PKF Littlejohn LLP (REF:SBA Team)

1 Westferry Circus

Canary Wharf

London E14 4HD 8th May 2021

Dear Sir/Madam

**Annual Return for the year ending 31st March 2021**

Before proceeding, I hope all members of staff are staying well during COVID-19 - uncertain times. So that you are aware, I’m currently working from home – and as you will hopefully appreciate a little different from working in the office where I would have access to files. However, hopefully the attached, including the Internal Auditors Report covers what is required on behalf of the Parish Council for the Annual Return.

I have explained in previous years how our Barclays Bank Accounts operate and hopefully it helps to explain some variances. However, to remind you and to save you looking it up we have 3 main accounts plus 1 that was set-up to hold any funding secured for new Play Equipment and repairs.

1. Community Account – 50709379 – The only account we have a cheque-book for.
2. The Premium Account 10709360 tops up the Community Account – a sweeper account and operates automatically so that we are never overdrawn – a facility that Barclays do not now operate.
3. Tracker Account – 70795259 is used for EMR’s and free cash reserves.
4. We have an account set-up to hold any funding secured for new Play Equipment (Middleton Cheney Playground Improvements Team) referred to as MCPIT

The attached Annual Return was reviewed/discussed and sanctioned at the Parish Council Meeting on Tuesday, 4th May 2021, Agenda item – Section 1: 21/782 and Section 2: 21/783. We will be endeavouring to exercise public rights from 15th June to 26th July 2021 – Covid 19 Regs being taken into account. However, until these Minutes are approved by full Council and signed by the Chair they will not be on the Website – if you would like to see the Draft Minutes + Appendix relating to the Agenda items for the meeting, please let me know.

If I can be of any further help, please let me know. Attached comments relating to the Internal Auditor’s Report and your comments last year.

Yours faithfully

Val Furniss (Mrs)

Clerk/RFO

c.c. Cllr. Sue Jerrams Coughtrey - Chair

**INTERNAL AUDITOR’S REPORT DATED**

**Items I.A. raised (report attached) - my response below:**

1. Audit documentation is on the website.
2. All decisions, etc. are in our Minutes. Cllrs agree Minutes before they are posted on the website indicating Cllrs are in agreement that topics discussed have been recorded and agreed.
3. I did receive written questions relating to the audit and I responded – having to correct one topic as the I.A. referred to 2 Agenda items being related to Grants and I wrote back saying that both Agenda items mentioned with NOT relating to Grants but Apologies for Absence. I have not attached this correspondence but if you need to see it please let me know.
4. I had not received the current Financial Regulations i.e. template from NCALC dated 2019 but since the I.A.’s virtual meeting with me I wrote and requested it and it is now on the website with our other Financial Documents.
5. Comment relating to apologies for absence not received: I had recorded it in the Minutes under the Agenda item but had it as a sub-heading under the Agenda item and it clearly states that the Cllr has not submitted a reason before the meeting. All I’ll do to rectify what the I.A. appears to not like is remove the sub-heading. Hope this will meet with your requirements? I also keep a separate list going back over a couple of years with a simple Yes or No under their names for quick reference.
6. Grant Applications: Again, the Request for a Grant is on our website. What we have not done but do now is the I.A. said I should ask to see the Bank Statements of the Organisation/Club/Individual requesting the Grant funding to see if they do or do not have sufficient funds to cover the request being made. I had also produced last year a Reserves Policy – attached – if questioned about the funds we have.
7. Website – I have a Cllr who updates our website and we are in the process of a Spring Clean – we do have documents on it with different dates and this is also for historical purposes. For your information: I do not alter the date of a document until it has been approved at a PC meeting. The documents have been updated since the 4th May meeting.
8. Risk Assessments – these have been done but due to the lockdown I had not received appropriate reports before the I.A.’s audit.
9. Precept – budget was reviewed by the Finance Working Party and recommendations put to full Council before I wrote to the Billing Authority. If you require to see the Minutes of the F.W.P. please let me know.
10. ICC checks – again I explained to the I.A. that
    1. These checks are normally carried out on a Quarterly basis but unfortunately due to a number of issues relating mainly to work commitments (Cllrs work F/T), family commitments, health, etc. the nominated Cllrs have been unable to attend the scheduled meetings. Having said that, I do produce, on a monthly basis, (first meeting in the month) an Authorised Payment Schedule that all Cllrs attending review and approve relating to expenditure the previous month and this is always a separate Agenda item. Receipts/payments are reconciled on receipt of Bank Statements.
    2. We do however have an Internal Monitoring System where a Cllr comes in on a Qtry basis and reports back to full Council
11. This year has been difficult as files the I.A. would have reviewed to confirm my comments above are in the office. As it would appear the I.A. found tracing documents on our website to be difficult (not sure why) I have suggested that a review of the website should take place as and when lockdown, etc. has been lifted.

**EXTERNAL AUDITOR COMMENTS**

**Items drawn to our attention:**

1. The Section 3 comment related to the software package we use and this appears to have been rectified

**LIST OF DOCUMENTS ENCLOSED**

1. **Letter to PKF Littlejohn LLP – SBA Team**
2. **Section 1 – Annual Governance Statement 2020/21**
3. **Section 2 – Accounting Statements 2020/21**
4. **Notice of Public Rights and Publication of Unaudited Annual Return**
5. **Section 3 – External Auditor Report and Certificate**
6. **Internal Auditor’s Report**
7. **Contact Details**
8. **Explanation of Variances as at 31st March 2021**
9. **Asset Register 2021**
10. **Last VAT Return**
11. **Reconciliation Return – Cashbook 1**
12. **Reconciliation Return – Cashbook 2**
13. **Reconciliation Return – Cashbook 3**
14. **Earmarked Reserves**
15. **Bank-Cash & Investment Reconciliation**
16. **Trial Balance**
17. **Summary of Receipts and Payments**
18. **Reserves Policy**
19. **Detailed Receipts and Payments by Budget Heading – Cost Centre Report**