

Annual Accounts 2019-2020

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Certificate of Exemption – AGAR 2019/20 Part 2

To be completed by smaller authorities where the higher of gross income or gross expenditure did not exceed £25,000 in the year of account ended 31 March 2020, and that wish to certify themselves as exempt from a limited assurance review under Section 9 of the Local Audit (Smaller Authorities) Regulations 2015

There is no requirement to have a limited assurance review or to submit an Annual Governance and Accountability Return to the external auditor, **provided** that the authority has certified itself as exempt at a meeting of the authority after 31 March 2020 and a completed Certificate of Exemption is submitted no later than 30 June 2020 notifying the external auditor.

FLORDON PARISH COUNCIL

certifies that during the financial year 2019/20, the higher of the authority's total gross income for the year or total gross annual expenditure, for the year did not exceed **£25,000**

Total annual gross income for the authority 2019/20: £ 5892-45

Total annual gross expenditure for the authority 2019/20: £ 3738-97


There are certain circumstances in which an authority will be **unable to certify itself as exempt**, so that a limited assurance review will still be required. If an authority **is unable to confirm the statements below then it cannot certify itself as exempt** and it **must** submit the completed Annual Governance and Accountability Return Part 3 to the external auditor to undertake a limited assurance review for which a fee of **£200 +VAT** will be payable.

By signing this **Certificate of Exemption** you are confirming that:

- The authority was in existence on 1st April 2016
- In relation to the preceding financial year (2018/19), the external auditor **has not**:
 - issued a public interest report in respect of the authority or any entity connected with it
 - made a statutory recommendation to the authority, relating to the authority or any entity connected with it
 - issued an advisory notice under paragraph 1(1) of Schedule 8 to the Local Audit and Accountability Act 2014 ("the Act"), and has not withdrawn the notice
 - commenced judicial review proceedings under section 31(1) of the Act
 - made an application under section 28(1) of the Act for a declaration that an item of account is unlawful, and the application has not been withdrawn nor has the court refused to make the declaration
- The court has not declared an item of account unlawful after a person made an appeal under section 28(3) of the Act.

If you are able to confirm that the above statements apply and that the authority neither received gross income, nor incurred gross expenditure, exceeding £25,000, then the Certificate of Exemption can be signed and a copy submitted to the external auditor **either** by email **or** by post (not both).

The Annual Internal Audit Report, Annual Governance Statement, Accounting Statements, an analysis of variances and the bank reconciliation plus the information required by Regulation 15 (2), Accounts and Audit Regulations 2015 including the period for the exercise of public rights still need to be fully completed and, along with a copy of this certificate, published on a public website* before 1 July 2020. **By signing this certificate you are also confirming that you are aware of this requirement.**

Signed by the Responsible Financial Officer  Date 19/05/2020

I confirm that this Certificate of Exemption was approved by this authority on this date: 19/05/2020

Signed by Chairman T.J. Webster Date 19/05/2020

as recorded in minute reference: 19052020-5c

Email of Authority flordonpc@flordonvillage.org

Telephone number 07775277793

*Published web address flordonvillage.org

ONLY this Certificate of Exemption should be returned EITHER by email OR by post (not both) as soon as possible after certification to your external auditor, but no later than 30 June 2020. Reminder letters incur a charge of £40 +VAT

Annual Internal Audit Report 2019/20

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This authority's internal auditor, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls to be in operation during the financial year ended 31 March 2020.

The internal audit for 2019/20 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	Agreed? Please choose one of the following		
	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 and year-end bank account reconciliations were properly carried out.	✓		
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 2018/19, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2018/19 AGAR tick "not covered")	✓		
L. The authority has demonstrated that during summer 2019 it correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations.	✓		
M. (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

09/06/20

Name of person who carried out the internal audit

MARIANNE PUDY

Signature of person who carried out the internal audit



Date

09/06/20

*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).

Flordon Parish Council
Internal Audit 2019-2020
Prepared by Marianne Purdy
9th June 2020

B. Financial Regulations

- a. There are no financial regulations in place.
- b. 13 invoices were not initialled to state approved.
- c. The following cheques only have one initial on the stub:

370	379
371	380
372	381
373	382
374	383

C. Risk assessment. No financial regulations or risk assessment in place.

F. Petty Cash No Petty Cash is held by the Parish Council and is therefore not applicable

G. Salaries Due to a cancelled meeting (Coronavirus) the clerk's salary, which is paid annually, was not made but has been paid within 2020-21 financial year

Notes:

- a) Finances (expenses) not minuted:

18/07/19 PWLB loan repayment DD
20/01/20 PWLB loan repayment DD

- b) No increase in clerk's salary from last year.

Section 1 – Annual Governance Statement 2019/20

We acknowledge as the members of:

FLOLDON 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 2020, 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.

*For any statement to which the response is 'no', an explanation must be published

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

21/07/2020

and recorded as minute reference:

2020-7-5c

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

Chairman

Clerk

Section 2 – Accounting Statements 2019/20 for

FLORDON PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2019	31 March 2020	
	£	£	<i>Please round all figures to nearest £1. Do not leave any boxes blank and report 0 or Nil balances. All figures must agree to underlying financial records.</i>
1. Balances brought forward	2733	4181	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	4643	4732	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	1550	1160	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	2211	0	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	920	920	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	1540	2819	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	4255	6334	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	4181	6334	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	9173	9173	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	14657	14182	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 2020 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

21/07/2020

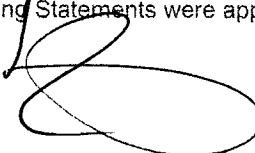
I confirm that these Accounting Statements were approved by this authority on this date:

21/07/2020

as recorded in minute reference:

2020-7-5d

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



FLORDON PARISH COUNCIL

Financial Regulations

To be interpreted in conformity with current legislation and government guidelines. If clarification is required, guidance will be sought from Norfolk ALC.

1. The Parish Clerk shall act as Responsible Financial Officer (RFO) whose duties include the financial management of the affairs of the Parish Council.
2. As part of these duties, the RFO shall maintain an up-to-date cashbook showing all payments and receipts and current balances, and will present a financial statement to the Council at each Parish Council meeting. Cashbook entries shall be supported by invoices, and shall agree with entries on bank statements.
3. Internal audits shall be carried out at least once a year by a person outside the Parish Council nominated by the Parish Council to carry out this work.
4. At least three councillors (normally including the Chair) shall be registered with the bank as authorised signatories, with any two of these signatures required to sign Parish Council cheques and to authorise online transactions and changes to the bank accounts.
5. The cheque book will be held by the RFO.
6. Payments may only be made on receipt of an invoice, and following the minuted agreement of the Parish Council.
7. Cheque stubs and invoices shall be initialled by the two councillors signing a cheque at the time the cheque is signed.
8. In all its financial dealings, Flordon Parish Council shall act in a transparent and ethical manner. As part of its stewardship of public money, the Council shall always seek good value for money. "Value for money" refers not only to monetary value, but also to considerations of sustainability and quality, and the benefit of the community. Whenever possible, preference will be given to goods and services obtained locally, which help to maintain the local economy.
9. Requirements for authorising payments:
 - Up to £100: may be authorised by the RFO for necessary repairs or supplies and minuted at the next Parish Council meeting;
 - Up to £500: may be authorised by the Parish Council at a minuted Parish Council meeting;
 - In excess of £500: may be authorised by the Parish Council at a minuted Parish Council meeting on receipt of a written quotation;
 - In excess of £1,000: may be authorised by the Parish Council at a minuted Parish Council meeting on receipt of two written quotations.
10. This document will be reviewed annually at a full meeting of the Parish Council.

Adopted by Flordon Parish Council on

21 JULY 2020

Chair

T. J. Webster

RFO

C. G. R. D.

Flordon Parish Council

2019-2020 Receipts and Payments (1 April 2019 to 31 March 2020)

Payments				Receipts			
date	cheque	narrative	payee	amount	date	narrative	amount
01/04/2019	100371	Flordon Comm Trust St M's Centre	room hire	£93.00	26/04/2019	precept	£2,366.00
17/04/2019	100372	play equipment (reimbursement)	PJ Lockhart	£377.52	03/06/2019	interest	£0.68
30/04/2019	100370	newsletter subs	Mulbarton Church	£30.00	02/09/2019	interest	£1.44
03/06/2019	100374	insurance premium	BHIB Ltd	£340.75	27/09/2019	precept	£2,366.00
05/06/2019	100373	installation of new bench	A Taplin	£200.00	25/10/2019	CIL payment	£1,155.54
18/07/2019	DD	repayment trod path loan	PWLB not minuted	£460.18	02/12/2019	interest	£1.44
22/07/2019	100375	internal audit	M Purdy	£40.00	02/03/2020	interest	£1.35
01/10/2019	100377	Playsafe Ltd	RoSPA inspection	£90.60			
-	100376	cheque cancelled	-	-			
17/12/2019	100378	PCC	Flower Fest donation	£50.00			
13/01/2020	100382	Churchnet	annual website fee	£50.00			
14/01/2020	100379	A Taplin	grounds	£450.00			
14/01/2020	100380	A Taplin	grounds	£490.00			
15/01/2020	100381	NALC	annual subs	£106.74			
20/01/2020	DD	PWLB	loan repayment not minuted	£460.18			
18/03/2020	100383	St Michael's Community Centre	annual donation	£500.00			
	TOTAL			£3,738.97			£5,892.45

PAYMENTS NOT MADE (CORONAVIRUS) TO BE PAID IN 2020-21

clerk's salary	GR-J	£1,386.85
income tax	HMRC	£346.71
admin expenses	GR-J	£148.44
NALC annual subs	Norfolk ALC	£106.57

NOTE internal transfers from current account to savings account:
 13/05/2019 internal transfer from current a/c ✓ £2,000.00
 13/01/2020 internal transfer from current a/c ✓ £2,500.00

Flordon Parish Council

Bank Reconciliation April 2019 to March 2020

Opening Balances

Community Account	£3,286.37	
Savings Account	£894.63	
TOTAL	£4,181.00	
BALANCE		£4,181.00

TRANSACTIONS

Plus total receipts	£5,892.45	
TOTAL		£10,073.45
Less total payments	£3,738.97	
TOTAL		£6,334.48

Closing balances

Community Account	£934.94	
Savings Account	£5,399.54	
TOTAL	£6,334.48	
BALANCE		£6,334.48

Explanation of variances – pro forma

Name of smaller authority: **Princes Trusts Council**
 County area (local council and parish/town/village/ward): **Princes Trusts Council**
 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);
 • 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).

	20x/xx £	20x/rx £	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	2,733	4,181				Explanation of % variance from PY opening balance not required - Balance brought forward does not agree, query this	
2 Precept or Rates and Levies	4,643	4,732	89	1.92%	NO		
3 Total Other Receipts	1,666	1,160	-390	25.16%	YES		receipts of £1166 this year.
4 Staff Costs	2,211	0	-2,211	100.00%	YES		coronavirus lockdown meant the PC meeting due to take place 17 March was cancelled so clerk's annual salary, expenses and PAYE not authorised until after end of financial year - total of £1882
5 Loan Interest/Capital Repayment	920	920	0	0.00%	NO		
6 All Other Payments	1,240	2,819	1,279	83.05%	YES		play equipment purchased this year (£378), and grounds maintenance costs totalled £940 - last year the PC was not charged for grounds maintenance because of the drought conditions
7 Balances Carried Forward	4,295	6,334			NO		
8 Total Cash and Short Term Investments	4,181	6,334					
9 Total Fixed Assets plus Other Long Term Investments and	9,173	9,173	0	0.00%	NO		
10 Total Borrowings	14,657	14,182	-475	3.24%	NO		

Rounding errors of up to £2 are tolerable
 Variances of £200 or less are tolerable

Smaller authority name: Flordon Parish Council

**NOTICE OF PUBLIC RIGHTS AND PUBLICATION
OF ANNUAL GOVERNANCE & ACCOUNTABILITY
RETURN (EXEMPT AUTHORITY)**

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

Local Audit and Accountability Act 2014 Sections 25, 26 and 27

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

The Accounts and Audit (Coronavirus) (Amendment) Regulations 2020 (SI 2020/404)

NOTICE	NOTES
<p>1. Date of announcement 4 July 2020 a)</p> <p>2. Each year the smaller authority prepares an Annual Governance and Accountability Return (AGAR). The AGAR has been published with this notice. It will not be reviewed by the appointed auditor, since the smaller authority has certified itself as exempt from the appointed auditor's review. Any person interested has the right to inspect and make copies of the AGAR, the accounting records for the financial year to which it 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 2020, these documents will be available on reasonable notice by application to:</p> <p>(b) Gareth Roderick-Jones, Parish Clerk, flordonpc@flordonvillage.org</p> <p>commencing on (c) <u>Monday 27 July 2020</u></p> <p>and ending on (d) <u>Friday 4 September 2020</u></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 only subject to review by the appointed auditor if questions or objections raised under the Local Audit and Accountability Act 2014 lead to the involvement of the auditor. The appointed auditor is:</p> <p>PKF Littlejohn LLP (Ref: SBA Team) 15 Westferry Circus Canary Wharf London E14 4HD (sba@pkf-littlejohn.com)</p> <p>5. This announcement is made by (e) Gareth Roderick-Jones, Parish Clerk</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 start on or before 1 September 2020.</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>