

Annual Governance and Accountability Return 2024/25 Form 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 Form 3 of the Annual Governance and Accountability Return 2024/25

1. Every smaller authority in England that either received gross income or incurred gross expenditure exceeding £25,000 **must** complete Form 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 2025**.
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 2025**. 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 2025
 - 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 2024/25

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 2025 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 2024/25**, approved and signed, page 4
- **Section 2 - Accounting Statements 2024/25**, approved and signed, page 5

Not later than 30 September 2025 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.

Guidance notes on completing Form 3 of the Annual Governance and Accountability Return (AGAR) 2024/25

- The authority **must** comply with *Proper Practices* in completing Sections 1 and 2 of this AGAR. *Proper 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. Any amendments must be approved by the authority and properly initialled.
- 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 2025.
- 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.
- **You must inform your external auditor about any change of Clerk, Responsible Financial Officer or Chair, 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 bank reconciliation is incomplete or variances not **fully** explained then 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 2024) equals the balance brought forward in the current year (Box 1 of 2025).
- 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 2025**.

Completion checklist – 'No' answers mean you may not have met requirements		Yes	No
All sections	Have all highlighted boxes have been completed?	Yes	
	Has all additional information requested, including the dates set for the period for the exercise of public rights , been provided for the external auditor?	Yes	
Internal Audit Report	Have all highlighted boxes been completed by the internal auditor and explanations provided?	Yes	
Section 1	For any statement to which the response is 'no', has an explanation been published?	NA	
Section 2	Has the Responsible Financial Officer signed the accounting statements before presentation to the authority for approval?	Yes	
	Has the authority's approval of the accounting statements been confirmed by the signature of the Chair of the approval meeting?	Yes	
	Has an explanation of significant variations been published where required?	Yes	
	Has the bank reconciliation as at 31 March 2025 been reconciled to Box 8?	Yes	
	Has an explanation of any difference between Box 7 and Box 8 been provided?	NA	
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.	NA	

**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 2024/25

Harberton Parish Council

<https://www.harbertonparishcouncil.org/>

During the financial year ended 31 March 2025, 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 2024/25 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 2023/24, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2023/24 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 2024-25 AGAR period, were public rights in relation to the 2023-24 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 2023/24 AGAR (see AGAR Page 1 Guidance Notes).	✓		
O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes	No	Not applicable
			✓

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

01/05/2024

DD/MM/YYYY

DD/MM/YYYY

Name of person who carried out the internal audit

H Heelis (Heelis & Lodge) **INTERNAL AUDITOR**

Signature of person who carried out the internal audit

SIGNATURE 

Date

01/05/2025

*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 2024/25

We acknowledge as the members of:

Harberton 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 2025, 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:

13/05/2025

and recorded as minute reference:

12.2

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

Chair

Clerk

www.harbertonparishcouncil.org

Section 2 – Accounting Statements 2024/25 for

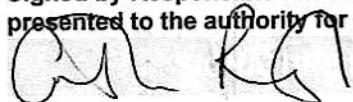
Harberton Parish Council

	Year ending		Notes and guidance
	31 March 2024 £	31 March 2025 £	
1. Balances brought forward	60,734	53,669	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	19,112	21,364	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	845	4,642	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	9,080	11,074	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	17,942	23,040	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	53,669	45,560	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	53,669	45,560	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	39,610	40,784	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 exclude any Trust transactions.

I certify that for the year ended 31 March 2025 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

12/05/2025

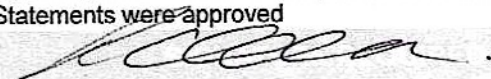
I confirm that these Accounting Statements were approved by this authority on this date:

13/05/2025

as recorded in minute reference:

12.3

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



Section 3 – External Auditor’s Report and Certificate 2024/25

In respect of **Harberton Parish Council – DV0173**

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 2025; 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 2024/25

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 2024/25

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 2025.

External Auditor Name

PKF LITTLEJOHN LLP

External Auditor Signature

PKF Littlejohn LLP

Date

17/07/2025

Bank Reconciliation Year end 31st March 2025

A Bank Balance on the bank statement at 31st March 2025 (taken from online banking)

Lloyds current account	£	14,472.63	<i>ML</i>
Barclays Community Benefit Fund account	£	31,087.52	<i>ML</i>
Total Bank Balance	£	45,560.15	

B Less unpresented cheques

Payment ref	Detail	Amount
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Total		£0.00
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C Plus uncleared payments into bank

0

Total		£0.00
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D Plus any petty cash balance held at 31st March 2025

Ref	Amount
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Total	£	-
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BALANCE		45,560.15
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E Allocation of closing balance (Reserves)

Opening balance:		53668.79
Add: Receipts in the year	£	26,005.59 <i>ML</i>
Less: Payments in the year	£	34,114.23 <i>ML</i>
Closing balance per cash book at 31st March 2025	£	45,560.15

ML
01/04/25

2024/25 Explanation of Variances

Name of smaller authority Harberton Parish Council
 County area Devon

Provision of full explanations, including numerical values for

Variances of more than 15% between totals for individual boxes (except variances of less than £200)

Breakdown of approved reserves in the total reserves (Box 7) figure is more than twice the annual precept/rates and levies value (Box 2)

Section 2	2023/24	2024/25	Variance		Explanation required?	Detailed explanation of variance (with amounts £)		
	£	£	£	%		£	Budget heading	Explanation
Box 1 Balances brought forward	60734.43	53668.79	-7065.64	-11.63366	NO			
Box 2 Precept of Rates and Levies	19112.00	£ 21,364.00	2252.00	11.78	NO			
Box 3: Total other receipts	845.01	£ 4,641.59	3796.58	449.29	YES	-10.00	Harberton Parish Hall Ground rent	Ground rent was not paid in 2022/23 financial year, therefore two payments of £10 were made in 2023/24. The single expected payment of £10 was made in 2024/25.
						372.25	VAT refund	VAT refund received was greater in 2024/5 than previous year, due to expenditure subject to VAT
						3232.33	Project Grant income (misc)	The Parish Council managed three grants: 2 relating to flood resilience at a value of £1234.24 for Harberton Village, 1498.09 for Harbertonford Village plus a grant of £500 from the District Council for a project to level and seed a verge with wildflowers. This wildflower project will go into 2025/26.
						202	Other Misc. income	Comprises of fundraising of £152 undertaken by children at the primary school to support the Youth Club, and a repayment of £50 from the Parish Hall to correct an overpayment on a grant.
						3796.58	Total difference	
Box 4: Staff Costs	9080.30	£ 11,074.45	1994.15	21.96	YES	234.09	Salary	Salary increase of £0.63 per hour as per the agreed 2024/25 payscales
						1977.68	Neighbourhood Plan Salary	Applied salary increases as above. Noting that most of the Clerk's current overtime relates to the Neighbourhood Plan, and therefore attributed to this budget line.
						-394.82	Salary overtime	The Clerk's overtime has been mostly with respect to the Neighbourhood Planning process, and in the 2024/25 expenditure was recorded against the Neighbourhood Plan Salary line, instead of under a line for overtime relating to the Clerk's normal duties. A new 'Neighbourhood Plan Salary Overtime' line has been created in the 2025/26 budget.
						177.20	Tax/NI	Overtime payments triggered additional NI contributions in 2023/24
						1994.15	Total difference	
Box 5 Loan interest/capital repayments	0.00	£ -	0.00		NO			
						£ 16.05	Room Hire	Changes in meeting room hourly rate
						£ 151.50	Subs	Increase in membership subs
						£ 8.37	Insurance	Increase in insurance for the year
						£ 50.00	PCC Grants Harberton	Increase in grant given to support cemetery maintenance
						£ 50.00	PCC Grant Harbertonford	Increase in grant given to support cemetery maintenance
						-£ 8.55	Clerk Expenses	Small decrease
						£ 4.25	Office Expenses	Small decrease
								2023/24 included fees incurred in obtaining a Charities Act Report as part of a tenancy renewal negotiation. New Internal Auditor appointed, who did not offer interim audit in January.
						-£ 970.00	Professional Fees	

						£ 330.00	Grasscutting Harbertonford	Increase in number due to weather conditions
						-£ 820.80	Grasscutting Harberton	No bill for cuts in 2022/23 was presented before end of financial year, therefore expenditure for both years recorded in 2023/24. Returned to only paying for one cutting season in 2024/25.
						£ 34.80	Playground Inspections	Although subsidised by the Local Authority, costs increased in 2024/25.
						£ 380.00	Harbertonford Playground	A new lease agreement included an increase to the rent, payable for both 2023/24 and 2024/25 once lease agreed.
						£ 902.00	Youth Provision [TRAYE]	An increase in the grant to the Youth Club as a contribution to increased staffing costs.
						£ 96.00	Ash Die Back Review/Ann	To support the local football club, the Parish Council increased the contract for the 2024/25 tree inspection to include inspection of trees on football club land.
						£ 2,737.55	Grant funded projects	Expenditure in 2024/25 associated to flood resilience project, as supported by a grant.
						-£ 548.52	Contingency/Reserves	Land registry fees for registering Harberton Playing Field - no other budget line
						-£ 1,367.70	Community Benefit Fund	Increase in applications to grants in comparison to the previous year
						£ 550.00	Citizens Advice South Hams	Previous year's grant request was paid after the end of the financial year, along with the 2024/25 grant requested.
						£ 22.80	Training	Increase in uptake of training compared to previous year.
						£ 176.28	Elections	Invoice for previous year's elections paid.
						£ 2,244.00	Maintenance Reserves (Includes trees)	Tree works required in 24/25, which included coppicing of a mature sycamore.
						£ 417.16	Website	Payment to cover x 3 years of website hosting and certification made in previous financial year.
						£ 642.24	Neighbourhood Plan	Increases in spending due to consultation events.
Box 6 all other payments	17942.35	£ 23,039.78	5097.43	28.41	YES	5097.43		
								Explanation for High Reserves Box 7 is more than twice Box 2 because the authority held the following reserves at the year end:
						24739.12	Community Benefit Fund reserves	
						265.00	Office equipment	
						688.80	Training	
						2323.72	Elections	
						2466.00	Maintenance reserves (includes trees)	
						3500.00	Parish Lengthsman project	
						300.00	Emergency planning	
						220.02	Website	
						550.00	Service Level Agreement DAAT Lighting Column	
						1081.46	Neighbourhood Plan	
						500.00	Parish Council Grants Fund	
						950.00	Parish Defibrillators	
						37584.12	Total earmarked reserves	
						7976.03	General reserves	
Box 7 Balances carried forward	53668.79	£ 45,560.15	-8108.64	-15.11	YES	45560.15	Total carried forward	
Box 8 Total cash and short term investments	53668.79	£ 45,560.15	-8108.64	-15.11				
Box 9: Total fixed assets and Long term investment assets	39609.57	40783.61	1174.04	0.00	NO			
Box 10: Total Borrowings	0.00	0.00	0.00					

HEELIS & LODGE

Local Council Services • Internal Audit

Internal Audit Report for Harberton Parish Council – 2024/2025

The following Internal Audit was carried out on the adequacy of systems of control in accordance with the requirements of the Audit and Accounts Regulations 2015 and the guidance and instruction in the Practitioners Guide 2024. The following recommendations/comments have been made:

Income: £26,006 Expenditure: £34,114 Reserves: £45,560

2025 AGAR Completion:

Section One: [Not yet completed](#)

Section Two: [Yes – to be approved by council](#)

Annual Internal Audit Report 2024/2025: [Yes](#)

Certificate of Exemption: [No](#)

Proper book-keeping Cash Book, regular reconciliation of books and bank statements. Supporting vouchers, invoices and receipts

All were found to be in order. LGAs137 and VAT payments are tracked and identified within the year end accounts.

The cashbook is referenced providing a clear audit trail. Supporting paperwork is in place and well referenced.

Financial regulations Standing Orders and Financial Regulations
Tenders
Appropriate payment controls including acting within the legal framework with reference to council minutes
Identifying VAT payments and reclamation
Cheque books, paying in books and other relevant documents

Standing Orders in place: [Yes](#)

Reviewed: [14/5/2024 \(Ref:8.1\)](#)

Financial Regulations in place: [Yes](#)

Reviewed: [10/9/2024 \(Ref: 12\)](#) and [14/5/2024 \(Ref: 8.2\)](#)

Recommendation: *When next reviewing Standing Orders, to update SO.18.c to reflect Financial Regulation 5.7 regarding the tender threshold.*

VAT reclaimed during the year: [Yes](#)

Registered: [No](#)

Submission Period:	Amount:
<i>01/04/2023-31/03/2024</i>	<i>£697.26</i>
<i>01/04/2024-31/03/2025</i>	<i>£1,050.12</i>

General Power of Competence: **No**

Policy Review Schedule in place: **Yes**

There was no evidence of tenders during the year that exceeded the £30,000 Public Contract Regulations threshold.

The Council reviewed the following documents during the year of audit:

11/2/2025 (Ref:11)

- *Neighbourhood Plan Terms of Reference*

11/6/2024 (Ref: 13)

- *Grievance Policy and Procedures*
- *Disciplinary Policy and Procedures*

14/5/2024 (11.7)

- *Treatment of Anonymous Letters*

14/5/2024 – Annual meeting

- *Committee Terms of Reference (Ref: 5)*
- *Complaints Policy (Ref: 14.3)*
- *Freedom of Information Policy (Ref: 15.1)*
- *Subject Access Request Policy and Procedures (Ref: 15.2)*
- *Press and Media Policy (Ref: 16)*
- *LGA1972s137 Expenditure (Ref: 18)*

Risk Assessment

Appropriate procedures in place for the activities of the council
Compliance with Data Protection regulations

Risk Assessment document in place: **Yes**
Data Protection registration: **Yes** Ref: ZA142198

Data Protection

The General Data Protection Regulations have changed and the new Regulations came into force on 25 May 2018. It is likely that this will affect the way in which the Council handles its data. Due to the financial risk associated with the General Data Protection Regulations, the Council have included this in their Risk Assessment.

Privacy Policy published: **Yes**

Link: <https://www.harbertonparishcouncil.org/privacy-policy/>

Insurance was in place for the year of audit with a review being undertaken at a meeting held on 14/5/2024 (Ref: 13). The Risk Assessment was reviewed at a meeting held on 14/5/2024 (Ref: 11.2).

Statement of Internal Controls in place: Yes (Reviewed 14/5/2024 – 11.1)

The Council have effective internal financial controls in place. The Clerk provides financial reports to council meetings. Councillors are provided with information to enable them to make informed decisions.

The annual play area inspection has been undertaken during the year (Ref: 9/7/2024 – 8.6.2).

Bank signatories were reviewed at a meeting held on 14/5/2024 (Ref: 11.4).

Fidelity Cover (Fraud and Dishonesty): £150,000

The level of Fidelity cover is within the recommended guidelines of year end balances plus 50% of the precept.

Transparency

Under the **Transparency code for smaller authorities**, smaller councils with income/expenditure under £25,000 should publish on their website from 1 April 2015:

Smaller Council: No

Website: <https://www.harbertonparishcouncil.org/>

The Council is not subject to the requirements of the Transparency Code for smaller Councils. The Transparency Code for Councils with a turnover exceeding £200,000 is not covered as part of the Internal Audit.

Under **The Accounts & Audit Regulations 2015 15** councils must publish on their website:

External audit report

2024 Annual Return, Section One Published – Yes

2024 Annual Return, Section Two Published – Yes

2024 Annual Return, Section Three Published – Yes

Under **The Accounts & Audit Regulations** councils must publish on their website:

Notice of period for the exercise of public rights

Published – Yes (minutes)

Period of Exercise of Public Rights

Start Date: 3/6/2024

End Date: 12/7/2024

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Heather Heelis Dip HE Local Policy FILCM

Lynne Lodge Dip HE Local Policy

Under the requirements of the **Accounts and Audit Regulations 2015 13(2b)** council are required to display AGARs for the five years 2019-20, 2020-21, 2021-22, 2022-23 and 2023-24 on their website.

The Council have met the publication requirements.

Budgetary controls
supporting documents

Verifying the budgetary process with reference to council minutes and

Precept: £26,797 (2025-2026) Date: 14/1/2025 (Ref: 10.3)

Satisfactory budgetary procedures are in place. The precept was agreed in full council and the precept decision and amount has been clearly minuted. The Clerk ensures the council are aware of responsibilities, commitments, forward planning and the need for adequate reserves. Budget papers are prepared to ensure councillors have sufficient information to make informed decisions. Budgets are monitored during the year.

Income controls

Precept and other income, including credit control mechanisms

All were found to be in order. Income controls were checked and a sample of income received and banked cross referenced with the Cash Book and bank statements.

Petty Cash

Associated books and established system in place

A satisfactory expenses system is in place with supporting paperwork. No Petty Cash held.

Payroll controls

PAYE and NIC in place where necessary.
Compliance with Inland Revenue procedures
Records relating to contracts of employment and pensions

PAYE System in place: **Yes**
Employer's Reference: **120/EB05639**
P60s issued: **Yes**

The Council continue to operate RTI in accordance with HMRC regulations. Payroll is outsourced. Supporting paperwork is in place and a P60 has been produced as part of the year end process. A contract is in place (issue date 1/5/2014).

Eligible employees have joined the nominated pension scheme. The last date of re-declaration of compliance was 30/9/2022.

Asset control

Inspection of asset register and checks on existence of assets
Cross checking on insurance cover

A separate asset register is in place with reviews being undertaken on 14/5/2024 (Ref: 12) and 7/5/2024 (Ref: 9.1). Values are recorded at cost value/insurance value. The total value of assets are recorded at £40,784. The figure in the asset register corresponds with the figure in Section 2, Box 9 of the AGAR.

Bank Reconciliation

Regularly completed and cash books reconcile with bank statements

All were in order. Bank Reconciliations are carried out regularly. The bank statements reconciled with the end of year accounts and bank reconciliations for all accounts.

Bank Balances at 31 March were confirmed as:

<i>Lloyds</i>	<i>xxxx2368</i>	<i>£14,472.63</i>
<i>Barclays</i>	<i>xxxx4831</i>	<i>£31,087.52</i>

The Council had no outstanding loans at the year end.

Reserves

General Reserves are reasonable for the activities of the Council
Earmarked Reserves are identified

The Council have adequate general reserves (£7,976.03) and have identified earmarked reserves of £37,584.12 in their year end accounts.

Year-end procedures

Appropriate accounting procedures are used and can be followed through from working papers to final documents
Verifying sample payments and income
Checking creditors and debtors where appropriate.

End of year accounts are prepared on a Receipts & Payments basis.

The precept figure in Box 2 corresponds with the bank statements and cashbook: **Yes**

Sole Trustee

The Council has met its responsibilities as a trustee

The Council is not a sole trustee.

Internal Audit Procedures

The 2024 Internal Audit report was considered by the Council at a meeting held on 14/5/2024 (Ref: 12.1).

A review of the effectiveness of the Internal Audit was carried out as part of the review of the Internal Control Statement (Ref: 14/5/2024 – 12.1).

Heelis & Lodge were appointed as Internal Auditor at a meeting held on 12/11/2024 (Ref: 10.2).

External Audit

The Council formally approved the 2024 AGAR at a meeting of the full Council held on 14/1/2024 (Ref: 12.2 and 12.3).

The External Auditor's report was considered at a meeting held on 10/9/2024 (Ref: 14.1).

The following matters were brought to the attention of the Council:

2 External auditor's limited assurance opinion 2023/24

Except for the matters reported below, 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.

The AGAR was not accurately completed before submission for review. The Council has confirmed that it does not act as sole managing trustee for trust funds and thus the answer given this year in Section 2, Box 11 (a) is incorrect and should be 'No'.

Additional Comments/Recommendations

- The Annual Parish Council meeting was held on 14/5/2024. The first item of business was the Election of Chairman, in accordance with Standing Orders.
- It is a requirement that minutes kept in a loose-leaf format should be sequentially numbered either by page (eg 1-100+) or by minute item. **Recommendation:** To sequentially number the minutes.
- There are no additional comments/recommendations to make in relation to this audit.
- I would like to record my appreciation to the Clerk to the Council for their assistance during the course of the audit work and the quality of documentation provided for the audit.



Heather Heelis

Heelis & Lodge
30 April 2025