

<b>Title</b>	Finance FY 2020-21
<b>Authors</b>	Clerk & RFO
<b>Meeting</b>	Goring-on-Thames Parish Council Annual Council Meeting – 04 <sup>th</sup> May 2021

## 18.1 PAYMENTS MARCH 2021

### Payments – Current Account

Date Paid	Payee Name	Reference	Amount Paid	Transaction Detail
01/03/2021	SODC	DD_20_419	£ 69.00	Rates - Hall & Premises
04/03/2021	Get Support IT Services Ltd	DD_20_420	£ 43.44	365 & Back-ups
05/03/2021	TSB Bank plc	DD_20_424	£ 5.00	Bank Charges March
05/03/2021	Castle Water	DD_20_423	£ 52.51	Water - Sheepcot
05/03/2021	Castle Water	DD_20_422	£ 11.10	Water - Gardiner
05/03/2021	Castle Water	DD_20_421	£ 10.50	Water - OJFS
08/03/2021	Google ireland Ltd	DD_20_425	£ 9.20	G Suite Basic - Feb 2021
15/03/2021	OALC	BAC_20_428	£ 701.25	OALC Membership 2021-2022
15/03/2021	SSE	BAC_20_429	£ 425.90	High St Col 6; LED Lantern
15/03/2021	BGG Garden & Tree Care	BAC_20_430	£ 470.40	Litter Picking - February
15/03/2021	Rialtas Business Solutions	BAC_20_431	£ 231.60	Cemetary Software
15/03/2021	Oxfordshire Playing Fields Ass	BAC_20_432	£ 32.00	Membership 2021-2022
15/03/2021	HMRC	BAC_20_433	£ 436.93	PAYE - February
15/03/2021	Streatley Parish Council	BAC_20_434	£ 99.79	COVID Village Phoneline
15/03/2021	Streatley Parish Council	BAC_20_435	£ 100.80	DBS Checks Village Helpline
16/03/2021	TSB Reserve Account	Journal136	£ 16,856.46	Journal136; EMR Balancing
19/03/2021	SSE	DD_20_438	£ 1,057.23	Unmetered Supply
22/03/2021	Grundon Waste Magt.	DD_20_440	£ 9.48	Feb - General Waste
22/03/2021	Grundon Waste Magt.	DD_20_441	£ 6.56	Skip WTN Feb
31/03/2021	Get Support IT Services Ltd	DD_20_443	£ 48.68	Back-ups & Office 365
31/03/2021	Complete Weed Control	BAC_20_444	£ 192.00	Area 1 & 2 Mar/April
31/03/2021	Harry Denison	BAC_20_445	£ 156.00	Gas Safety Pavilions x2
31/03/2021	SSE	BAC_20_446	£ 885.06	Lighting Maintenance
31/03/2021	Goring Hardware	BAC_20_447	£ 7.01	Key Tags
31/03/2021	GiffGaff Ltd	BAC_20_448	£ 12.00	SIMS - Refund L White
31/03/2021	Amazon EU S.a.r.l	BAC_20_449	£ 30.22	Carbon Monoxide Alarms, Sheepc
31/03/2021	Amazon Services Europe	BAC_20_450	£ 8.99	Expanding File - Refud L White
31/03/2021	L White	BAC_20_451	£ 6.99	Mourning Ribbon
31/03/2021	L White	BAC_20_452		March Salary & WFH Allow
31/03/2021	R Wood	BAC_20_453		March Salary
31/03/2021	M Ward	BAC_20_454		March Salary & WFH Allow
31/03/2021	J S Merrill	BAC_20_455		March Salary
			£ 23,977.26	

**Payments – Reserve Account**

None

**18.2 RECEIPTS MARCH 2021****Receipts – Current Account**

<b>Date</b>	<b>Cash Received from</b>	<b>Receipt No</b>	<b>Receipt Description</b>	<b>Receipt Total</b>
11/03/2021	AB Walker & Son Ltd	R_20_427	Interment CECR2-L12	£ 383.09
19/03/2021	AB Walker & Son Ltd	R_20_439	Memorial CECR2 12L	£ 122.57
18/03/2021	Kent	R_20_437	Wayleave	£ 1.00
17/03/2021	Reeves Memorial Co. Ltd	R_20_436	2nd Inscription RC1-C5 Inv1320	£ 66.61
08/03/2021	RGR Memorials	R_20_426	Inv 1313; 2nd Inscript G114	£ 206.53
29/03/2021	Tomalin & Son	R_20_442	2nd Inscription E122	£ 66.61
			Total Receipts	£ 846.41

**Receipts – Reserve Account**

<b>Date</b>	<b>Cash Received from</b>	<b>Receipt No</b>	<b>Receipt Description</b>	<b>Receipt Total</b>
10/03/2021	TSB Bank plc	Interest	Interest - March 2021	£ 40.70
16/03/2021	TSB Current	Journal136	Journal136; EMR Balancing	£ 16,856.46
			Total Receipts	£ 16,897.16

## 18.3 ASSET REGISTER

Assets 2020-2021				
Date of Purchase or Disposal	Equipment	Value	Total Land and Buildings	Notes
	<b>Land and Buildings</b>			
	Old Jubilee Fire Station	£143,250		Title Deed ON69842
	Sports Pavilion, Gardiner Recreation Ground	£224,903		Title Deed ON290269. Increase in value from refurbishment finished April 2018
	Land at Gardiner Recreation Ground	£1		Community asset, nominal value. Title Deed ON290269
	Sports Pavilion, Sheepcot Recreation Ground	£143,346		Title Deed ON193715
	Land at Sheepcot Recreation Ground	£1		Community asset, nominal value. Title Deed ON193715 and ON157506
	Office at Burial Ground	£28,683		Title Deed ON252566
	Garage at Burial Ground	£2,868		Title Deed ON252566
	Land at Yew Tree Court	£1		Community asset, nominal value. Title Deed ON116931
	Land at Burial Ground	£1		Community asset, nominal value. Title Deed ON252566
03/07/1978	Land at The Birches	£1		Community asset, nominal value. Title Deed ON55084
	Bourdillon Field	£1		Community asset, nominal value. Title Deed ON350859
	The Rectory Garden	£1		Community asset, nominal value. Title Deed ON350858

# Appendix I

28/04/1964	Ferry Lane Open Space	£1		Community asset, nominal value. Title Deed ON11860
29/04/1983	Goring Village Hall	£1		Goring Parish Council are custodial trustees, holding the deeds for Goring Village Hall Charity as management trustees. Title Deed ON78409
	<b>2020-2021 changes:</b>			
	None			
	<b>Sub Total Land and Buildings</b>		£543,059	
	<b>Gates and Fences etc</b>			
	Gate to White Hill Burial Ground	£3,579		
	Gate to Sheepcot field	£4,302		
	Gates to Rectory Garden	£2,380		
	2 Sets of Gates to Sheepcot Field	£1,434		
	Sign at Rectory Garden	£626		
	<b>2020-2021 changes:</b>			
	2 Gates Gardiner - Donated	£0		Insurance Value £3000
	<b>Sub Total Gates and Fences etc</b>		£12,321	
	<b>Playground Equipment</b>			
	Gardiner Recreation Ground	£14,178		
	Bourdillon Field	£14,342		
	<b>2020-2021 changes:</b>			
	Remove Nest Swing Bourdillon	-£850		
	<b>Sub Total Playground Equipment</b>		£27,670	
	<b>Other</b>			
	Leases	£490		
	Public Address System	£760		
	Orientation Plaque Rail Station	£2,337		

## Appendix I

	Regalia (Chairman's chain of office)	£1,000		
	Contents of Gardiner Pavilion	£515		
	Contents of Sheepcot Pavilion	£515		
2015	Defibrillator Village Hall	£1,382		
08/09/2017	School Warning Signs	£1,767		
25/10/2018	Defibrillator Railway Station	£1,500		
01/03/2019	Memorial Bench & Fixings	£557		
	Memorial & Other Benches across parish			To be valued
	Street Lamps across parish			To be valued
	Salt & Grit Bins			To be valued
	High Street Planter	£500		
	<b>2020-2021 changes:</b>			
July 2020	Memorial Bench & Fixings	£0		Donated to the Council
	<b>Sub Total Other</b>		£11,323	
	<b>Office Equipment</b>			
	No Register located prior to 2012			Original value for record & disposal purposes only - included in previous accounts
13/01/2012	keyboard, screen			(including old desktop pc value) 888
21/11/2013	Fridge			£145.00
	Pre 2014-15 Contents as listed in 2014-15 accounts brought forward, less disposals 2015-19	£5,709.05		To adjust annually less disposals
02/11/2015	Brother Colour printer	£91.20		
13/06/2016	Office Chair (Black fabric) #1	£211.50		
22/09/2016	Swordfish Shredder	£145.00		
22/10/2017	Battery for PA system	£69.00		
12/06/2018	Office Chair (black fabric) #2	£211.50		

## Appendix I

08/10/2018	External Hard Drive	£61.95		
17/02/2020	Dell Latitude Laptop 5400 (Assistant Clerk)	£995.00		
17/02/2020	Dell Optiplex 5080 (office Desktop)	£565.00		
	<b>Sub Total Office Equipment</b>		£8,059.20	
	<b>2020-2021 changes:</b>			
Apr 2020	Dell Latitude Laptop 5400 (Facilities Assistant)	£995.00		
July 2020	Webcam; Office PC	£ 50.34		
Nov 2018	Charles Arnold Baker, on Local Council Administration Book	£ 110.99		(Previously no considered an asset)
	<b>Sub Total Changes</b>		£ 1,156.33	
	Grand Total		£603,588	
NOTE: Non-land assets above £50 purchase price recorded only.				

## 18.4 ANNUAL ACCOUNTS

## Variances Report

Goring-On-Thames Parish CouncilExplanation of Significant Variances 2020/2021

Box No.	This Year		Last Year		Diff.	Diff.	Explain	Explanation	
	(£)		(£)		(£)	(%)	If > 15% and > £500		
<b>Significant variances:</b>									
1 Balances Brought Forward	£	142,388	£	109,098	£	33,290	30.51%	Y	N/A Starting Balance
2 Precept	£	150,768	£	134,614	£	16,154	12.00%	N	
3 Receipts	£	61,656	£	42,479	£	19,177	45.14%	Y	Donations for Village Security; COVID Grant & Donations; More Income from Burial Ground than previous years.
4 Staff costs	£	31,813	£	37,021	-£	5,208	-14.07%	N	
5 Loans etc	£	-	£	-	£	-			
6 Other Payments	£	118,272	£	106,782	£	11,490	10.76%	N	
(1+2+3)-(4+5+6)	£	204,727	£	142,388					
7 Balances	£	204,727	£	142,388	£	62,339	43.78%	N/A	Agrees (1+2+3) - (4+5+6)
8 Totals	£	201,350	£	137,222	£	64,128	46.73%	N/A	Different to Box 7, due to Rialtas VAT Control A/c, £3377
9 Assets	£	607,071	£	602,720	£	4,351	0.72%	N	

	Actual Year to Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% of Budget
<b>INCOME</b>						
180 <b>Income</b>						
1130 White Hill Burial Ground	15,695	15,500	(195)			101.3%
1132 Grants and Donations	28,255	28,255	0			100.0%
1134 Miscellaneous Income Other	1	0	(1)			0.0%
1135 Community Car Park	416	2,500	2,084			16.6%
1140 Miscellaneous Property Income	82	82	(0)			100.2%
1141 Gardiner Ground and Pavilion	1,945	1,945	(0)			100.0%
1143 Sheepcot Ground and Pavilion	2,515	2,515	0			100.0%
1149 CIL Receipts	11,798	11,798	(0)			100.0%
1176 Precept	150,768	150,768	0			100.0%
1190 Interest Received	949	985	36			96.4%
<b>TOTAL INCOME</b>	<b>212,424</b>	<b>214,348</b>	<b>1,924</b>	<b>0</b>	<b>0</b>	<b>99.1%</b>
<b>EXPENDITURE</b>						
101 <b>Allowances &amp; Expenses</b>						
2110 Allowances Expenses Training	603	650	47		47	92.8%
102 <b>Administration</b>						
2200 Security, Fire & Safety	310	310	0		0	100.0%
2210 Postage, copies and printing	365	400	35		35	91.1%
2240 Telephone & Internet	626	700	74		74	89.4%
2245 Website	15	15	0		0	100.0%
2250 Software and Back Ups etc	1,256	1,050	(206)		(206)	119.6%
2255 Office Equipment	1,575	1,575	0		0	100.0%
2270 Insurance	1,756	1,756	0		0	100.0%
2290 Rates & Taxes	1,497	1,600	103		103	93.6%
2300 Miscellaneous Expenditure	1,873	1,900	27		27	98.6%
2500 COVID-19 Response (not Staff)	1,131	1,100	(31)		(31)	102.8%
2510 Audit & Accountancy Fees	250	250	0		0	100.0%
2520 Legal Fees	35	1,000	965		965	3.5%
2550 Publications	42	200	158		158	20.9%
2590 Awards and Honours	466	466	1		1	99.9%
103 <b>Staff</b>						
2310 Staff Costs	31,813	34,000	2,187		2,187	93.6%
104 <b>Subscriptions</b>						
2410 Subscriptions	792	850	58		58	93.2%
105 <b>Miscellaneous Finance</b>						
2580 Bank Charges	60	60	0		0	100.0%
202 <b>Village Maintenance</b>						
2260 Utilities - Gas, Water, Electr	6,286	9,500	3,214		3,214	66.2%
2295 Inspections Surveys & Reports	3,717	4,000	283		283	92.9%
2570 OJFS Sundries & Maintenance	173	200	27		27	86.7%
2600 Vandalism	0	500	500		500	0.0%
2610 Traveller Eviction & Cleanup	4,525	6,025	1,500		1,500	75.1%
3100 Misc Burial Ground Costs	1,629	2,000	371		371	81.4%
3110 Grass Weeding Strimming Fertil	12,799	14,000	1,201		1,201	91.4%
3120 Hedges/Fences/Paddocks/Gates	2,550	3,000	450		450	85.0%

Continued over page

	Actual Year to Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% of Budget
3170 General Maintenance & Repair	2,901	3,000	99		99	96.7%
3210 Grave Digging	3,417	4,000	583		583	85.4%
3260 Defibrillator	299	400	101		101	74.7%
3420 Street Lighting	20,247	19,500	(747)		(747)	103.8%
3525 Trees	5,535	5,535	0		0	100.0%
3560 Waste / Litter / Street Cleani	7,058	7,100	42		42	99.4%
3562 Winter & Flooding	0	600	600		600	0.0%
3650 Car Park	2,400	2,400	0		0	100.0%
3910 Street Furniture & Seats	0	500	500		500	0.0%
4211 Playground Equipment Maintenan	471	500	29		29	94.2%
<b>203 Grants</b>						
3350 Transport S26-29 LGR Act 1997	350	1,100	750		750	31.8%
<b>205 Environment</b>						
6330 High Street Strategic Project	29,865	0	(29,865)		(29,865)	0.0%
<b>400 Neighbourhood Plan</b>						
4908 Misc Expenses/ purchases NP	87	100	13		13	87.3%
<b>501 Capital and Reserves</b>						
6320 Street Light Replacements	1,313	1,313	(0)		(0)	100.0%
6333 Public Spaces Review	0	10,000	10,000		10,000	0.0%
<b>TOTAL EXPENDITURE</b>	<b>150,085</b>	<b>143,155</b>	<b>(6,930)</b>	<b>0</b>	<b>(6,930)</b>	<b>104.8%</b>
<b>Total Income</b>	212,424	214,348	1,924			99.1%
<b>Total Expenditure</b>	150,085	143,155	(6,930)	0	(6,930)	104.8%
<b>Net Income over Expenditure</b>	<b>62,339</b>	<b>71,193</b>	<b>8,854</b>			
plus Transfer from EMR	44,900					
less Transfer to EMR	38,640					
<b>Movement to/(from) Gen Reserve</b>	<b>68,599</b>	<b>71,193</b>	<b>2,594</b>			

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## Goring-on-Thames Parish Council 2020/2021

### Bank - Cash and Investment Reconciliation as at 31 March 2021

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#### Confirmed Bank & Investment Balances

##### Bank Statement Balances

31/03/2017	Current A/c	0.00
31/08/2008	Clerk's Account	0.00
31/03/2017	Capital Account	0.00
31/03/2017	Support Account	0.00
31/03/2017	Reserve Account	0.00
31/03/2021	TSB Current	7,397.87
13/03/2021	TSB Reserve Account	193,952.43

**201,350.30**

##### Other Cash & Bank Balances

**0.00**

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**201,350.30**

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##### All Cash & Bank Accounts

6	TSB Current Account	7,397.87
7	TSB Reserve Account	193,952.43
	Other Cash & Bank Balances	0.00
	<b>Total Cash &amp; Bank Balances</b>	<b>201,350.30</b>

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27 April 2021

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## Internal Audit Report for Goring on Thames Parish Council

From Jane Olds – Internal Auditor

I reviewed the documents provided on 10 April and met with the Clerk, Laura White, on 27 April via Zoom.

### **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 2020 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 2020 – Section 4).

<b>Annual Return Section</b>	<b>Process</b>	<b>Findings</b>	<b>Recommendations and actions</b>
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>	In the future, include the Minute reference agreement for order on the payment schedule in the finance system.
C	Review of Internal Controls	I have noted that Council has assessed the significant risks to achieving its objectives using their Risk Assessment and have seen the document.	<p>The Risk Management Assessment is adequate.</p> <p>However, the Council should review and update it annually using the JPAG recommendations (2020 version - starts at 5.89 and criteria 5.91) and publish it on the website.</p>
D	Budgetary Controls (Precept requirement)	The annual Precept requirement resulted from an adequate budgetary process.	No further recommendations.
D	Budgetary Controls (Budget monitoring)	Progress against the budget was monitored and minuted regularly.	No further recommendations.
D	The final Outturn is in line with expectations.	The final outturn was materially in line with expectations.	No further recommendations.
E	Income controls	Expected income was fully received and properly recorded.	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 - the register has correctly recorded all material assets?	The current asset register has correctly recorded all material Assets. The correct basis of valuation has been applied.	No further recommendations.

<b>Annual Return Section</b>	<b>Process</b>	<b>Findings</b>	<b>Recommendations and actions</b>
H	Asset Controls - all additions 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 and are shown on the Register.	For transparency, the Council should consider including the information on the website.
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.	No further recommendations.
M	Exercise of Public Rights	The Parish Council published the exercise of public rights on the website and noticeboard.	I recommend that the notice is posted on the noticeboard, published in the Finance section of the website, and that the dates are agreed and Minuted prior to publication.  Photographic proof may be required next year.
N	AGAR Publication Requirements	The Parish Council complied with the publication requirements for the 2019/20 AGAR.	No further recommendations.
O	Trust Funds (If applicable)	The Parish Council operates as a Trustee for three external bodies. 'Zero' Returns are filed.	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 not been received for either 18/19 or 19/20.  The External Auditor had submitted a question about the 18/19 submission in August 2020.	The Council needs to find a way of responding to the External Auditor as quickly as possible in order that the future audits can be completed.
Accounting Statements agreed and reconciled to the Annual Return	Section 1 of the Annual Return Part 1 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 Act	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.		
Compliance with the Transparency Act	1) Expenditure over £100 is recorded on the Council Web-Site and with all information requirements	Not currently available on the website.	Good practise to publish this.
Compliance with the Transparency Act	2) Annual Return published on the Web-Site	Available on the website.	No further recommendations.
Compliance with the Transparency Act	3) Explanation of significant variances	Not currently available on the website.	Good practise to publish this.
Compliance with the Transparency Act	4) Explanation of difference between Box 7 & 8 if applicable	Available on the Variances document and satisfactory.	No further recommendations.
Compliance with the Transparency Act	5) Annual Governance Statement recorded	Available on the website.	No further recommendations.

Process	Criteria	Findings	Recommendations and actions
Compliance with the Transparency Act	6) Internal Audit Report Published	Available on the website.	No further recommendations.
Compliance with the Transparency Act	7) A List of Councillors' responsibilities	Available on the website.	No further recommendations.
Compliance with the Transparency Act	8) Details of Public Land and Building Assets	Available on the Asset Register.	No further recommendations.
Compliance with the Transparency Act	9) Minutes & Agenda	Available on the website.	No further recommendations.

### Further Recommendations:

Following the completion of the Internal Audit, I strongly recommend that the Council completes a review of effectiveness. A blank form can be supplied.

The Clerk should be supported in her completion of CiLCA (Certificate in Local Council Administration) which will be of great benefit, not only to the Clerk's professional development, but to the Council, particularly the possibility of the adoption of the General Power of Competence. The Councillors should be encouraged to take up the training offered by the local County Association to increase their knowledge and competence. OALC's Roles and Responsibilities, Finance for Councillors and the Employing Staff courses are highly recommended.

The Council must remember that it is an employer, and the Employment Committee should, at the very least, offer the Clerk an appropriate annual appraisal. OALC is currently offering appraisal training.

It was noted that there were issues with the current bank mandate which needed addressing as soon as possible, but I understand this is in hand. It may be prudent to review the bank signatories on an annual basis.

As part of the banking review, the Council might like to consider some form of payment card on the account for the Clerk, in order that items can be ordered online. With the appropriate safeguards in place this would be more appropriate than the Clerk having to use her own personal debit card for Parish Council expenses.

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

Goring Parish Council has an electorate in the region of 2,754 and the Precept for the year 20/21 was set at £150,768.

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.

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 2020/21 Part 3

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

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

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

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

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

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

## Publication Requirements

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

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

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

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

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

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

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

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

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

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

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

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

# Annual Internal Audit Report 2020/21

ENTER NAME OF AUTHORITY

ENTER PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

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

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

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

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

Name of person who carried out the internal audit

DD/MM/YYYY DD/MM/YYYY DD/MM/YYYY

ENTER NAME OF INTERNAL AUDITOR

Signature of person who carried out the internal audit

SIGNATURE REQUIRED

Date

DD/MM/YYYY

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

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

## Section 1 – Annual Governance Statement 2020/21

We acknowledge as the members of:

ENTER NAME OF AUTHORITY

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2021, that:

	Agreed		'Yes' means that this authority:
	Yes	No*	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.			<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:

DD/MM/YY

and recorded as minute reference:

MINUTE REFERENCE

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

Chairman

SIGNATURE REQUIRED

Clerk

SIGNATURE REQUIRED

ENTER PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

## Section 2 – Accounting Statements 2020/21 for

ENTER NAME OF AUTHORITY

	Year ending		Notes and guidance
	31 March 2020 £	31 March 2021 £	
			<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			<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			<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			<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			<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			<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			<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			<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			<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			<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			<i>The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).</i>
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	<i>The Council, as a body corporate, acts as sole trustee for and is responsible for managing Trust funds or assets.</i>
			<i>N.B. The figures in the accounting statements above do not include any Trust transactions.</i>

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

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

SIGNATURE REQUIRED

Date

DD/MM/YY

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

DD/MM/YY

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 2020/21

In respect of

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 2021; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

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

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

(continue on a separate sheet if required)

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

(continue on a separate sheet if required)

### 3 External auditor certificate 2020/21

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

\*We do not certify completion because:

External Auditor Name

ENTER NAME OF EXTERNAL AUDITOR

External Auditor Signature

SIGNATURE REQUIRED

Date

DD/MM/YY



## **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 £61462.52 for the financial year of 2021/22. The Council agreed to the following levels of reserves:

320	EMR Operating Reserve	£	61,462.52
321	EMR Rectory Gardens	£	-
322	EMR Ferry Lane Riverbank Repair	£	-



323	EMR Ferry Lane Fence	£	-
324	EMR Gardiner Pavilion	£	-
325	EMR Tree Felling & Replacement	£	10,000.00
326	EMR Playground Equipment	£	13,500.00
327	EMR Legal Fees - Weir	£	-
328	EMR MIGGS Pavement Widening	£	5,000.00
329	EMR Car Park Reserves	£	2,000.00
330	EMR Conservation Area Appraisal	£	-
331	EMR Sheepcot Refurbishment	£	-
332	EMR CIL	£	-
333	EMR High Street Strategic Proj	£	25,000.00
334	EMR Street Lighting Replacement	£	29,645.08
335	EMR LED Street Survey	£	-
340	EMR Covid-19 Response	£	7,532.55
	EMR Prev FY2019-20		
350	Commitments	£	-
360	EMR Security	£	3,249.04
370	EMR Public Spaces Strategy	£	24,000.00
375	EMR GGBN Reserved Monies	£	1,030.74
384	EMR External Audit Costs	£	6,000.00
385	EMR WHBG Reserved Plots	£	5,500.00
		£	193,919.93

6.3 These levels of Reserves were agreed at the meeting of the Parish Council in March 2021.

## **7 Review of the Policy**

7.1 This policy was adopted by the Parish Council at its meeting on 04th May 2021 and will be reviewed periodically, but not less than once per council term (nominally 4 years).

Signed:

K Bulmer  
Chairman



## **CASH RECEIPTS POLICY**

### **1 Purpose of the Policy**

- 1.1 To ensure the control and safeguarding of cash transactions at the Council
- 1.2 To minimise the risk of loss through fraud, misappropriation or mistake.
- 1.3 The policy applies to Council staff, Councillors and any volunteer or helper collecting money on behalf of the Council.

### **2 Cash Storage & Banking**

- 2.1 All cash must be stored within a locked container. No cash float or Petty Cash is held by the Council.
- 2.2 Cash will only be held where monies have been collected by or donated to the council and must be deposited in the Council's bank account as soon as practically possible after it has been collected regardless of quantity.
- 2.3 When cash is counted on behalf of the parish council, it shall be in a secure location, no cash should be left out unattended or on desks.
- 2.4 There must be segregation of duties where possible. A Councillor or member of staff, not the RFO should receive and count cash receipts, and where possible be present when the RFO records cash payments in the accounting software. Where this is not possible, the person who counted the receipt will keep a personal record, signed by both the member of staff or councillor and RFO of the amount received. This record will be verified against the Bank Reconciliation at the next available opportunity.
- 2.5 To ensure the safety of staff when banking or collecting cash, deposits and withdrawal amounts should be kept to a minimum. If significant cash deposits are to be made, a councillor or other member of staff shall accompany the RFO when the deposit is made. Staff, councillors and volunteers must on no account put themselves into situations of danger and should give up/not seek to recover cash if they are in physical danger.

### **3 Review of the Policy**

- 3.1 This policy was adopted by the Parish Council at its meeting on 04th May 2021 and will be reviewed periodically, but not less than once per council term (nominally 4 years).

Signed:

K Bulmer  
Chairman



# GORING-ON-THAMES PARISH COUNCIL

## Appendix M

### FINANCIAL RISK ASSESSMENT AND MANAGEMENT

For the period 1<sup>st</sup> April 2021 – 31<sup>st</sup> March 2022

#### 1 Income

Topic	Risk Identified	Risk Level H/M/L	Management of Risk	Staff action	Internal Audit Checks (Every)
Precept	Not submitted	L	Full PC Minute – RFO follow up	Diary	12 months
	Not paid by DC	L	Check & Report To PC.	Diary	12 months
	Adequacy of precept	H	Quarterly review of budget to actual	Diary	12 months
Grants – Lottery	Claims procedure	M	Clerk/RFO check quarterly		12 months
	Receipt of grant when due	M	Check & Report to PC.	Diary	12 months
Grants – District	Claims procedure	L	Clerk/RFO check quarterly		12 months
	Receipt of grant when due	M	Check & Report to PC.	Diary	12 months
T I C – Grant	Claims procedure	M	Clerk/RFO check quarterly	Diary	12 months
	Receipt of grant when due	M	Check & Report to PC.		12 months
Investment Income	Receipt when due	L		Diary	12 months
	Investment Policy	L	Review policy annually	Diary	12 months
	Surplus funds	L	Review policy annually		12 months

#### 2 Expenditure

Topic	Risk Identified	Risk Level H/M/L	Management of Risk	Staff action	Internal Audit Checks (Every)
Salaries	Wrong salary paid	M	Check to minute	Member verify	12 months
	Wrong hours paid	M	Check to timesheet/contract	Member verify	12 months
	Wrong rate of pay	M	Check to contract	Member verify	12 months
	False employee	L	Check to PAYE Records & lists	Member verify	12 months
	Wrong deductions – NI	M	Check to PAYE Calcs	Member verify	12 months
	Wrong deductions – Income tax	M	Check to PAYE Calcs	Member verify	12 months

Topic	Risk Identified	Risk Level H/M/L	Management of Risk	Staff action	Internal Audit Checks (Every)
Direct Costs and overhead expenses	Goods not supplied to TC	M	Order system	Approval check	12 months
	Invoice incorrectly calculated	L	Check arithmetic	Approval check	12 months
	Cheque payable is excessive	M	Signatory initials etc Stub & Voucher	Member verify	6 months
	Cheque payable to wrong party	M	Signatory initials etc Stub & Voucher	Member verify	6 months
Cllrs Allowances	Cllr overpaid	M	Claim form & minute	RFO verify	6 months
	Income tax deduction	M	Check to PAYE Records & lists	RFO verify	6 months
Fiscal Support	Power to pay	M	Minute power	Member verify	12 months
	Agreement of Council to pay	L	Minute	Member verify	12 months
	Conditions agreed	L	Use reasonable condition	RFO check	12 months
	Cheque & voucher	M	Signatory initials etc Stub & Voucher	Member verify	12 months
	Follow up verification	M	RFO check and consider budget	RFO verify	12 months
Election Costs	Invoice at agreed rate	L	RFO check and consider budget	RFO verify	Whenever

### 3 Review of the policy.

This policy was reviewed by the Parish Council at its meeting on -04 May 2021 and will be reviewed annually.

Signed:

K Bulmer      04 May 2021  
Chairman



## **STATEMENT OF INTERNAL CONTROLS**

For the period 1<sup>st</sup> April 2021 – 31<sup>st</sup> March 2022

### **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 31<sup>st</sup> March 2022 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 Council for approval. Two members of the Council 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 2020/2021 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 04th May 2021 and will be reviewed annually.

Signed:

Dated: 04<sup>th</sup> May 2021

K Bulmer, Chairman

**REVIEW OF EFFECTIVENESS OF INTERNAL AUDIT**

For the period 1<sup>st</sup> April 2021 – 31<sup>st</sup> March 2022

<b>Expected Standard</b>	<b>Evidence of Achievement</b>	<b>Areas for Development</b>
1. Scope of internal audit	Terms of reference were (re)-approved by full council on [date]. 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 4 <sup>th</sup> May 2021 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 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 [date]. Internal Auditor has reported in accordance with the plan on [date].	Confirmed. For the audit plan, see Financial Regulations. Internal audit report received by the council on 04 May 2021 was in accordance with the audit requirements.

<b>Characteristics of 'Effectiveness'</b>	<b>Evidence of Achievement</b>	<b>Areas for Development</b>
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 04 May 2021 and will be reviewed annually.

Signed:  
Chairman

K Bulmer



## **TEMPORARY SCHEME OF DELEGATION 2021**

### **S101 delegation of powers**

The Scheme of Delegation (s101 of the 1972 LGA), provides for delegating authority to the Clerk for making decisions on behalf of the council as and when appropriate. S101 requires formally agreed Terms of Reference by the Council. It needs to be based in Terms of Reference (a sheet of A4 rules – see Scheme of Delegation below) that sets out the key themes of the delegation and the financial thresholds that apply.

This scheme of delegation is a temporary measure to facilitate effective decision making whilst the COVID-19 restrictions are in place. It allows the Clerk to take on the executive role during this time.

### **Delegation of Power**

Section 101 of the Local Government Act 1972 provides:

- That a Council may delegate its powers (except those incapable of delegation) to a committee or an officer.
- A Committee may delegate its powers to an officer.
- The delegating body may exercise Powers that have been delegated.

Any delegation to the Proper Officer shall be exercised in compliance with the Council's Standing Orders, any other policies or conditions imposed by the Council and within the law.

The Proper Officer may nominate another named Officer to carry out any powers and duties, which have been, delegated to that Officer.

In an emergency the Proper Officer is empowered to carry out any function of the Council.

Where officers are contemplating any action under delegated powers, which is likely to have a significant impact in a particular area, they should also consult a minimum of two Members, and must ensure that they obtain appropriate legal, financial and other specialist advice before action is taken.

The following items may not be delegated to the Clerk:

- To appoint the Chairman and Vice-Chairman in May each year
- To sign off the Governance Statement by 30<sup>th</sup> June each year
- To set the precept
- To appoint the Head of Paid Service (Clerk)
- To make byelaws
- To borrow money

- To consider any matter required by law to be considered by Council.

To the Proper Officer (LGA 1972 s101), the Council's Scheme of Delegation authorises the Clerk to the Council to act with delegated authority in the specific circumstances detailed:

**To take action:**

1. To take action on any issue that cannot wait until the next Parish Council meeting; as a temporary measure the Proper Officer is empowered to take any and all decisions that would normally be taken by Full Council, or a committee or a working group, having consulted a minimum of two Members. Consultation may be by email or by telephone or by virtual meeting, followed by a confirmation email.
2. If circumstances do not permit the input of at least two councillors, the Clerk would normally be expected to consult the Chairman or Vice Chairman if the Chairman is unavailable and take his/her view into account.

**Financial thresholds:**

3. To authorise expenditure on items where the Council has previously approved the budget to a maximum of £3,000 per transaction having consulted a minimum of two Members and the Chairman, or to a higher level where the Council has agreed & minuted the expenditure at a prior meeting. Additionally, these Members should be independent of the two Members who will authorise the payments within the online banking system. For the avoidance of doubt, this includes any payments that will be overdue before the next scheduled Council Meeting or where discounts may be lost to the Council; to include normal salaries and all items specifically budgeted for, contracted for or expenditure previously agreed by Council at a meeting.
4. To incur expenditure on behalf of the Council, which is necessary to carry out any repair, replacement or other work or essential project which is of such extreme urgency that it must be done at once, whether or not there is any budgetary provision for the expenditure, subject to a limit of £1,000.00 per transaction, having consulted the Chairman and taken on board his views.
5. To take any action regarding minor repairs or purchases (up to a cost of £500.00 per transaction) having consulted the Chairman and taken on board his views.

**Planning Matters:**

6. The Planning Committee has approved its own scheme of delegation.

**Delegation Limitations, Record keeping & Reporting:**

7. In the absence of the Proper Officer for longer than 3 working days, the Assistant Clerk may adopt these delegated powers to facilitate the ongoing business of the Council.
8. Records will be kept demonstrating a clear trail (particularly around decision making in any form).

9. All decisions will be reported at the next available Full Council Meeting.
10. Delegated actions shall be in accordance with Standing Orders and Financial Regulations and in line with directions given by Council from time to time and this Scheme of Delegation, and where applicable any other rules/regulations and legislation.

**Expiration of Delegation:**

This delegation will expire if any of the following criteria are met:

11. The High Court declares that schedule 12 of the Local Government Act 1972 empowers local authorities to hold meetings remotely, regardless of the coronavirus regulations – virtual meeting of the Planning Committee will recommence.
12. Legislation to hold virtual meetings is available - virtual meeting of the Planning Committee will recommence.
13. All social distancing requirements with respect to the COVID-19 pandemic are lifted – in person meetings of the Planning Committee will recommence.
14. All members of the planning committee notify an officer of the council they wish to recommence in person meetings, and the appropriate risk assessments and risk mitigations are in place.

**Review of the Policy**

This policy was adopted by the Parish Council at its meeting on 04th May 2021 and will be reviewed periodically or each time it is activated.

Signed:

K Bulmer  
Chairman