

Annual Governance and Accountability Return 2025/26 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 £15 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 2025/26

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 2026**.
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 2026** 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 2026
 - 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 2025/26

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 Return **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 2026 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 2025/26** approved and signed, page 4
- **Section 2 - Accounting Statements 2025/26** approved and signed, page 5

Not later than 30 September 2026 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) 2025/26

- 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 2026
- The Annual Governance Statement (Section 1) **must** be approved before the Accounting Statements (Section 2) and evidenced by the agenda or minute references, even where approved on the same day.
- 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 which **must** be a single period of 30 working days for inspection (this excludes weekends and public holidays) which **must** include the first 10 working days of July.
- **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.
- Additional costs may be incurred if additional audit work is required.
- Make sure that the accounting statements add up and that the balance carried forward from the previous year (Box 7 of 2025) equals the balance brought forward in the current year (Box 1 of 2026).
- The Responsible Financial Officer (RFO), on behalf of the authority, **must** set the commencement date for the exercise of public rights which **must** be a single period of 30 working days for inspection (this excludes weekends and public holidays) which **must** include the first 10 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 2026**

Completion checklist – ‘No’ answers mean you may not have met requirements		Yes	No
All sections	Have all highlighted boxes have been completed?	✓	
	Has all additional information requested, including the dates set for the period for the exercise of public rights , been provided for the external auditor?	✓	
Internal Audit Report	Have all highlighted boxes been completed by the internal auditor and explanations provided?	✓	
Section 1	For any statement to which the response is ‘no’, has an explanation been published?	✓	
Section 2	Has the Responsible Financial Officer signed the accounting statements before presentation to the authority for approval?	✓	
	Has the authority’s approval of the accounting statements been confirmed by the signature of the Chair of the approval meeting?	✓	
	Has an explanation of significant variations been published where required?	✓	
	Has the bank reconciliation as at 31 March 2026 been reconciled to Box 8?	✓	
	Has an explanation of any difference between Box 7 and Box 8 been provided?		
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.		

**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 2025/26

ENTER NAME OF AUTHORITY
Harberton Parish Council

www.harbertonparishcouncil.org PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

During the financial year ended 31 March 2026, 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 2025/26 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. Cash payments were properly supported by receipts, all 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 2024/25, it met the exemption criteria and correctly declared itself exempt. <i>(If the authority had a limited assurance review of its 2024/25 AGAR tick "not covered")</i>			✓
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 <i>(during the 2025/26 AGAR period, were public rights in relation to the 2024-25 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set)</i> .	✓		
N. The authority has complied with the publication requirements for 2024/25 AGAR <i>(see AGAR Page 1 Guidance Notes)</i> .	✓		
O. The authority has complied with laws, regulations & proper practices relating to digital and data compliance.	✓		
P. (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

Name of person who carried out the internal audit

08/06/2026 DD/MM/YYYY DD/MM/YYYY

H Heelis (Heelis & Lodge) NAL AUDITOR

Signature of person who carried out the internal audit

H Heelis

Date

08/06/2026

*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 2025/26

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 2026, that:

	Agreed		Yes	No	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 have assured 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.
			✓		
10. We have put in place arrangements for the effective IT and data management in accordance with proper practices during the year under review.	✓				has made suitable arrangements for its IT and data management and has complied with proper practices in doing so.

*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:

09/06/26

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 2025/26 for

Harberton Parish Council

	Year ending		Notes and guidance
	31 March 2025 £	31 March 2026 £	
			<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	53,669	45,560	<i>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.</i>
2. (+) Precept or Rates and Levies	21,364	26,797	<i>Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.</i>
3. (+) Total other receipts	4,642	1,560	<i>Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.</i>
4. (-) Staff costs	11,074	10,704	<i>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.</i>
5. (-) Loan interest/capital repayments	0	0	<i>Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).</i>
6. (-) All other payments	23,040	17,187	<i>Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).</i>
7. (=) Balances carried forward	45,560	46,026	<i>Total balances and reserves at the end of the year. must equal (1+2+3) - (4+5+6).</i>
8. Total value of cash and short term investments	45,560	46,026	<i>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.</i>
9. Total fixed assets plus long term investments and assets	40,784	40,970	<i>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.</i>
10. Total borrowings	0	0	<i>The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).</i>

For Local Councils Only	Yes	No	
11 Do the figures in the accounting statements above exclude any trust transactions?		✓	<i>For guidance refer to the Practitioners' Guide sections 2.31 to 2.33.</i>

I certify that for the year ended 31 March 2026 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

08/06/26

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

08/06/26

as recorded in minute reference:

12.3

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

Bank Reconciliation Year end 31st March 2026

A Bank Balance on the bank statement at 31st March 2026 (taken from online banking)

Lloyds current account	£	46,025.63	<i>116</i>
Barclays Community Benefit Fund account	£	-	
Total Bank Balance	£	46,025.63	

B Less unrepresented cheques

Payment ref	Detail	Amount
-------------	--------	--------

Total	£0.00
-------	-------

C Plus uncleared payments into bank

0

Total	£0.00
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D Plus any petty cash balance held at 31st March 2026

Ref	Amount
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Total	£	-
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BALANCE	46,025.63
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E Allocation of closing balance (Reserves)

Opening balance:		45560.15	
Add: Receipts in the year	£	28,357.12	<i>DC</i>
Less: Payments in the year	£	27,891.64	<i>DC 71426</i>
Closing balance per cash book at 31st March 2026	£	46,025.63	<i>116</i>

HEELIS & LODGE

Local Council Services • Internal Audit

Internal Audit Report for Harberton Parish Council – 2025/2026

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 2025. The following recommendations/comments have been made:

Income: £28,357.12 Expenditure: £27,891.64 Reserves: £46,025.63

2026 AGAR Completion:

Section One: **Yes – to be approved by council**

Section Two: **Yes (draft figures) – to be approved by council**

Annual Internal Audit Report 2025/2026: **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: **13/5/2025 (Ref: 8.1)**

Financial Regulations in place: **Yes**

Reviewed: **13/5/2025 (Ref: 8.2)**

VAT reclaimed during the year: **Yes**

Registered: **No**

Submission Period:	Amount:
<i>01/04/2024-31/03/2025</i>	<i>£1,050.12</i>
<i>01/04/2025-31/03/2026</i>	<i>£536.27</i>

Contact details : 1 Hembling Terrace, Mill Lane, Suffolk, IP13 0PP

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Heather Heelis Dip HE Local Policy FILCM

Lynne Lodge Dip HE Local Policy

General Power of Competence: No

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

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

14/10/2025

- *IT Policy – Ref: 8*

13/5/2025

- *Internal Controls – Ref: 11.1*
- *Risk Assessment – Ref: 11.2*

13/5/2025

- *Finance Committee Terms of Reference – Ref: 5.1*
- *Standing Orders – Ref: 8.1*
- *Financial Regulations – Ref: 8.2*
- *Complaints Procedure – Ref: 15.1*
- *Vexatious Complaints Procedure – Ref: 15.2*
- *Freedom of Information Policy – Ref: 16.1*
- *Subject Access Request documents – Ref: 16.2*
- *Communications Policy – Ref: 17*
- *Disciplinary Policy and Procedure – Ref: 18.1*
- *Grievance Policy and Procedure – Ref: 18.2*
- *Anti-bullying and Harassment Policy and Procedure – Ref: 18.3*
- *Anti-bullying and Harassment Risk Assessment – Ref: 18.4*

8/4/2025

- *Asset Register – Ref: 10.1*

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 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.

Insurance was in place for the year of audit (valid from 1/6/2025 – continuous cover). The Risk Assessment was reviewed at a full Council meeting held on 13/5/2025 (Ref: 11.1).

Statement of Internal Controls in place: Yes – 13/5/2025 (Ref: 11.2)

The Council have good 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.

Bank signatures were reviewed and approved at a meeting held on 13/5/2025 (Ref: 11.4).

Fidelity Cover: £150,000

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

Transparency

Compliance with **Assertion 10**:

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

Privacy Policy published: Yes

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

IT Policy in place: Yes

IT Policy published: Yes

Link: <https://www.harbertonparishcouncil.org/wp-content/uploads/2025/10/Item-9-Harberton-Parish-Council-IT-Policy-FOR-CONSIDERATION.pdf>

Data Protection Policy in place: Yes

Data Protection Policy published: Yes

Link: <https://www.harbertonparishcouncil.org/wp-content/uploads/2023/12/20231114-Information-Data-Protection-Policy-REVIEWED.pdf>

Publication Scheme published: Yes

Link: <https://www.harbertonparishcouncil.org/freedom-of-information/>

Accessibility Statement in place: Yes

Accessibility Statement published: Yes

Link: <https://www.harbertonparishcouncil.org/accessibility-statement/>

Generic Council email addresses for officials in place: Yes

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

Audited AGAR:

2025 Annual Return, Section One Published – Yes

2025 Annual Return, Section Two Published – Yes

2025 Annual Return, Section Three Published – Yes

Contact details : 1 Hembling Terrace, Mill Lane, Suffolk, IP13 0PP

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Notice of period for the exercise of public rights (2025)

Published – Yes

https://www.harbertonparishcouncil.org/wp-content/uploads/2025/05/2024_25-HPC-Confirmation-of-dates-of-period-for-the-provision-of-public-rights-COMPLETED.pdf

Notice of Conclusion of Audit (2025)

Published – Yes

https://www.harbertonparishcouncil.org/wp-content/uploads/2025/09/2024_25-Notice-of-conclusion-of-Audit.pdf

Period of Exercise of Public Rights

Publication Date: 16/5/2025 Start Date: 3/6/2025 End Date: 14/7/2025

Under the requirements of the **Accounts and Audit Regulations 2015 13(2b)** council are required to display AGARs for the five years 2020-21, 2021-22, 2022-23, 2023-24 and 2024-2025 on their website.

	Section 1	Section 2	Section 3 (Audited)
2020 - 2021	Yes	Yes	N/A
2021 - 2022	Yes	Yes	Yes
2022 - 2023	Yes	Yes	Yes
2023 - 2024	Yes	Yes	Yes
2024 - 2025	Yes	Yes	Yes

The Council have met the publication requirements.

Under the **Transparency code for smaller authorities**, smaller councils with income/expenditure over £200,000 should publish on their website from 1 April 2015:

It is best practice, rather than a requirement for Councils with income or expenditure between £25,001 - £200,000 to follow the Transparency Code for Councils over £200,000. Guidance on documents that need to be published can be found at

<https://www.gov.uk/government/publications/local-government-transparency-code-2015/local-government-transparency-code-2015>

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)

Precept: £34,500 (2026-2027)

Date: 13/1/2026 (Ref: 9.2)

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Lynne Lodge Dip HE Local Policy

Good 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.

Cash

Associated books and established system in place

There have been no cash payments made during the year of audit.

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 P60s have been produced as part of the year end process.

Eligible employees have joined the nominated pension scheme. The last date of re-declaration of compliance was 10/9/2025.

It is noted that the Council undertook a review of salaries at a meeting held on 9/9/2025 (Ref: 13.2), where the National Pay Award was noted.

Contracts of Employment and subsequent salary agreements are in place for all staff employed by the Council.

Asset control

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

A separate asset register is in place. Values are recorded at cost value/insurance value. The total value of assets are recorded at £40,969.61. 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:

Lloyds	xxxx2368	£46,025.63
Barclays	xxxx4831	£0

It is noted that the balance in the Barclays account was transferred to the Lloyds account on 5/3/2026.

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 of £10,580.60 and have identified earmarked reserves of £35,445.03 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 minutes 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 2024-2025 Internal Audit report was considered by the Council at a meeting held on 13/5/2025 (Ref: 12.1).

A review of the effectiveness of the Internal Audit was carried out on 13/5/2025 (Ref: 11.2) as part of the review of the effectiveness of Internal Controls and in 10/3/2026 (Ref: 11.1).

Heelis & Lodge were appointed as Internal Auditor at a meeting held on 10/3/2026 (Ref: 11.1).

External Audit

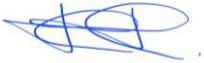
The Council formally approved the 2025 AGAR at a meeting of the full Council held on 13/5/2025 (Ref: 12.2 and 12.3).

The External Auditor's report was considered at a meeting held on 9/9/2025 (Ref: 13.1).

There were no matters arising from the External Audit.

Additional Comments/Recommendations

- The Annual Parish Council meeting was held on 13/5/2025. The first item of business was the Election of Chairman, in accordance with Standing Orders.
- 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**

8 June 2026

2025/26 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	2024/25	2025/26	Variance		Explanation required?	Detailed explanation of variance (with amounts £)		
	£	£	£	%		£	Budget heading	Explanation
Box 1 Balances brought forward	53668.79	45560.15	-8108.64	-15.10867	NO			
Box 2 Precept of Rates and Levies	21364.00	£ 26,797.00	5433.00	25.43	NO			
Box 3: Total other receipts	4641.59	£ 1,560.12	-3081.47	-66.39	YES	0.00	Harberton Parish Hall Ground rent	No variation.
						352.86	VAT refund	VAT refund received was greater in 2025/26 than previous year, due to expenditure subject to VAT
						-3232.33	Project Grant income (misc)	The Parish Council managed three grants in the prior financial year: 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. No grant funding was obtained in the 2025/26 financial year.
						-202	Other Misc. income	The 2024/25 financial year included income relating to fundraising 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.
						-3081.47	Total difference	
Box 4: Staff Costs	11074.45	£ 10,704.22	-370.23	-3.34	YES	185.98	Salary	Salary increase of £0.50 per hour as per the agreed 2025/26 payscales
						-1895.44	Neighbourhood Plan Salary	Applied salary increases as above. The Clerk's overtime for the Neighbourhood Plan was attributed to this budget line in the previous financial year. This has been split out into a separate line (see below). Overtime is considerably less against this project in the 2025/26 financial year.
						143.72	Salary overtime	Variation not considered significant.
						669.94	Neighbourhood Plan Salary Overtime	Line was included in 2025/26 accounts to identify how much overtime was attributed to the Neighbourhood Plan. This was less than the prior year due a reduction in project demands.
						525.57	Tax/NI	Lowering of NI threshold by Government, expected and budgeted for.
						-370.23	Total difference	
Box 5 Loan interest/capital repayments	0.00	£ -	0.00		NO			
						-£ 16.31	Room Hire	Decrease in number of extraordinary meetings
						-£ 2.66	Subs	Decrease in membership subs - SLCC now sharing 50% with Dittisham PC following Clerk's appointment.
						£ 10.36	Insurance	Increase in insurance for the year
						£ 0.27	Clerk Expenses	Small increase
						£ 58.75	Office Expenses	Small increase
						£ 117.50	Professional Fees	Change in internal auditor.
						-£ 90.00	Grasscutting Harbertonford	Decrease in number of cuts due to weather conditions.
						£ 19.20	Grasscutting Harberton	No significant variance.

						£ 19.20	Playground Inspections	Although subsidised by the Local Authority, costs increased in 2025/26
						-£ 190.00	Harbertonford Playground	Rent for 2023/24 and 2024/25 was paid in the previous financial year following a new lease being signed. 2025/26 payment was for one year and is expected to be stable for 2 more years.
						£ 1,598.00	Youth Provision [TRAYE]	An increase in the grant to the Youth Club as a contribution to increased staffing costs.
						-£ 96.00	Annual Tree Inspection	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. No grant funded projects in 2025/26 financial year.
						£ 543.54	Contingency/Reserves	Cost of landing site signage and posts was met by the Parish Council, with no specific budget line in place.
						-£ 4,960.42	Community Benefit Fund	A new budget lines created for Park maintenance support and for TRAYE in order to increase availability of the Community Benefit Fund for other local projects.
						£ 1,000.00	Parish Parks	New budget line in preparation of exhaustion of the CBF in coming years
						-£ 250.00	Citizens Advice South Hams	Annual grant requests were out of sync with financial year, two payments were made in the prior financial year.
						£ 117.00	Training	Increase in uptake of training compared to previous year.
						-£ 176.28	Elections	Invoice for previous year's elections paid.
						£ 103.00	Maintenance Reserves (Includes trees)	Minor variation in value of tree works required by annual report.
						-£ 94.84	Website	Reduced annual hosting period from 3 years to 1 year in expectation of requirement for gov.uk, hosting in near future.
						£ 179.77	Agreements: annual maintenance works	Costs to repair of Emergency lighting not included in previous year.
						-£ 1,004.89	Neighbourhood Plan	Any costs associated to consultation events covered by volunteers donation to printing etc.
Box 6 all other payments	23039.78	£ 17,187.42	-5852.36	-25.40	YES	-5852.36		
								Explanation for High Reserves Box 7 is more than twice Box 2 because the authority held the following reserves at the year end:
						23739.12	Community Benefit Fund reserves	
						500.00	Office equipment	
						541.00	Training	
						2750.00	Elections	
						74.00	Maintenance reserves (includes trees)	
						4000.00	Parish Lengthsman project	
						500.00	Emergency planning	
						277.68	Website	
						370.23	Service Level Agreement DAAT Lighting Column	
						743.00	Neighbourhood Plan	
						1000.00	Parish Council Grants Fund	
						950.00	Parish Defibrillators	
						35445.03	Total earmarked reserves	
						10580.60	General reserves	
Box 7 Balances carried forward	45560.15	£ 46,025.63	465.48	1.02	YES	46025.63	Total carried forward	
Box 8 Total cash and short term investments	45560.15	£ 46,025.63	465.48	1.02				
Box 9: Total fixed assets and Long term investment assets	40783.61	40783.61	0.00	0.00	NO			
Box 10: Total Borrowings	0.00	0.00	0.00					