

Section 1 – Annual Governance Statement 2021/22

We acknowledge as the members of:

SEDGEFORD 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 2022, that:

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

*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:

18/05/22

and recorded as minute reference:

11.4

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

Chairman

Susan Comp

Clerk

R Quick

<https://sedgefordparishcouncil.norfolkparishes.gov.uk>

Section 2 – Accounting Statements 2021/22 for

SEDFORD PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2021 £	31 March 2022 £	
1. Balances brought forward	11,693	23,493	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	9,380	9,427	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	19,028	21,242	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	5,482	4,880	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	0	0	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	11,126	30,162	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	23,493	19,120	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	23,493	19,120	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	12,716	28,205	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	0	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	N/A
			✓
			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 2022 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

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

R. Quich REQUIRED

Date

18/05/22

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

18/05/22

as recorded in minute reference:

MINUTE 11.5

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

Susan Quich REQUIRED

Section 3 – External Auditor Report and Certificate 2021/22

In respect of

Sedgeford Parish Council – NO0387

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 2022; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

2 External auditor report 2021/22

On the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return (AGAR), in our opinion the information in Sections 1 and 2 of the AGAR 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.

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

None

3 External auditor certificate 2021/22

We certify that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2022.

External Auditor Name

PKF LITTLEJOHN LLP

External Auditor Signature

PKF Littlejohn LLP

Date

27/07/2022

* Note: the NAO issued guidance applicable to external auditors' work on limited assurance reviews in Auditor Guidance Note AGN/02. The AGN is available from the NAO website (www.nao.org.uk)

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 receipts and payments basis. Please complete the highlighted boxes, remembering that unpresented cheques should be entered as negative figures.

Name of smaller authority:

SEDGEFORD PARISH COUNCIL

County area (local councils and parish meetings only):

NORFOLK

Financial year ending 31 March 2022

Prepared by (Name and Role):

ROGER QUICK PARISH CLERK & RFO

Date:

04.04.2022

Balance per bank statements as at 31/3/xx:

£

£

Community Account
Business Premium Account
account 3
account 4
[add more accounts if necessary]
account 5
account 6
account 7
account 8

2,606.9

18,165.9

20,772.7

Petty cash float (if applicable)

-

Less: any unpresented cheques as at 31/3/xx (enter these as negative numbers)

DDR

617

618

619

620

621

622

[add more lines if necessary]

623

624

625

626

627

(52.43)

(50.00)

(100.00)

(100.00)

(650.00)

(50.00)

(50.00)

(50.00)

(50.00)

(100.00)

(50.00)

(350.00)

(1,652.43)

Add: any un-banked cash as at 31/3/xx

19,120.3

Net balances as at 31/3/22(Box 8)

Explanation of variances – pro forma

Name of smaller authority: **SEDFORD PARISH COUNCIL**
County area (local councils in): **NORFOLK**

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 onwards: 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).

	2020/21 £	2021/22 £	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	11,693	23,495					
2 Precept or Rates and Levies	9,380	9,427	47	0.50%	NO		
3 Total Other Receipts	19,028	21,242	2,214	11.64%	NO		
4 Staff Costs	5,482	4,880	-602	10.98%	NO		
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO		
6 All Other Payments	11,188	30,162	19,036	171.09%	YES		Assets purchased and installed during the year - Outdoor exercise equipment £9085 + Installation £2800; SAM Speed Sign £3150; Overhead Projector £2700+ Installation £750; Noticeboard £325; Additional Dog Bin £100; Replacement Salt Bin £296.Total £19009
7 Balances Carried Forward	23,493	19,210				VARIANCE EXPLANATION NOT REQUIRED	
8 Total Cash and Short Term Investments	23,493	19,210			YES	EXPLANATION REQUIRED ON RESERVES TAB AS TO WHY CARRY FORWARD RESERVES ARE GREATER THAN TWICE INCOME FROM LOCAL TAXATION/LEVIES	Funds held as PC contribution towards planned new Trod (£2500) and new stage (£500). 5 year earmarked fund for replacing assets over an ongoing 5 year period at circa £2K per annum.
9 Total Fixed Assets plus Other Long Term Investments and	13,716	28,208	15,489	121.81%	YES		Assets purchased during the year - Outdoor exercise equipment £9085; SAM Speed Sign £3150; Overhead Projector £2700; Noticeboard £325; Additional Dog Bin £100; Replacement Salt Bin £296.Total £15656
10 Total Borrowings	0	0	0	0.00%	NO		

Rounding errors of up to £2 are tolerable

Variances of £200 or less are tolerable

Explanation for 'high' reserves

(Please complete the highlighted boxes.)

Box 7 is more than twice Box 2 because the authority held the following breakdown of reserves at the year end:

	£	£	£
Earmarked reserves:			
Trod	2500		
New Stage	500		
Asset Replacement x 5 years	10000		
Reserve 4			
Reserve 5			
Reserve 6			
Reserve 7			
		13000	
General reserve	6120		
		6120	
Total reserves (must agree to Box 7)			19120

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

Name of smaller authority: **SEDFORD PARISH COUNCIL**

County Area (local councils and parish meetings only): NORFOLK

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

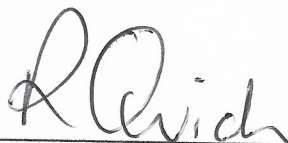
Commencing on Monday 13 June 2022

and ending on Friday 22 July 2022

(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 2022 (i.e. Friday 1 July – Thursday 14 July).

We have suggested the following dates: Monday 13 June – Friday 22 July 2022. The latest possible dates that comply with the statutory requirements are Friday 1 July – Thursday 11 August 2022.)

Signed: _____



ROGER QUICK

Role: CLERK/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 Form 3 and other requested documentation – this form is not for publication on your website.

Annual Internal Audit Report 2021/22

SEDFORD PARISH COUNCIL

<https://sedgfordparishcouncil.norfolkparishes.gov.uk> SITE/WEBPAGE ADDRESS

During the financial year ended 31 March 2022, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2021/22 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	✓		
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic bank account reconciliations were properly carried out during the year.	✓		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K. If the authority certified itself as exempt from a limited assurance review in 2020/21, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2020/21 AGAR tick "not covered")			✓
L. The authority publishes information on a free to access website/webpage up to date at the time of the internal audit in accordance with any relevant transparency code requirements	✓		
M. The authority, during the previous year (2020-21) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set).	✓		
N. The authority has complied with the publication requirements for 2020/21 AGAR (see AGAR Page 1 Guidance Notes).	✓		
O. (For local councils only)	Yes	No	Not applicable
Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

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

Date(s) internal audit undertaken

24/04/2022

DD/MM/YYYY

DD/MM/YYYY

Name of person who carried out the internal audit

E JENNIFER IN SHAH AUDITOR

Signature of person who carried out the internal audit

J. In Shah

REQUIRED

Date

24/04/2022

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

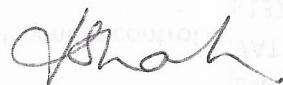
**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

The internal audit of the accounts for Sedgeford Parish Council for the year 2021/22 has been completed using the tests provided in Governance and Accountability for Smaller Authorities in England, March 2021.

Internal Control	Test	Observations (Yes / No / Notes)
Bookkeeping / cashbook	Maintained & up-to-date?	Y
	Arithmetically correct?	Y
	Regularly balanced?	Y
Standing Orders, Financial Regulations & Payment controls	Have these been formally adopted?	Y
	Date Standing Orders last reviewed	May 2021
	Date Financial Regulations last reviewed	May '21. Risk assessed Jan '22
	Is there a Responsible Finance Officer with specific duties?	Y
	Competitive purchasing of goods/services above de minimis amount?	Y
	Expenditure supported by purchase orders, invoices, authorised and minuted?	Y
	VAT on payments identified, recorded and reclaimed?	Y
	s137 expenditure recorded separately and within statutory limits?	Y
Risk Management	s137 expenditure approved and included in the minutes as such?	Y
	Do minutes identify any unusual financial activity?	N
	Do minutes record an annual risk assessment or review of their risk management scheme?	Y
	Insurance cover appropriate and adequate?	Y
Budget	Internal financial controls documented and regularly reviewed?	Y
	Does the annual budget support the Councils precept? Is it minuted as approved?	Y
	Has the precept been calculated from the budget and been approved?	Y
	Does the budget include a full year?	Y
	Actual expenditure against budget regularly reported to the Council?	Y
Income	Any significant unexplained variances from budget?	N
	Income properly recorded and promptly banked?	Y
	Does the precept recorded agree to the Council Tax authority's notification?	Y
Petty cash	Are security controls over cash and near-cash adequate and effective?	N/A
	Expenditure recorded and supported by VAT invoices / receipts?	N/A
	Reported to each Council meeting?	N/A
Payroll	Reimbursement carried out regularly?	N/A
	Employees have contracts of employment with clear terms & conditions?	Y
	Salaries paid agree with those approved by the Council?	Y
	Salaries above the National Living Wage / Minimum wage?	Y
	Other payments to employees reasonable and approved by the Council?	Y
Assets	PAYE / NIC been properly operated by the Council as an employer?	Y
	Asset register of all material assets owned / in the Councils care, maintained?	Y
	Assets and investments register up-to-date? When last reviewed?	Feb 2022
	Asset insurance valuations agree with those in the asset register?	Y

Internal Control		Test
Bank reconciliation	Bank reconciliation for each account? Properly reported to the Council?	Y
	Bank reconciliation carried out regularly and in a timely fashion?	Y
	Any unexplained balancing entries in any reconciliation?	N
	Value of investments held summarised on the reconciliation?	Y
Year-end procedures	Accounts prepared on the correct basis (receipts /payments or income/expenditure)?	Y
	Accounts agree with the cashbook?	Y
	Year-end bank reconciliation been undertaken?	Y
	Audit trail from underlying financial records to the accounts?	Y
	Where appropriate, have debtors and creditors been properly recorded?	Y
Procedural	Recommendations from previous Internal Audit report considered by and actioned?	Y
Transparency	Minutes for whole year on website?	Y
	Agendas for whole year on website?	Y
	Payments detailed on website?	Y
	Electors' rights advertised on website?	Y
	Councillors' responsibilities detailed on website?	Y
	Last financial year's Annual Return on website?	Y
	Land/building assets on website? (Description, location, owner, date & cost of acquisition, present use)	Y
	Are fees levied in accordance with the Council's approved scale of fees and charges?	Y
Burial Authorities only	Have fees for the cemetery been reviewed and agreed by the Council?	Y
	Comparisons made with other cemeteries prior to setting the fees?	Y
	Burial books up-to-date and safely stored?	Y

Recommendations Please see notes in the observations column of the above table and below: *NONE*



Jennifer Shah
Signed: Jennifer Shah

24/04/2022
Date