

Annual Governance and Accountability Return 2020/21 Part 3

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

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

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

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

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

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

Publication Requirements

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

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

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

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

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

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

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

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

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

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

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

**Governance and Accountability for Smaller Authorities in England – a Practitioners' Guide to Proper Practices*, can be downloaded from www.nalc.gov.uk or from www.ada.org.uk

Annual Internal Audit Report 2020/21

Horspath Parish Council

www.horspath.org.uk

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

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

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

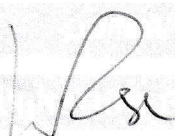
Date(s) internal audit undertaken

29/08/2020

Name of person who carried out the internal audit

Kevin Rose ACMA - IAC Audit & Consultancy Ltd

Signature of person who carried out the internal audit



Date 27/05/2021

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

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

Section 1 – Annual Governance Statement 2020/21

We acknowledge as the members of:

HORSPATH PARISH COUNCIL

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

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

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

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

04/05/21

and recorded as minute reference:

83/21-10

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

Chairman

Clerk

www.horspath.org.uk

Section 2 – Accounting Statements 2020/21 for

HORSPATH PARISH COUNCIL.

	Year ending		Notes and guidance
	31 March 2020 £	31 March 2021 £	
1. Balances brought forward	Restated 21638	6810	Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.
2. (+) Precept or Rates and Levies	22000	22000	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	7159	24836	Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.
4. (-) Staff costs	7398	6895	Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.
5. (-) Loan interest/capital repayments	3290	1274	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	33299	34924	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	6810	10553	Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).
8. Total value of cash and short term investments	6810	10553	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.
9. Total fixed assets plus long term investments and assets	550194	550194	The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.
10. Total borrowings	1200	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	The Council, as a body corporate, acts as sole trustee for and is responsible for managing Trust funds or assets.
	✓		N.B. The figures in the accounting statements above do not include any Trust transactions.

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

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

H Kogel

Date

04/05/21

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

04/05/21

as recorded in minute reference:

83/21 - PENCE

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

[Signature]

Section 3 - External Auditor Report and Certificate 2020/21

In respect of

Horspath Parish Council

1 Respective responsibilities of the body and the auditor

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 report 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 the 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.

We have noted in previous years that when the Notice of Public Rights is not published correctly, the following year's Audit Report should include a 'No' answer to Assertion 4 of Section 1 of the AGAR. This is because the notice in relation to any year's AGAR is published after the year end, once the AGAR has been prepared but Box 4 relates to items during the financial year and so therefore covers the prior year's public rights inspection period. The Council has again this year failed to answer 'No' to Assertion 4 of Section 1 of the AGAR to reflect the errors made in this regard during the financial year under review.

We have also commented previously that where our recommendations are not followed, Assertion 7 on Section 1 should be answered 'No' to reflect this but this has also again been answered 'Yes', in error, despite the error above recurring.

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

NONE

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



MOORE

External Auditor Signature

Moore

Date

23/09/2021

Summary Receipts & Payments - Yr Ending 2020/21							
Receipts & Payments 19/20	Activity				Receipts & Payments 20/21		
£ 21,638.43	Bank Balance B/Fwd 31.3.20				£ 6,810.19		
£ -	Burial Ground						
£ -	Village Hall Refurbishment						
£ -	CIL				£ 4,178.37		
£ -	Services/Street Lights						
£ -	Traffic Calming						
£ 21,638.43	NET BALANCE FOR EXPENDITURE AT 31.3.20				£ 2,631.82		
	RECEIPTS 1.4.20 - 31.3.21						
£ 22,000.00	Precept				£ 22,000.00		
	Donations				£ 8,850.00		
	Field	Bore Hole - Bowley Field			£ -		
	HSPC Grants				£ 11,287.67		
£ 775.00	Burial Ground				£ 1,575.00		
£ 39.94		Bank Interest			£ 6.40		
£ 3,198.00	Grants	Minibus Trial & Legal Fees			£ -		
£ 216.10	Rent	Misc			£ -		
		Horspath Nursery			£ 480.00		
£ 1,042.77	Other	CIL Payment			£ -		
£ -		Valuation/Insurance Claims			£ -		
		Southern Electric			£ -		
£ 1,887.25		VAT Repayment			£ 2,636.98		
£ 29,159.06	TOTAL RECEIPTS				£ 46,836.05		
	Payments 1.4.20 - 31.3.21						
£ 7,398.35	Admin	Clerk Salary			£ 6,895.02		
£ 1,229.84		Admin Expenses			£ 3,530.65		
£ -		Traffic Calming			£ -		
£ 692.00		Audit			£ 635.00		
£ 750.00		Legal Fees/Valuation			£ 13,650.00		
£ -		War Memorial			£ -		
£ 3,558.10	Insurance	Parish			£ 3,593.60		
£ 1,373.25	Loans	PWLB Village Hall			£ 1,274.25		
£ 1,916.50		PWLB Burial Ground			£ -		
£ 2,386.00	Services	Minibus Trial			£ -		
£ 436.00		Grass Cutting Burial Ground			£ 408.00		
£ 440.51		Mower/Strimmer/Tractor Costs			£ 845.76		
£ 740.00		Bus Shelter Cleaning			£ 740.00		
£ 322.32		Dog Bins			£ 941.85		
£ 3,650.21		General Repairs			£ 1,400.50		
£ 5,239.41	Projects	Village Hall/Play Area			£ 1,545.69		
£ -		Grass Cutting Recreation Ground			£ 2,184.00		
£ 7,918.50		Playground					
£ -	Misc						
£ 235.88	Subscriptions	OALC/OPFA/OGBN/ORCC			£ 464.01		
£ 267.00							
£ 671.45	Section 137	Miscellaneous			£ 1,100.00		
£ 150.00		Wheatley Park			£ 150.00		
£ 75.00		Horspath Hub			£ -		
£ 2,636.98		VAT Paid			£ 3,735.21		
£ 1,900.00	Conservation Area						
£ 43,987.30	TOTAL PAYMENTS FOR YR END 31.3.21				£ 43,093.54		
£ 6,810.19	BALANCE CARRIED FORWARD 31.3.21				£ 10,552.70		
£ -	Minus Reserves				£ 4,178.37		
£ 6,810.19	Total Balance Available 31.3.21				£ 6,374.33		

Notes to accompany Annual Return for Year Ending 31 March 2021 for Horspath Parish Council.

Reasons for significant variances are as follows:-

Box 1 – Balances Brought Forward

The balance brought forward in 2020/21 is less than 2019/20 due to higher expenditure on the completion of projects in 2019/20, including £7918.00 for repairs to the play area, £2386.00 on providing a minibus service, £1900.00 on emergency tree works, £5239.00 on works/repairs required in the village hall. All of these costs reduced the opening balance in 2020/21.

Box 3 – Total Other Receipts

Receipts in 2020/21 were higher than 2019/20 due to a donation of £8850.00 from Garsington Parish Council to contribute towards legal costs, and £11,287.67 was received in grants for village projects.

Box 5 – Loan Interest/Capital Repayments

One of the loans with the PWLB finished during 2019/20 which has reduced the expenditure on loan repayments.

Box 7 – Balances Carried Forward & Box 8 – Total Value of Cash and Short Term Investments

The balance c/fwd in 2020/21 is higher than 2019/20 due to: _

A cost of £3757.67 has been received during 2020/21 as a grant to carry out repairs in the play area, but as the works have not yet been completed the invoice has not yet been paid.

Box 10 – Total Borrowings

This amount has decreased in 2020/21 as the remaining loan from PWLB has now been paid off.

HORSPATH PARISH COUNCIL

Clerk: Mrs Hayley Kogel, 63 Bowyer Road, Abingdon, Oxon. OX14 2EP
Tel/Fax: 01235 534710

Bank Reconciliation 2020/2021

Bank Balance at 31st March 2021

Community Account	£200.00
Business Premium Account	£0.49
Business Premium Account	£ 10,352.21
Total	£ 10,552.70
Minus Un-presented Cheques	£ 0.00
Total	£ 10,552.70
 Total	 £ 10,552.70

Bank Balance c/fwd 31st March 2020	£ 6,810.19
Plus Receipts 2020/2021	£ 46,836.05
Minus Payments 2020/2021	£ 43,093.54
 Bank Balance at 31st March 2021	 £ 10,552.70

Hayley Kogel
Clerk to Horspath Parish Council

Notes to the Accounts- For Year Ending 31 March 2021.

1) **INVESTMENTS – The Council has no investments at present.**

2) **ASSETS - At 31 March 2021 the following assets were held:-**

a) Parish Council Assets

Bus Shelter	1.00
Conservation Area	1.00
Village Green	1.00
Children's Playground	1.00
Bowley & Recreation Fields	1.00
Stone Pit	1.00
Burial Ground	1.00

b) Other Assets

Village Hall	450684.00
Nursery Site Unit (purchased December 1998)	1.00
Playground Equipment	44,424.45
Mowers/Strimmer	1.00
Tractor	2,400.00
Pumping Station Land (purchased May 1996)	1.00
Height Restriction Barriers (purchased May 1999)	1.00
Wooden Seats/Picnic Tables	1.00
Scout Hut	50,000.00
2 x Defibrillators	2,674.00
TOTAL	550,194.45

3) **LEASES - At 31 March 2021 the following leases were in operation:-**

Lessor	Purpose	Expiry	Annual Lease
Transit Holdings	Bus Depot	25/03/64	100,000.00 (Not subject to S137)
Horspath Nursery	Nursery School	31/12/20	240.00
SEB	Sub-Station	Indefinitely	0.50
Pubmaster	Chequers Car Park	14/11/28	2850.00

4) **DEBTORS - At 31 March 2021 there is £3735.21 vat to be claimed.**

5) **BORROWINGS**

At 31 March 2021 the following loans were outstanding:-

Lender	Purpose	Term	Amount
PWLB	Village Hall Refurb	25 Years	£0.00 (Paid off 31.3.21)

6) **CREDITORS - At 31 March 2021 there were no creditors to report.**

7) **SECTION 137 PAYMENTS**

The limit for spending under Section 137 of the Local Government Act 1972 for this Council in the year of account was £8,405.12, (based on 1142 residents x £7.36 per head). The following payments were made:-

Homestart	100.00
Wheatley Park School	150.00
Newtrim UK Ltd	500.00
The Maple Tree Centre	500.00
TOTAL	£1250.00

Horspath Parish Council

Financial Year 2020-21



Visit date: 27 May 2021

Year End Internal Audit Observations

Box B This smaller authority met its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.

No.	Audit Conclusion	Observation	Recommendation	Priority	Comments
1	The Council is not using the latest Model Financial Regulations	<i>The format of the Financial Regulations in use appears to be an old version of the NALC model financial regulations</i>	The Council to review and update its Financial Regulations	Medium	
2	Tender threshold is not set at £25,000 consistent with the Public Contract Regulations and NALC Model Regulations.	<i>The tender threshold stated in the Councils Financial Regulations does not correspond to the £25,000 threshold stated in the Public Contract Regulations and latest NALC Model Financial Regulations.</i>	Council to review the and update the tender threshold	High	

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

No.	Audit Conclusion	Observation	Recommendation	Priority	Comments
1	As at the date of the Interim Audit the Council has not formally Minuted a review of Risk	<i>Council reviewed Risk at a meeting held in September 2019. From a review of records it does not appear that such a review took place during the 2020-21 financial year</i>	The Council must ensure that it has conducted a review of Risk each financial year.	Non Compliance	

Box D The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.

No.	Audit Conclusion	Observation	Recommendation	Priority	Comments
1	From a review of the records it was not possible to determine when the Council had formally approved the budget for the year.	<i>Council Minutes of a meeting held on 7th January 2020 record some discussion of the precept, but do not record formal consideration and approval of a budget</i>	The Council, as a body, must ensure that it formally approves a budget, prior to setting the precept.	High	
2	Precept does not agree to Central Government data	<i>It was noted that the precept received did not agree to the precept set by Council. This was due to an error when submitting the precept request to the billing authority. The Council is aware of this and this has be referred to several times in Council Minutes.</i>	Council to note	High	

2020-21 Horspath Parish Council Internal Audit

3	The Council has not published the Statement of Accounts as required by the Accounts and Audit Regulations 2015 Regulation 15 (including publication on the Councils website).	<i>It was noted that, generally, the Council does not publish key statutory documents on its website. These include the Annual Governance Statement, the Accounting Statements, the Notice for the Exercise of Public Rights, the External Auditors Report and the Notice of Conclusion of Audit.</i>	The Council MUST comply with the Accounts & Audit Regulations 2015 Regulation 15 including publication of documents on its website. The Council should consider what response it should give in respect of Assertion 3 of the Annual Governance Statement	Non Compliance	
4	The Council did not approve the AGS prior to approving the statement of accounts as required under Regulation 6 (4) of the Accounts and Audit Regulations 2015	<i>The Council Minutes of 5th May 2020 state "The Clerk circulated copies of the annual return and statement of accounts to all Councillors, which were unanimously agreed and signed by both the Clerk and the Chairman"</i>	The Council MUST comply with Accounts and Audit Regulation 6 (4) which states "The annual governance statement, referred to in paragraph (1)(b) must be— (a) approved in advance of the relevant authority approving the statement of accounts"	Non Compliance	
5	The Council has not published the AGS, Statement of Accounts and External Auditors report as required by the Accounts and Audit Regulations 2015 Regulation 13.	<i>Not available on website at date of Internal Audit</i>	The Council MUST comply with the Accounts & Audit Regulations 2015 Regulation 13	Non Compliance	
6	The Council has not published the Notice of Conclusion of Audit as required by the Accounts and Audit Regulations 2015 Regulation 16.	<i>Not available on website at date of Internal Audit</i>	The Council MUST comply with the Accounts & Audit Regulations 2015 Regulation 16.	Non Compliance	
7	Regular budget reports have not been submitted to Council	<i>The Council regularly receives details of income and expenditure but there does not appear to be a formal process for the monitoring of income and expenditure against budget</i>	The Council, of a designated sub-committee of the Council, should undertake a regular review of financial performance against budget.	High	

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

No.	Audit Conclusion	Observation	Recommendation	Priority	Comments
1	The leases are not current and/or income is not being received as required.	<i>A schedule provided list various leases, including one in relation to a bus depot. It appears that this lease is actually a lease for the Stone Pit Trust.</i>	Council should review its leases and income due. Lease which are in respect of the Trust should be clearly distinguished from those which the Parish Council is party to.	Medium	
2	Precept received does not agree to budget	<i>Budgeted Precept was £33,000, amount requested and paid was £22,000 (see above)</i>	Council to note	High	
3	Income has not been correctly treated for VAT purposes	<i>Income received from a neighbouring parish towards contribution to legal costs included a VAT element (the council is, however, not VAT registered). The Council has included this VAT in its VAT payments, and this should be reclaimed by the Council and not charge to the other parish.</i>	VAT element of income received from the neighbouring parish to be refunded	High	

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

No.	Audit Conclusion	Observation	Recommendation	Priority	Comments
1	Contracts of employment are not available	<i>It is understood that there is no formal contract in place for the Parish Clerk</i>	The Council MUST put in place a contract for the Clerk.	High	
2	The value stated in Box 4 could not be agreed to a schedule of Staff Costs	<i>Difference of £214 noted in computation of staff costs (Council draft cost is higher)</i>	The Council to review the value stated in Box 4 of the Annual Return and, if appropriate, amend it.	High	

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

No.	Audit Conclusion	Observation	Recommendation	Priority	Comments
1	Bank reconciliation have not been subject to independent review.	<i>The year end bank reconciliation was pending formal review at the date of the year end audit.</i>	On a regular basis, at least quarterly, bank reconciliations must be subject to formal review and signed as evidence of this review.	High	

2020-21 Horspath Parish Council Internal Audit

Box M During summer 2020 this authority has correctly provided the proper opportunity for the exercise of public rights in accordance with the requirements of the Accounts and Audit Regulations.

No.	Audit Conclusion	Observation	Recommendation	Priority	Comments
1	The Council did not publish the Notice for the Period of Exercise of Public Rights	<i>Not available on website at date of Internal Audit</i>	The Council must comply with the requirement of the Accounts and Audit Regulations in respect of Notice for the Period of the Exercise of Public Rights.	Non Compliance	
2	The period for the Exercise of Public Rights did not commence the day after the Council published the Accounting Statements and Annual Governance Statement	<i>The Announcement date was stated as the 10th August 2020, this was the same date as the Commencement Date. The Announcement date must be at least 1 working day before the Commencement Date</i>	The Council to note that the date or the Exercise of Public Rights did not commence the day after the Council published the Accounting Statements and Annual Governance Statement	Non Compliance	
3	The period of the Exercise of Public Rights did not last for 30 working days.	<i>The period stated in the Notice, from 19th August to 8th September; was for 21 working days not the 30 working days required by Regulation.</i>	The Council to note that the period of the Exercise of Public Rights did not last for 30 working days.	Non Compliance	


Smaller authority name: **HORSPATH PARISH COUNCIL**

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

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

Local Audit and Accountability Act 2014 Sections 26 and 27

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

NOTICE	NOTES
<p>1. Date of announcement <u>Tuesday 22nd June 2021</u> (a)</p> <p>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.</p> <p>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 2021, these documents will be available on reasonable notice by application to:</p> <p>(b) Mrs Hayley Kogel, Clerk/Responsible Financial Officer to Horspath Parish Council 63 Bowyer Road, Abingdon, OX14 2EP Tel: 07795 574384 Hayleykogel@btinternet.com</p> <p>commencing on (c) <u>Wednesday 23rd June 2021</u></p> <p>and ending on (d) <u>Wednesday 4th August 2021</u> [30 working days after (c) above]</p> <p>3. Local government electors and their representatives also have:</p> <ul style="list-style-type: none">• 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. <p>The appointed auditor can be contacted at the address in paragraph 4 below for this purpose between the above dates only.</p> <p>4. The smaller authority's AGAR is 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:</p> <p style="text-align: center;"> MOORE</p> <p>Moore (Ref RD/hd) Rutland House, Minerva Business Park, Lynch Wood, Peterborough PE2 6PZ</p> <p>5. This announcement is made by (e) Mrs Hayley Kogel, Clerk/Responsible Financial Officer to Horspath Parish Council.</p>	<p>(a) Insert date of placing of the notice which must be not less than 1 day before the date in (c) below</p> <p>(b) Insert name, position and address/telephone number/ email address, as appropriate, of the Clerk or other person to which any person may apply to inspect the accounts</p> <p>(c) Insert date, which must be at least 1 day after the date of announcement in (a) above and at least 30 working days before the date appointed in (d) below</p> <p>(d) The inspection period between (c) and (d) must be 30 working days inclusive and must include the first 10 working days of July.</p> <p>(e) Insert name and position of person placing the notice – this person must be the responsible financial officer for the smaller authority</p>

Smaller Authority Name: HORSPATH PARISH COUNCIL

NOTICE OF CONCLUSION OF ANNUAL AUDIT

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021
Accounts and Audit Regulations 2015

- 1 The audit of accounts for (Smaller Authority Name) HORSPATH P/COUNCIL for the year ended 31 March 2021 has been completed and the accounts have been published.
- 2 The Annual Return is available for inspection by any local government elector in the area of (Smaller Authority Name) HORSPATH PARISH COUNCIL on application to
 - (a) (Name of Clerk)
MRS HAYLEY KOGEL
 - (b) (Address of Clerk)
63 BOWYER ROAD
ABINGDON
OX14 2EP
 - (c) (Telephone/email, and hours and arrangements to view)
07795 574384
BETWEEN 10AM - 4PM
- 3 Copies will be provided to any person on payment of £ — for each copy of the Annual Return

Announcement made by (Name of Clerk)

H Kogel

Date of Announcement

21/2/2021