

Section 1 – Annual Governance Statement 2022/23

We acknowledge as the members of:

SEDFORD PARISH COUNCIL

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2023, that:

	Agreed		
	Yes	No*	'Yes' means that this authority:
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
			✓

***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:

22/5/2023

and recorded as minute reference:

11.4

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

Chairman

Susan Crump

Clerk

R Quick

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

WEBSITE/WEBPAGE ADDRESS

Section 2 – Accounting Statements 2022/23 for

SEDFORD PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2022 £	31 March 2023 £	
1. Balances brought forward	23,493	19,120	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	9,427	9,898	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	21,242	51,606	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	4,880	7,025	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	30,162	49,079	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	19,120	24,520	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	19,120	24,520	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	28,205	28,438	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).

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

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

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

SIGNATURE REQUIRED

R. Quirk

Date

22/5/2023

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

22/5/2023

as recorded in minute reference:

11.5

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

Susan Gurney

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

In respect of **SEDGEFORD PARISH COUNCIL – NO0387**

1 Respective responsibilities of the auditor and the authority

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

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

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

- summarises the accounting records for the year ended 31 March 2023; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

2 External auditor's limited assurance opinion 2022/23

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 2022/23

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 2023.

External Auditor Name

PKF LITTLEJOHN LLP

External Auditor Signature

PKF Littlejohn LLP

Date

13/08/2023

Bank reconciliation – pro forma

This reconciliation should include all bank and building society accounts, including short term investment accounts. It must agree with 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 credit and payments basis. Please complete the highlighted boxes, remembering that unpresented cheques should be entered as negative numbers.

Name of smaller authority:

SEDGEFORD PARISH COUNCIL

County area (local councils and parish meetings only):

NORFOLK

Financial year ending 31 March 2023

Prepared by (Name and Role):

ROGER QUICK PARISH CLERK & RFO

Date:

01/04/2023

Balance per bank statements as at 31/3/23:

£

£

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

1,805.3
22,764.6

24,569.9

Petty cash float (if applicable)

Less: any unpresented cheques as at 31/3/23 (enter these as negative numbers)

101629

item 2
item 3
item 4
[add more lines if necessary] item 5
item 6
item 7
item 8

(50.00)

(50.00)

Add: any un-banked cash as at 31/3/23

24,519.9

Net balances as at 31/3/23 (Box 8)

Explanation of variances – pro forma

Name of smaller authority:

County area (local councils and parish meetings only):

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 £20k);

* 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).

	2021/22 £	2022/23 £	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	23,483	19,120				Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	9,427	9,898	471	5.00%	NO		
3 Total Other Receipts	21,242	51,806	30,364	142.94%	YES		£43K received in CIL payments and grants in comparison to £14K the previous year
4 Staff Costs	4,880	7,025	2,145	43.95%	YES		Number of hours increased from 7 per week to 9 per week December 2021 and to 10 hours per week from December 2022. The additional hours reflected the actual hours being worked. Hourly rate increased from £11.73 per hour to £13.21ph December 2021 and to £14.75ph from December 2022. The rises in salary took into account the national salary awards for 2021-2022 and 2022-2023 and promotion on the salary scale to reflect the Clerk's increased experience and knowledge.
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO		
6 All Other Payments	30,162	49,079	18,917	62.72%	YES		Assets purchased during the year, mainly with assistance from CIL grants - Replacement external fire doors for Village Hall £6k, Modular Stage £5k, 12x Solar Panels and additional air sourced heating/aircon £23k. Redecoration of Village Hall £2K. Partial payment for Trod (footpath) £2500
7 Balances Carried Forward	19,120	24,520			YES	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	19,120	24,520				VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and	28,205	28,438	233	0.83%	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

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	3500		
Replacement Windows	1000		
Car Park resurfacing	1500		
Asset Replacement x 5 Years	10000		
Reserve 5			
Reserve 6			
Reserve 7			
		16000	
General reserve	8520		
		8520	
Total reserves (must agree to Box 7)			24520

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:

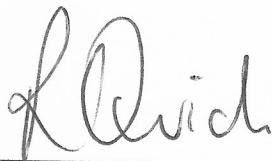
Commencing on **MONDAY 12TH JUNE 2023**

and ending on **FRIDAY 21ST JULY 2023**

(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 2023 (i.e. Monday 3 July – Friday 14 July).

We have suggested the following dates: Monday 5 June – Friday 14 July 2023. The latest possible dates that comply with the statutory requirements are Monday 3 July – Friday 11 August 2023.)

Signed: _____



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

Annual Internal Audit Report 2022/23

SEDFORD PARISH COUNCIL

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

INTERNET WEBSITE ADDRESS

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

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

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

Name of person who carried out the internal audit

11/04/2023

MRS JO BABY

Signature of person who carried out the internal audit

Jo Baby

Date

11/04/2023

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

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

Sedgeford Parish Council

Internal Audit Report

For Sedgeford Parish / Town Council

Financial Year 2022/2023

Prepared by Mrs Jo Raby, 1

I have completed an internal audit of the accounts for Sedgeford Council for the year ending 2023.

My findings are detailed below using the tests provided in the Governance and Accountability (England) 2021.

I would like to thank the Clerk/RFO for providing me with all the information required for the Internal Audit.

Internal control	Test	Observations
Proper bookkeeping	Is the cashbook maintained and up to date?	Yes
	Is the cashbook arithmetically correct?	Yes

	Is the cashbook regularly balanced?	Yes monthly
Standing Orders, Financial Regulations and payment controls	Has the council formally adopted Standing Orders and Financial Regulations?	Yes adopted 2021 review May 22 -* See note
	Date Standing Orders last reviewed	Yes adopted 2021 review May 22 -* See note
	Date Financial Regulations last reviewed	Yes adopted 2021 review May 22 -* See note
	Has a Responsible finance officer been appointed with specific duties?	Yes
	Have items or services above the de minimus amount been competitively purchased?	Yes evidenced in minutes
	Are payments in the cashbook supported by purchase orders, invoices, authorised and minuted?	Yes
	Has VAT on payments been identified, recorded and reclaimed?	Yes
	Is s137 expenditure separately recorded and within statutory limits?	Yes
	Have S137 payments been approved and included in the minutes as such?	Yes
Risk management arrangements	Does a review of the minutes identify any unusual financial activity?	No
	Do minutes record the council carrying out an annual risk assessment or review of their risk management scheme?	Yes June 21
	Is insurance cover appropriate and adequate?	Yes

	Are internal financial controls documented and regularly reviewed?	Yes – see note
Budgetary controls	Has the council prepared an annual budget in support of its precept and has this been minuted as being approved?	Yes minuted December 2022
	Has the precept been calculated from the budget and been approved?	Yes December 2022
	Does the budget include an actual completed year?	Yes
	Is actual expenditure against budget regularly reported to the council?	Yes
	Are there any significant unexplained variances from budget?	No
Income controls	Is income properly recorded and promptly banked?	Yes
	Does the precept recorded agree to the Council Tax authority's notification?	Yes
	Are security controls over cash and near-cash adequate and effective?	n/a
Petty cash procedures	Is all petty cash spent recorded and supported by VAT invoices/receipts?	n/a
	Is petty cash expenditure reported to each council meeting?	n/a
	Is petty cash reimbursement carried out regularly?	n/a
Payroll controls	Do all employees have contracts of employment with clear terms and conditions?	Yes

	Do salaries paid agree with those approved by the council?	Yes
	Are salaries above the National Living Wage/Minimum Wage?	Yes
	Are other payments to employees reasonable and approved by the council?	Yes
	Have PAYE/NIC been properly operated by the council as an employer?	Yes
Asset controls	Does the council maintain a register of all material assets owned or in its care?	Yes
	Are the assets and Investments registers up to date? When were these last reviewed?	March 2023
	Do asset insurance valuations agree with those in the asset register?	Yes
Bank reconciliation	Is there a bank reconciliation for each account and is this reported to council?	Yes
	Is a bank reconciliation carried out regularly and in a timely fashion?	Yes
	Are there any unexplained balancing entries in any reconciliation?	No
	Is the value of investments held summarised on the reconciliation?	Yes
Year-end procedures	Are year-end accounts prepared on the correct accounting basis (Receipts and Payments or Income and Expenditure)?	Yes
	Do accounts agree with the cashbook?	Yes

	Has a year-end bank reconciliation been undertaken?	Yes
	Is there an audit trail from underlying financial records to the accounts?	Yes
	Where appropriate, have debtors and creditors been properly recorded?	Yes
Procedural	Have points raised on the last Internal Audit report been considered by council and actioned?	Yes
	Minutes for whole year on website?	Yes
Transparency: For smaller councils with turnover under £25,000	Agendas for whole year on website?	Not all
	Payments over £100 detailed on website?	Yes
	Electors' rights advertised on website?	Yes
	Councillors' responsibilities detailed on website?	Yes
	Last financial year's Annual Return on website?	Yes
	Land and building assets details on website? (Description, location, owner/leaseholder, date and cost of acquisition and present use)	Yes
	Are fees levied in accordance with the Council's approved scale of fees and charges?	Yes
Burial Authorities only	Have fees for the cemetery been reviewed and agreed by Council?	Yes
	Were comparisons made with other cemeteries prior to setting the fees?	Yes

	Have burial books been kept up to date and are they safely stored?	Yes

Summary of my recommendations:

I have agreed yes to all sections on the Annual internal Audit report as in my view the internal controls have been met;

Note 1 – To ensure documents on the website are the latest review versions as most are dated review in 2022

Mrs Jo Raby

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Signed

11/4/2023

Date