699		699
380	EMR External Audit Costs	0		0
385	EMR WHBG Reserved Plots	5500		5500
390	EMR Summer of Play	0		0
395	EMR Winter of Play	0		0
400	EMR Jubilee 2022	0		0
410	EMR WHBG - 99y Maintenance	5000	1000	6000
415	EMR Public Buildings	8000	5000	13000
420	EMR Election Costs	0		0
425	EMR Freedom of Goring	940	500	1440
430	EMR Previous Financial Year Commitments	0		0
435	EMR 23/24 Sink Reserves		39560	39560
TOTAL RESERVES		270815	25505	296319

6.3 These levels of Reserves were agreed at the meeting of the Parish Council in November 2022, and reflect also the monies spent from reserves during the remainder of the 2022-2023 FY.

7 Review of the Policy

7.1 This policy was reviewed and updated by the Parish Council at its meeting on 15th May 2023 and will be reviewed periodically, but not less than once per council term (nominally 4 years).

Signed:

15th May 2023
Chair of the Council



FINANCIAL RISK ASSESSMENT AND MANAGEMENT REGISTER

For the period 1st April 2023 – 31st March 2024

1 Income

Topic	Risk Identified	Risk Level Lxl = Score	Management of Risk	Staff action	Internal Audit Checks (Every)
Precept	Not submitted	L2 x i8=16	Full PC Minute – RFO follow up	Diary	12 months
	Not paid by DC	L2 x i8=16	Check & Report To PC.	Diary	12 months
	Adequacy of precept	L8 x i8=64	Quarterly review of budget to actual	Diary	12 months
Grants – All	Claims procedure	L4 x i8=32	Clerk/RFO check quarterly	Diary	12 months
	Receipt of grant when due	L4 x i8=32	Check & Report to PC.	Diary	12 months
Investment Income	Receipt when due	L2 x i4=8	Check & Report to PC	Diary	12 months
	Investment Policy	L2 x i4=8	Review policy annually	Diary	12 months
	Surplus funds	L2 x i4=8	Review policy annually	Diary	12 months
Invoices: Burial Ground Hire of Recreation areas, Car park spaces	Invoices not paid to terms	L6 x i8=48	Review relevant policies annually. Do not issue permits until invoices are paid in full.	Check bank regularly for receipts, chase outstanding invoices	Quarterly
VAT	Quarterly Return not submitted on time. VAT incorrectly charged or reclaimed, Council does not receive recovered VAT	L2 x i4=8	Breakdown of VAT is recorded in Scribe. Returns submitted directly from Scribe via MTD. All receipts and payments are reviewed and approved at each monthly meeting of the Finance Committee	Month end bank reconciliation	Quarterly

2 Expenditure

Topic	Risk Identified	Risk Level LxI = Score	Management of Risk	Staff action	Internal Audit Checks (Every)
Salaries	Wrong salary paid	L4 x i8=32	Check to minute	Member verify	12 months
	Wrong hours paid	L4 x i8=32	Check to timesheet/contract	Member verify	12 months
	Wrong rate of pay	L4 x i8=32	Check to contract	Member verify	12 months
	False employee	L2 x i4=8	Check to PAYE Records & lists	Member verify	12 months
	Wrong deductions – NI	L4 x i8=32	Check to PAYE Calcs	Member verify	12 months
	Wrong deductions – Income tax	L4 x i8=32	Check to PAYE Calcs	Member verify	12 months
Direct Costs and overhead expenses	Goods not supplied to TC	L4 x i8=32	Order system	Approval check	12 months
	Invoice incorrectly calculated	L4 x i4=16	Check arithmetic	Approval check	12 months
	payment is excessive	L4x i8=32	Signatory initials approval	Member verify	6 months
	payment to wrong party	L2x i6=12	Signatory initials approval	Member verify	6 months
Cllrs Allowances	Cllr overpaid	L2 x i2=4	Claim form & minute	RFO verify	6 months
	Income tax deduction	L2 x i4=8	Check to PAYE Records & lists	RFO verify	6 months
Fiscal Support	Power to pay	L4 x i8=32	Minute power	Member verify	12 months
	Agreement of Council to pay	L4 x i6=24	Minute	Member verify	12 months
	Conditions agreed	L2 x i6=12	Use reasonable condition	RFO check	12 months
	Cheque & voucher	L2 x i6=12	Signatory initials approval	Member verify	12 months
	Follow up verification	L4 x i8=32	RFO check and consider budget	RFO verify	12 months
Election Costs	Invoice at agreed rate	L2 x i4=8	RFO check and consider budget	RFO verify	Whenever
Insurance	Inadequate cover, lapsing of policy, invalid policy, increase in premiums	L4 x i8=32	Check policy schedule, monitor premiums and get quotes from other providers. Diarize renewal dates, RFO check and consider budget	Diary & RFO verify	Renewal or when any changes occur

3 Other

Topic	Risk Identified	Risk Level LxI = Score	Management of Risk	Staff action	Internal Audit Checks (Every)
Bank Error / Fraud.	Loss of Council money, Loss of reputation	L2 x10=20	Fidelity Insurance Finance Committee see the original bank statements monthly,(not just downloads) all receipts and payments are signed off by two members after checking the invoice copy / timesheet/ work sheet	Member verify	Monthly
Asset mismanagement	Loss of community assets. Value incorrect for disposal of community assets	L4 x10=40	Assets checked monthly, repairs carried out promptly subject to budget being approved by full Council. Any assets identified for disposal are subject to professional valuations from appropriate specialists and then put before the full Council for consideration followed by public consultation.	Delegation to Clerk to get the valuations. Full Council Verification	Whenever change occurs

Likelihood	10	20	40	60	80	100
	8	16	32	48	64	80
	6	12	24	36	48	60
	4	8	16	24	32	40
	2	4	8	12	16	20
	2	4	6	8	10	
	Impact					

RISK
High
Medium
Low

4 Review of the policy.

This policy was reviewed by the Parish Council at its meeting on -15 May 2023 and will be reviewed annually. It was noted by the Council in June 2022 that the advice of the Internal Auditor the Risk should be updated to a numbering system, this has now been completed.

Signed:

XXXX 15 May 2023
Chairman



STATEMENT OF INTERNAL CONTROLS

For the period 1st April 2023 – 31st March 2024

1. Scope of the Responsibility

- 1.1. Goring-on-Thames Parish Council (the Council) is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.
- 1.2. In discharging this overall responsibility, the Council is also responsible for ensuring that there is a sound system of internal control which facilitates the effective exercise of the Council's functions and which includes arrangements for the management of risk.

2. The Purpose of the System of Internal Control

- 2.1. The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.
- 2.2. The system of internal control is in place at the Council from date of approval for the year ending 31st March 2024 and up to the date of approval of the annual report and accounts in accordance with proper practice.

3. The Internal Control Environment

- 3.1. The Council
 - 3.1.1. The Council has appointed a Chairman who is responsible for the smooth running of meetings and for ensuring that all Council decisions are lawful.
 - 3.1.2. The Council reviews its obligations and objectives and approves budgets for the following year at its November and December meetings. The December meeting of the Council approves the level of precept for the following financial year.
 - 3.1.3. The Council monitors progress against objectives, financial systems and procedures, budgetary control and carries out regular reviews of financial matters.
 - 3.1.4. The full Council normally meets at least 6 times each year and monitors progress against its aims and objectives at each meeting by receiving relevant reports from the Clerk.
 - 3.1.5. The Council carries out regular reviews of its internal controls, systems and procedures.
- 3.2. Clerk to the Council & Responsible Financial Officer
 - 3.2.1. The Council has appointed a Clerk to the Council who acts as the Council's advisor and administrator. The Clerk is the Council's Responsible Financial Officer and is responsible for administering the Council's finances. The Clerk is responsible for the day to day compliance with laws and regulations that the Council is subject to and for managing risks. The Clerk also ensures that the Council's procedures, control systems and policies are adhered to.
- 3.3. Payments
 - 3.3.1. All payments are reported to the Finance Committee for approval. Two members of the Committee must authorise all payments.
- 3.4. Risk Assessments / Risk Management

3.4.1. The Council carries out regular risk assessment in respect of actions and regularly reviews its systems and controls.

3.5. Internal Audit

3.5.1. The Council will appoint an independent Internal Auditor for the year 2023/2024 who will report to the Council on the adequacy of its records, procedures, systems, internal controls and risk management. The effectiveness of the internal audit is reviewed annually.

3.6. External Audit

3.6.1. The Council has been appointed External Auditor Moore until further notice. Following completion of the External Audit the annual Certificate of Audit is provided, which is presented to the Council.

4. Review of Effectiveness

4.1. Goring-on-Thames Parish Council has responsibility for conducting an annual review of the effectiveness of its system of internal controls. The review of the effectiveness of the system of internal controls is monitored and informed by:

4.1.1. the Clerk to the Council/Responsible Financial Officer

4.1.2. the work of the Independent Internal Auditor

4.1.3. the External Auditors through the Annual Return and their annual letter

4.1.4. the number of significant issues that are raised during the year.

5. Review of the Statement

This statement was accepted by the Parish Council at its meeting on 15th May 2023 and will be reviewed annually.

Signed:

Dated: 15th May 2023

_____, Chair of the Council



REVIEW OF EFFECTIVENESS OF INTERNAL AUDIT

For the period 1st April 2023 – 31st March 2024

Expected Standard	Evidence of Achievement	Areas for Development
1. Scope of internal audit	Terms of reference were (re)-approved by full council on 15th May 2023 Scope of audit work takes into account risk management processes and wider internal control. Terms of reference define audit responsibilities in relation to fraud.	Standing Orders and Governance Documents are formally reviewed throughout the year, with Standing Orders Approved as suitable for use at the Annual Council Meeting. Audit responsibilities are reviewed annually and address concerns of ways to protect against fraud.
2. Independence	Internal Auditor has direct access to those charged with governance (see Financial Regulations). Reports are made in their own name to council. Auditor does not have any other role within the council.	Confirmed.
3. Competence	No evidence that internal audit work has not been carried out ethically, with integrity and objectivity.	Confirmed.
4. Relationships	Responsible officers (Clerk, RFO etc) are consulted on the internal audit plan and on the scope of each audit, (evidence is on audit files). Responsibilities for officers and internal audit are defined in relation to internal control, risk management and fraud and corruption matters. The responsibilities of council members are understood; training of members is carried out as necessary.	Confirmed, though training is determined as it is locally available, based on need. Clerk, Assistant Clerk and all Councillors are provided information about all opportunities for training, and to support this effort funds are budgeted each year.
5. Audit planning and reporting	The audit plan properly takes account of corporate risk. The plan has been approved by the council. Internal Auditor has reported in accordance with the plan.	Confirmed. For the audit plan, see Financial Regulations. Internal audit report received by the council on 15 th May 2023 was in accordance with the audit requirements.

Characteristics of 'Effectiveness'	Evidence of Achievement	Areas for Development
Internal audit work is planned	Planned internal audit work is based on risk assessment and designed to meet the council's governance assurance needs.	Confirmed, and reviewed each year.
Understanding the whole organisation, its needs and objectives	The annual audit plan demonstrates how audit work will provide assurance in relation to the council's annual governance statement.	Confirmed, and reviewed each year.
Be seen as a catalyst for change	Supportive role of audit for corporate developments such as corporate governance review, risk management and ethics.	Confirmed. Internal audit and Financial Risk Assessment drives procedural changes for continuous improvement.
Add value and assist the organisation in achieving its objectives	Demonstrated through positive management responses to recommendations and follow up action where called for.	Confirmed. There is a history and ethos in the Council to address any internal concerns and recommendations as they arise.
Be forward looking	When identifying risks and in formulating the annual audit plan, changes on national agenda are considered. Internal audit maintains awareness of new developments in the services, risk management and corporate governance.	Confirmed. This is addressed as changes are notified and is considered in each annual review.
Be challenging	Internal audit focuses on risks and encourages members to develop their own responses to risks, rather than solely relying on audit recommendations. The aim of this is to encourage greater ownership of the control environment.	Confirmed.
Ensure the right resources are available	Adequate resource is made available for internal audit to complete its work. Internal Auditor understands the body and the legal and corporate framework in which it operates.	Confirmed.
Note: Review of effectiveness of internal audit must be reviewed and adopted by council annually during the financial year and before 31 March.		

Review of the policy.

This policy was accepted by the Parish Council at its meeting on 15th May 2023 and will be reviewed annually.

Signed:

Chair of the Council

Jane Olds
13 Oak Close
Bicester
Oxfordshire
OX26 3XD
01869 247171
Janeolds.parishclerk@gmail.com

Sarah Edmunds
Clerk to Goring-on-Thames Parish Council

12 August 2022

Dear Sarah,

Letter of Engagement 2022/23

I hope that my audit review for last year has been helpful to the Council.

This is my letter of engagement for this new financial year for the Council's consideration.

As before, my role as your Internal Auditor is to be a 'critical friend'. I will look through your Parish's processes and procedures and, where necessary, will make recommendations which, I hope, will help improve the Council's governance. Some of these recommendations will be long-term goals, others may need to be implemented more quickly, but I will be available as part of the Audit process to help guide you through what is needed.

Please note that I have now revised the fee structure based on Precept or income and expenditure. Please see Section 5 Fees and Charges for more information.

This letter confirms the basis on which I will provide services to you to avoid any misunderstandings of our respective responsibilities.

1. Internal Audit of the Council

- a. The primary objectives of Internal Audit are:
 - i. to review, appraise and report upon the adequacy of governance and internal control systems operating throughout the Council. To achieve this I will adopt a predominantly systems-based approach to the audit;
 - ii. to carry out an annual inspection of the books and records of the Council.

The Council is responsible for supplying all documents requested.

- b. Timescales for the effective and efficient method of completing the audit are as follows:
 - i. ensure that the process laid down within this engagement letter is acceptable;
 - ii. sign the engagement form on the last page and return that page by email. (Please send this by the end of **September** to give time for completion of the checklist.)
- c. A checklist will then be forwarded. This should be completed and returned with any documents requested by **November**. This will then be reviewed prior to the review meeting.

- d. A review meeting will be arranged, either in person or via Zoom, to discuss the completed checklist and clarify any queries. If further meetings are required, these may be chargeable.
- e. The draft, electronic, editable, version, of the AGAR must be sent to me **by 31 May**.
- f. I will check the final Accounting Statement figures (Section 2) of the AGAR. Provided all is in order, I will then complete the Internal Audit section and return it both electronically and by post.

Note: please do not complete Section 1 of the AGAR until the Council meeting to consider the AGAR.

- g. An Annual Report will be issued with the AGAR with any action points.
- h. Unfortunately, if timescales are not observed, this will attract extra charges over and above the quoted fee as laid down below.

2. Scope of Work

Predominantly Internal Audit will review the governance of the Council culminating in the completion of the Internal Audit Report as stated above. I will identify if the following key areas are in place and working satisfactorily.

- a. Proper Book-keeping
- b. Payment controls in relation to Financial Regulations
- c. Review of the Internal Controls, which will include:
 - i. The Parish Risk Assessment;
 - ii. Review of the effectiveness of Internal Financial Control;
 - iii. An overall review of your Internal Controls.
- d. Budgetary controls
- e. Income controls
- f. Petty Cash procedures (if applicable)
- g. Payroll controls
- h. Asset controls
- i. Bank reconciliations
- j. Accounting statements and application of Spending Powers
- k. Exemption criteria (if applicable)
- l. Website and transparency code
- m. Public Rights notice and dates
- n. Publication of previous AGAR
- o. Review of the status of Trusts (if applicable)
- p. Policies review
- q. Review and completeness of minutes
- r. General governance
- s. Review and completeness of audit action plans
- t. Year End procedures, which will include:
 - i. Financial Statements review;
 - ii. Review of Council balances;
 - iii. Analytical Review;
 - iv. Annual Return review.

3. Roles and Responsibilities

My role as an Internal Auditor is one of independence. I must make it clear that I can in no way involve myself in the financial decision-making, appointments or any other areas that may give rise to conflicts of interest.

4. The Council Responsibilities

The Responsible Financial Officer / Proper Officer, together with the Council, have clearly defined responsibilities for Risk Management, Internal Control, Internal Audit and the prevention of Fraud and Corruption.

The existence of Internal Audit does not diminish the responsibility of the Council to establish systems of internal control to ensure that activities are conducted in a secure and well-ordered manner.

5. Fees and Charges

Fees based on Precept or projected income and expenditure - whichever is highest.

Precept / Income or Expenditure	Fees 2022 – 2023
Under £25,000	£200.00
£25,001 - £50,000	£250.00
£50,001 - £100,000	£300.00
£100,001 – £150,000	£350.00
All above includes: <ul style="list-style-type: none">• Initial Internal Audit meeting and• an autumn review via Zoom	

The above fees are on the understanding that all requests for documents and responses to my Internal Audit checklist are provided by the Council within the required timescales.

Additional Charges	
Late submission of documents, including the AGAR (no later than 31 May)	£75.00 surcharge
Mileage	£0.45 per mile
Additional meetings (see 1 d. above)	£35.00 per hour
Attendance at a Council meeting	£70.00 (plus mileage)

Payment is required on invoice once the work is completed.

6. Requests for attendance at Council Meetings

I would be happy to attend a Council meeting, given reasonable notice, if convenient. This gives the Council an opportunity to ask me questions, clarify the scope and nature of the work I have undertaken and to make me aware of any issues that may be relevant as my cycle of Internal Audit progresses.

A nominal cost for this service is charged at £70 plus mileage.

7. Request for work outside the scope of Paragraphs 1 to 3

Any such request for extra audit time to be provided will be discussed at the time and will be subject to an appendix agreement.

8. Agreement of terms

Once agreed, this letter will remain effective from the date of signature until it is replaced. Either party may vary or terminate my authority to act on your behalf at any time; however, if work has already been undertaken, a charge for the work so far, will be made. Notice of termination must be given in writing.

Please confirm your agreement to the terms of this letter of engagement by completing the form and returning it to me by **September**.

I trust that this is acceptable to the Council and look forward to hearing from you.

Yours sincerely,

Jane Olds

Jane Olds (Mrs)

