

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.

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.	N/A	

**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

Hanslope Parish Council

www.Hanslopeparishcouncil.org

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

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

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

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

Date(s) internal audit undertaken

14/05/2021

Name of person who carried out the internal audit

MRS TL CHARTRESS

Signature of person who carried out the internal audit

Tina Chartress

Date

31/05/2021

*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:

Hanslope 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:

14/06/2021

and recorded as minute reference:

21.074 iv.

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

Chairman

Clerk

www.Hanslopeparishcouncil.org

Section 2 – Accounting Statements 2020/21 for

Hanslope Parish Council

	Year ending		Notes and guidance
	31 March 2020 £	31 March 2021 £	
1. Balances brought forward	175,548	268,560	<i>Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to underlying financial records.</i> <i>Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.</i>
2. (+) Precept or Rates and Levies	124,713	128,177	<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	58,070	28,388	<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	16,851	21,973	<i>Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.</i>
5. (-) Loan interest/capital repayments	0	0	<i>Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).</i>
6. (-) All other payments	72,920	106,707	<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	268,560	296,445	<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	268,560	296,445	<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	566,273	566,280	<i>The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.</i>
10. Total borrowings	0	0	<i>The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).</i>
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	<i>The Council, as a body corporate, acts as sole trustee for and is responsible for managing Trust funds or assets.</i> <i>N.B. The figures in the accounting statements above do not include any Trust transactions.</i>

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

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



Date

14/6/21

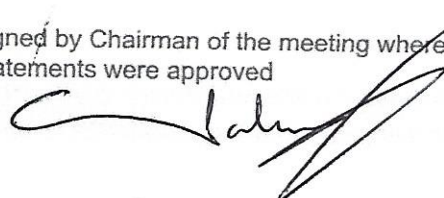
I confirm that these Accounting Statements were approved by this authority on this date:

14/06/2021

as recorded in minute reference:

21/074 iv.

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



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

In respect of

Hanslope Parish Council

1 Respective responsibilities of the auditor and the authority

Our responsibility as auditors to complete a **limited assurance review** is set out by the National Audit Office (NAO). A limited assurance review is **not a full statutory audit**, it does not constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and hence it **does not** provide the same level of assurance that such an audit would. The UK Government has determined that a lower level of assurance than that provided by a full statutory audit is appropriate for those local public bodies with the lowest levels of spending.

Under a limited assurance review, the auditor is responsible for reviewing Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with NAO Auditor Guidance Note 02 (AGN 02) as issued by the NAO on behalf of the Comptroller and Auditor General. AGN 02 is available from the NAO website – <https://www.nao.org.uk/code-audit-practice/guidance-and-information-for-auditors/>.

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2021; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

2 External auditor’s limited assurance opinion 2020/21

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

(continue on a separate sheet if required)

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

(continue on a separate sheet if required)

3 External auditor certificate 2020/21

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

*We do not certify completion because:

External Auditor Name

External Auditor Signature

Date

Box 4 on the Annual Return was found to include payroll admin costs which should be coded to Box 6. This was found to be true for both 2019-20 and 2020-21. Therefore these costs were repointed to the correct box by remapping the Nominal Code 4010 to box 6 for both years.

Last years signed off AGAR showed £18,873 in box 4 and £70,898 in box 6. By remapping the nominal the restated figures were £16,851 and £72,920 respectively.

The movement of £2,022 in 2019-20 was represented by the following transactions.

75321

Nominal Code 4010 Payroll fees Order by Centre
 Cost Centre 100 Administration

Annual Budget 7,530
 Committed Exp

Date	Reference	Source	Transaction Description	Amount	Dr/Cr
16/04/2019	CHQ	Cashbook	Payroll Services Jan-Mar	63.00	D
12/07/2019	3045	Cashbook	Apr-June Payroll	124.50	D
16/07/2019	3038	Cashbook	Employment Advice&Admin	1756.61	D
15/01/2020	BACS	Cashbook	Payroll services Oct-Dec	78.09	D

Opening Balance 0.00

Closing Trial Balance 2,022.11

Nominal Balance 2,022.11 D
 Total Movement 2,022.11

Display Nominal Ledger

In the 2020-21 accounts the movement was represented by the following transactions

75321

Nominal Code 4010 Payroll & Professional Fees Order by Centre
 Cost Centre 100 Administration

Annual Budget 5,530
 Committed Exp

Date	Reference	Source	Transaction Description	Amount	Dr/Cr
31/03/2020	BACS	Cashbook	Jan - Mar Payroll services	78.00	D
30/06/2020	BACS	Cashbook	Payroll services Apr-June	81.00	D
14/10/2020	CARD	Cashbook	Payroll service July-Sept	81.00	D
31/12/2020	BACS	Cashbook	Payroll Services Oct-Dec 2020	106.00	D

Opening Balance 0.00

Closing Trial Balance 346.00

Nominal Balance 346.00 D
 Total Movement 346.00

Mrs Tina L Charteress CILCA
Internal Auditor

Annual Internal Audit Report

(to be read in conjunction with the Annual Internal Audit Report in the Annual Governance and Accountability Return)

Name of council:	Hanslope Parish Council		
Name of Internal Auditor:	Mrs TL Charteress	Date of report:	31st ^h May 2021
Year ending:	31 March 2021	Date audit carried out:	14 th May 2021

Internal audit is the periodic independent review of a council's internal controls resulting in an assurance report designed to improve the 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 management and not left for internal audit.

The council is required to take appropriate action on all matters raised in reports from internal and external audit and to respond to matters brought to its attention by internal and external audit. Failure to take appropriate action may lead to a qualified audit opinion.

To the Chairman of the Council:

Thank you very much for sending documentation as requested enabling me to conduct the Internal Audit for the Parish Council remotely due to the Covid 19 pandemic. Thank you to the Clerk Mrs Merry, & Cllr Price for being available to discuss matters via a video call and for sending me further information to support the audit.

I examined Book Keeping, Due Process, Bank Reconciliations, Internal Control, Asset Register, Tender process, year-end procedures & I performed a detailed scan of the minutes via the website.

I draw the Council's attention to the following comments:

- I have asked the Clerk to look into whether the Caretaker should be salaried or contracted as the payments made are regular
- The Parish Council has had many discussions over the last year regarding the transfer of the school land from MKC. I am aware a Councillor has been managing the correspondence which should normally come from the Clerk. I have been advised the Councillor has expert knowledge on the subject and understand why he has been corresponding. I would ask please that all correspondence is copied into the Clerk. This is a matter for all communication sent on behalf of the Parish Council and will ensure Council records are properly managed and kept up to date
- I have discussed and advised the Clerk about decisions being made by email. This is a process that should not continue and is unlawful. The best way forward is to adopt a Scheme of Delegation which gives the Clerk power to make decision. When the MUGA work gets underway a scheme of delegation will help the project run smoothly.
During the Audit meeting we discussed the subject of planning and I was advised that planning matters are sometimes resolved by email. As detailed previously this procedure is unlawful and measures should be taken to stop. It maybe the Parish Council has to set up a Planning Committee should it not be able to manage the process by obtaining time extensions from the planning authority

- The Asset Register valuation has increased during the last year mainly due to assets owned by the Parish Council not being previously documented. I have explained to the Clerk the process by which these should be recorded and have advised that an explanation will be needed for the External Auditor
- The Receipts and Payments method of accounting may need to change to Income & Expenditure depending on the amounts going through the Parish Council's accounts over the next couple of years

I would like to congratulate the Clerk on the excellent way in which she is managing the Parish Council. It is a vastly different situation from a couple of years ago when the council was not at all running well. The Tender process for the MUGA was perfect and was managed inline with the Council's Financial Regulations; I hope the project comes to fruition shortly.

I wish the Council a successful and safe 2021/2022 and look forward to returning next year to carry out the Annual Internal Audit.

Yours sincerely,

Tina Charteress

Mrs Tina L Charteress CILCA
Internal Auditor to the Council
07818 084231
tcharteress@gmail.com

This report is based on the evidence made available to me which was limited. It would be incorrect to view internal audit as the detailed inspection of all records and transactions of a council in order to detect error or fraud. Consequently, the report is limited to those matters set out above. The Internal Audit Service I provide is a year long service which the Council may call upon any time when needed.

The figures submitted in the Annual Governance and Accountability Return are:

	Year ending 31 March 2019	Year ending 31 March 2020
1. Balances brought forward	175,548	268,560
2. Annual precept	124,713	128,177
3. Total other receipts	58,070	28,388
4. Staff costs	18,873	21,973
5. Loan interest/capital repayments	0	0
6. Total other payments	70,898	106,707
7. Balances carried forward	268,560	296,445
8. Total cash and investments	268,560	296,445
9. Total fixed assets and long-term assets	566,273	566,280
10. Total borrowings	0	0

The proper practices referred to in Accounts and Audit Regulations are set out in *Governance and Accountability for Smaller Authorities in England (2020)*. It is a guide to the accounting practices to be followed by local councils and it sets out the appropriate standard of financial reporting to be followed.

Bank reconciliation – pro forma

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

Name of smaller authority: Hanslope Parish Council

County area (local councils and parish meetings only): Milton Keynes

Financial year ending 31 March 20xx

Prepared by (Name and Role): Gillian Merry - Clerk and RFO

Date: 20/05/2021

	£	£
Balance per bank statements as at 31/3/xx:		
account 1	83,026.0	
account 2	211,352.8	
account 3	2,066.7	
account 4		
account 5		
account 6		
account 7		
account 8		
[add more accounts if necessary]		
	296,445.5	
Petty cash float (if applicable)		-
Less: any unpresented cheques as at 31/3/xx (enter these as negative numbers)		
item 1		
item 2		
item 3		
item 4		
item 5		
item 6		
item 7		
item 8		
[add more lines if necessary]		
Add: any un-banked cash as at 31/3/xx		
		-
Net balances as at 31/3/xx (Box 8)		296,445.5

Bank reconciliation – example

This reconciliation should include all bank and building society accounts, including short term investment accounts. It must agree to Box 8 in the column headed "Year ending 31 March 20xx" in Section 2 of the AGAR – and will also agree to Box 7 where the accounts are prepared on a receipts and payments basis

Name of smaller authority: Hanslope Parish Council

County area (local councils and parish meetings only): Milton Keynes

Financial year ending 31 March 20xx

Prepared by (Name and Role): Gillian Merry: Clerk/ RFO

Date: 20/05/2021

	£	£
Balance per bank statements as at 31/3/21:		
Current Account	83,025.98	
Savings Account 1	211,352.80	
Savings Account 2	2,066.71	
	<hr/>	
	296,445.49	
Petty cash float (if applicable)		-
Less: any un-presented cheques as at 31/3/xx (normally only current account)		
Cheque number N/A	0.00	
	0.00	
	0.00	
	<hr/>	
		0.00
Add: any un-banked cash as at 31/3/xx e.g Allotment rents banked 30/3/xx (but not credited until 2 April)		-
	<hr/>	
		-
Net balances as at 31/3/xx (Box 8)		<hr/> <hr/>

Explanation of variances – pro forma

Name of smaller authority: **Hanslope Parish Council**
County area (local councils and **Million Keynotes**)

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

Next, please provide full explanations, including numerical values, for the following that will be flagged in the green boxes where relevant:

- variances of more than 15% between totals for individual boxes (except variances of less than £200);
- New from 2020/21: variances of £100,000 or more require explanation regardless of the % variation year on year;
- a breakdown of approved reserves on the next tab if the total reserves (Box 7) figure is more than twice the annual precept/rates & levies value (Box 2).

	2019/20 £	2020/21 £	Variance £	Variance %	Explanation Required?	Automatic responses trigger below based on figures input: DO NOT OVERWRITE THESE BOXES	Explanation from smaller authority (must include narrative and supporting figures)
1 Balances Brought Forward	175,548	288,560				Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	124,713	128,177	3,464	2.78%	NO		
3 Total Other Receipts	58,070	28,388	-29,682	51.11%	YES		2020-21 = interest down by £10,90, allotment income up by £1134.69, Grants/donations up by £6106, other income up by £962.23 (mainly attributable to an S106 project payment of £6381 and a donation for a sign for £1580), VAT refunds down by £43,346.72. THEREFORE the main reason for the difference of £29,682 was the lower amount of VAT refunds. This is due to no VAT having been claimed from 2017-19 (due to poor clerking/no clerk) and was claimed in the year 2019-20, inflating the figure for that year.
4 Staff Costs	46,851	21,973	5,122	30.40%	YES		Clerk's salary was increased 2 SCP points (approx. 6%) in 2020-21 = £2744 total difference on previous year. In addition, 2019-20 was not a full salary year as clerk started mid-May. Clerk joined LGPS in October 2019 therefore 2019-20 was not a full year for pension contributions (6 months were paid). 2020-21 was a full pension year. Therefore remaining variance of £2377.68 is attributable to increased LGPS contributions and amount for HMRC tax and NI contribution increase.
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO		
6 All Other Payments	72,920	106,707	33,787	46.33%	YES		1. Landscaping services were devolved from district council and went out to tender at a contract cost of £1,1750, offset by grant received of £5906 = total increase for the year of £5844. 2. Funding was allocated to projects on the Pavilion and Community Hall which had almost no work the previous year = heating system @ £7,900 + CCTV @ £2220 + Gutter/roof repairs @ £3070 = Totalled £13,190 more spent on premises. 3. £16,166 was spent on S106 projects with only £6381 received in S106, due to late invoice for work from 2018. However, less was spent on allotments amounting to £1403 less, totalling £33,787 increase in total.
7 Balances Carried Forward	268,560	295,445				VARIANCE EXPLANATION NOT REQUIRED EXPLANATION REQUIRED ON RESERVES TAB AS TO WHY CARRY FORWARD RESERVES ARE GREATER THAN TWICE INCOME FROM LOCAL TAXATION/LEVIES	
8 Total Cash and Short Term Investments	268,560	295,445			YES	VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and	566,273	566,285	12	0.00%	NO		
10 Total Borrowings	0	0	0	0.00%	NO		

Rounding errors of up to £2 are tolerable

Variances of £200 or less are tolerable

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

Name of smaller authority: **Hanslope Parish Council**

County Area (local councils and parish meetings only): **Milton Keynes Council**

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

Commencing on 14/6/21

and ending on 23/7/21

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

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

Signed: _____



Role: Clerk and RFO

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

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