

Annual Governance and Accountability Return 2021/22 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 2021/22

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 2022**.
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 2022**. 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 2022
 - 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 2021/22

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 2022 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 2021/22**, approved and signed, page 4
- **Section 2 - Accounting Statements 2021/22**, approved and signed, page 5

Not later than 30 September 2022 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) 2021/22

- 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. If the AGAR contains unapproved or unexplained amendments, it may be returned and additional costs will be incurred.
- 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 2022.
- 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.
- Do not send the external auditor any information not specifically requested. However, **you must inform your external auditor about any change of Clerk, Responsible Financial Officer or Chairman, 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 external auditor has to review unsolicited information, or receives an incomplete bank reconciliation, or variances are not fully explained, 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 2021) equals the balance brought forward in the current year (Box 1 of 2022).
- 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 2022**.

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?	✓ N/A	
Section 2	Has the authority's approval of the accounting statements been confirmed by the signature of the Chairman of the approval meeting?	✓	
	Has an explanation of significant variations been published where required?	✓	
	Has the bank reconciliation as at 31 March 2022 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.	N/A	

***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 2021/22

Tring Town Council

<https://www.tring.gov.uk/>

During the financial year ended 31 March 2022, 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 2021/22 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 2020/21, it met the exemption criteria and correctly declared itself exempt. <i>(If the authority had a limited assurance review of its 2020/21 AGAR tick "not covered")</i>			✓
L. The authority publishes information on a free to access website/webpage up to date at the time of the internal audit in accordance with any relevant transparency code requirements			✓
M. The authority, during the previous year (2020-21) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations <i>(evidenced by the notice published on the website and/or authority approved minutes confirming the dates set)</i> .	✓		
N. The authority has complied with the publication requirements for 2020/21 AGAR <i>(see AGAR Page 1 Guidance Notes)</i> .	✓		

O. (For local councils only)	Yes	No	Not applicable
Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

24/05/2021

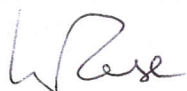
30/11/2021

08/03/2022

Name of person who carried out the internal audit

Kevin Rose ACMA - IAC Audit & Consultancy Ltd

Signature of person who carried out the internal audit



Date

27/05/2022

*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 2021/22

We acknowledge as the members of:

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 2022, 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.	✓		<i>prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i>	
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	✓		<i>made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.</i>	
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.	✓		<i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i>	
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.	✓		<i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.</i>	
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.	✓		<i>considered and documented the financial and other risks it faces and dealt with them properly.</i>	
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	✓		<i>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.</i>	
7. We took appropriate action on all matters raised in reports from internal and external audit.	✓		<i>responded to matters brought to its attention by internal and external audit.</i>	
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.	✓		<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>	
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	<i>has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.</i>
			✓	

*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:


20/06/2022

and recorded as minute reference:

~~20140~~ 21040

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

Chairman



Clerk

 Housden

www.tring.gov.uk

ENTER PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

Section 2 – Accounting Statements 2021/22 for

	Year ending		Notes and guidance	
	31 March 2021 £	31 March 2022 £	<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	446,551	611,947	<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	144,683	147,577	<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	283,838	596,756	<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	154,086	139,665	<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	13,487	13,487	<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	95,552	162,626	<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	611,947	1,040,502	<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	589,475	884,730	<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	1,814,738	1,827,156	<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	48,405	37,176	<i>The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).</i>	
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	N/A	<i>The Council, as a body corporate, acts as sole trustee for and is responsible for managing Trust funds or assets.</i>
			✓	<i>N.B. The figures in the accounting statements above do not include any Trust transactions.</i>

I certify that for the year ended 31 March 2022 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

J. Housden

Date

13/06/2022

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

20/06/2022

as recorded in minute reference:

~~20441~~ 21041

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

[Signature]

Section 3 – External Auditor’s Report and Certificate 2021/22

In respect of

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 2022; 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 2021/22

(Except for the matters reported below)* on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return, in our opinion the information in Sections 1 and 2 of the Annual Governance and Accountability Return 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. (*delete as appropriate).

(continue on a separate sheet if required)

Other matters not affecting our opinion which we draw to the attention of the authority:

(continue on a separate sheet if required)

3 External auditor certificate 2021/22

We certify/do not 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 2022.

*We do not certify completion because:

External Auditor Name

ENTER NAME OF EXTERNAL AUDITOR

External Auditor Signature

SIGNATURE REQUIRED

Date

DD/MM/YY

Explanation of variances – pro forma

Name of smaller authority: **Tfing Town Council**
 County area (local councils and public bodies only): **Hertfordshire**
Insert figures from Section 2 of the AGAR in all Blue highlighted boxes

Next, please provide full explanations, including numerical values, for the following that will be flagged in the green boxes where relevant:

- variances of more than 15% between totals for individual boxes (except variances of less than £200);
- **New from 2020/21 onwards:** variances of £100,000 or more require explanation regardless of the % variation year on year;
- a breakdown of approved reserves on the next tab if the total reserves (Box 7) figure is more than twice the annual precept/rates & levies value (Box 2).

	2020/21 £	2021/22 £	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	446,551	611,947				Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	144,683	147,577	2,894	2.00%	NO		
3 Total Other Receipts	283,838	596,756	312,918	110.25%	YES	See attached sheet	
4 Staff Costs	154,086	139,665	-14,421	9.36%	NO		
5 Loan Interest/Capital Repayment	13,487	13,487	0	0.00%	NO		
6 All Other Payments	95,552	162,626	67,074	70.20%	YES	See attached sheet	
7 Balances Carried Forward	611,947	1,040,602				VARIANCE EXPLANATION NOT REQUIRED EXPLANATION REQUIRED ON RESERVES TAB AS TO WHY CARRY FORWARD RESERVES ARE GREATER THAN TWICE INCOME FROM LOCAL TAXATION/LEVIES	
8 Total Cash and Short Term Investments	599,475	884,730			YES	VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments at	1,814,738	1,827,156	12,418	0.68%	NO		
10 Total Borrowings	48,405	37,176	-11,229	23.20%	YES	Reduced by payments made	

Rounding errors of up to £2 are tolerable

Variances of £200 or less are tolerable

BOX 10 VARIANCE EXPLANATION NOT REQUIRED IF CHANGE CAN BE EXPLAINED BY BOX 5 (CAPITAL PLUS INTEREST PAYMENT)

Total Other Receipts (Box 3)

	Last Yr £	This Yr £	Variance	Notes
1090 Interest Received	361	130	-231	
1100 Grants Received	19,288	18,876	-412	(i)
1150 CIL Receipts	189,114	458,642	269,528	(ii)
1200 Rental Income	66,532	89,577	23,046	(iii)
1210 Income from Recharged Services	2,944	5,886	2,943	(iv)
1215 Hire of Facilities	120	3,560	3,440	(v)
1300 Allotment Income	5,455	6,571	1,116	(vi)
1900 Miscellaneous Income	25	13,514	13,489	(vii)
Total	283,838	596,756	312,918	

Notes:

(i) Each year grants are received from the Principal Authority to cover the reduction in Council Tax support grant, services done for the Principal Authority and the town warden's salary. The wardens grant was £203 higher this year but the Council Tax support grant is slowly being phased out so was £1615 less. A one off grant of £1,000 was received this year from Tesco to plant a wild flower meadow.

(ii) The Council benefited from residential development so increased CIL receipts were received from the previous year.

(iii) Rental income increased this year which was a result of a number of factors including (i) Rent breaks were offered last year to assist with the COVID-19 pandemic (approx £13,677.32 difference), this year rent was back to normal (ii) A yearly rent increase (£969) (iii) The rental income from the Old School Yard, which is a carpark own by Tring Town Council but managed by the District Council increased as people are now back to using car parks following to COVID-19 pandemic (£4399.68 extra). £4,000 bad market debt was written off last year. (£13,677.32 + £969 + £4399.68 + £4,000 = £23,046)

(iv) Utilities and insurance are recharged to tenants - the sum reflects usage and as the utility costs rise as does the amount they have to pay.

(v) There was not the usual requirement to hire out facilities last year as a result of the COVID-19 pandemic. This year there have been more bookings.

(vi) Allotment Income has increased as there has been an increased interest in allotments.

(vii) £106 Monies were claimed this year from Dacorum Borough Council towards investigating the feasibility of replacing the existing community hall.

All Other Payments (Box 6)

	Last Yr	This Yr	Variance	Notes
4155 Photocopier costs	537	1,453	916	(A)
4170 Training/Conf's/Publications	379	1,162	783	(B)
4220 Civic Memorabilia	0	698	698	(C)
4255 Accountancy Fees	1,320	2,185	865	(D)
4260 Legal & Professional	2,722	3,300	578	(E)
4320 Website	-2	2,054	2,056	(F)
4345 Permitted Powers Grants	854	32,387	31,533	(G)
4405 Gas	962	5,377	4,415	(H)
4420 Refuse Collection	889	1683	794	(I)
4435 Repairs & Maintenance	6518	8022	1,504	(J)
4460 Wardens Equipment	14661	1742	-12,919	(K)
4465 Wardens Van Running Costs	906	1,786	880	(L)
4470 Tree Inspection & Works	250	2,070	1,820	(M)
4510 Play Areas	180	1,010	830	(N)
4515 Play Equipment	0	11,537	11,537	(O)
4600 Miscellaneous Expenditure	-33	2,402	2,435	(P)
4905 Climate Change	0	1,551	1,551	(Q)
4910 Project - Local Plan Consultation	3,800	6,272	2,472	(R)
4925 Project - Climate Change	0	1,625	1,625	(S)
4960 Friends of Millennium Wood	800	2,381	1,581	(T)
4975 Project - Nora Grace Hall	0	14,405	14,405	(U)
Total	29,785	96,304	67,097	
Box 6	95,552	162,626	67,074	

The exceptional items of expenditure in each year have been detailed to explain the difference.

Notes:

- (A) Photocopier costs were higher this year as meetings went back to being in person and meeting papers produced. The year prior meetings had been held virtually and papers only circulated electronically as a result of the COVID-19 pandemic.
- (B) Training was up this year with the Clerk starting the CILCA course. A work first aid course was also required.
- (C) The boards in the office were updated with the new clerk and mayors details. This hadn't been done the year before as the office had been shut down as a result of the COVID-19 Pandemic.
- (D) Accountancy fees were higher this year as a consultant was employed to try and resolve a historic tax issue.

- (E) Additional legal fees were incurred with a number of the Town Council property leases needing renewing.
- (F) A new website was commissioned this year to ensure that the Council were complying with accessibility requirements.
- (G) Grant applications were higher than the year before. More funds were set aside than usual to assist with the COVID-19 pandemic. Larger than normal grants were agreed including £6,984 for a community music project utilising the additional monies and £20,000 towards a canal restoration utilising CIL funds.
- (H) Utility costs have substantially increased and we have been told that last year's invoices were inaccurate and back payments therefore required as they were based on estimates. Now staff are back working from the office regular readings are being submitted making the bills more accurate.
- (I) Refuse collection costs have increased as more allotment plots have had to be cleared than usual as there has been a substantial increase in the demand for allotments.
- (J) Electrical tests (PAT) were required in the council chamber this year and repairs to windows both of which increased
- (K) The major difference was the purchase of a van for the warden last year in the sum of £12,945
- (L) Tax was payable on the van for the first time this year (£277) and the van is now being used more since the COVID 19 pandemic so there is an increase in fuel costs.
- (M) Unplanned works to trees were required in the grounds of Town Council property that had been damaged in adverse weather.
- (N) New litter bins and a bench were purchased for a play area owned by the Council.
- (O) Outdoor gym equipment was purchased for an open space owned by the Council utilising CIL monies.
- (P) The amount this year mainly relate to fees to hire a larger hall for Council meetings so that they were able to be held safely in response to the COVID-19 pandemic.
- (Q) Planter bike locks and a display board for the allotments were purchased using CIL monies.
- (R) A Landscape survey was commissioned to assist with the council's response to Dacorum Borough Council's proposed local plan.
- (S) A grant was given to a local school to purchase equipment to assist with an environmental study.
- (T) Costs were higher this year for this ongoing project as new saw blades were needed (£211.26) and money was spent on landscaping a new wildflower meadow (£600) but a grant was obtained for these works.
- (U) The Council has instructed an architect to carry out initial designs and feasibility works in respect of replacing an old community hall. Most of the fees to date have been reimbursed from S106 monies.

Explanation for 'high' reserves

(Please complete the highlighted boxes.)

Box 7 is more than twice Box 2 because the authority held the following breakdown of reserves at the year end:

	£	£	£
Earmarked reserves:			
Tenant Rent Deposits	2950		
Market House Works	20400		
Election Expenses	10368		
Nora Grace Hall Sinking Fund	14808		
Market Place Car Park	6689		
High Street Recovery Fund	932		
Allotment Water pipe	5000		
Skateboard Park (from CIL Monies)	25000		
CIL	729643		
Contingency Reserve*	47615		863405
General reserve			
	177097		177097
Total reserves (must agree to Box 7)			<u><u>1040502</u></u>

* Because the Council owns property, including a listed building, and a high proportion of its total income comes from this rather than the precept (The precept in 2021-22 was only around 20% of the Council's total income) the Council reserves policy includes a contingency reserve - a reserve to cushion the impact of unexpected events, including the loss of income from the Council's assets (non-precept income) equivalent to two months total income.

The Council has set a budget for 2022/23 where the shortfall estimated to be £26,974 will need to be met from general reserves and the precept is £157,441

Tring Town Council

Bank - Cash and Investment Reconciliation as at 31 March 2022

Confirmed Bank & Investment Balances

Bank Statement Balances

31/03/2022	Business Reserve	803,299.23
31/03/2022	Current Account	500.00
31/03/2022	Bonus Saver	1,133.46
31/03/2022	CCLA Account	81,921.55
31/03/2022	Petty Cash	165.16

887,019.40

Other Cash & Bank Balances

0.00

887,019.40

Unpresented Payments

2,289.28

884,730.12

Receipts not on Bank Statement

0.00

Closing Balance

884,730.12

All Cash & Bank Accounts

1	Current Bank Accounts	801,509.95
2	Bonus Saver Account	1,133.46
3	Investment Account	81,921.55
4	Petty Cash	165.16
5	Liasion FS Rent Deposit	0.00
	Other Cash & Bank Balances	0.00
	Total Cash & Bank Balances	884,730.12

Tring Town Council

Supporting Reserves Reconciliation for ANNUAL RETURN 31 March 2022

Explains the difference between boxes 7 & 8 on the Annual Return

<u>Code</u>	<u>Description</u>	<u>Last Year £</u>	<u>This Year £</u>
	Total Reserves	611,947.28	1,040,501.63
100	Debtors	2,100.00	8,320.68
102	CIL Debtor	35,138.97	159,663.22
105	VAT Control Account	2,635.79	3,970.78
110	Prepayments	3,542.39	11,203.01
	Less Total Debtors	43,417.15	183,157.69
500	Creditors	8,728.34	18,226.69
510	Accruals	9,902.00	1,840.00
515	Receipts in Advance	0.00	3,875.00
516	Outstanding Tax & NI	1,183.55	2,313.89
550	Museum Rent Deposit	1,130.60	1,130.60
	Plus Total Creditors	20,944.49	27,386.18
	Equals Total Cash and Bank Accounts	589,474.62	884,730.12
200	Current Bank Accounts	506,476.67	801,509.95
210	Bonus Saver Account	1,133.34	1,133.46
220	Investment Account	81,864.61	81,921.55
250	Petty Cash	0.00	165.16
	Total Cash and Bank Accounts	589,474.62	884,730.12

The Clerk
Tring Town Council
The Market House
61 High Street
Tring
Hertfordshire
HP23 4AB

27-May-22

Explanation of "Not Covered" responses

Further to our Internal Audit of your Council for the financial year 2021/22 I am pleased to submit the signed Internal Report for your Annual Return. We have completed our work and I can confirm that we have not given a Negative response for any of the Internal Control Objectives.

You will note that we have given 'Not Covered' responses in respect of Control Objective K, L and O and we are required to explain why we have done this.

- *The reason for the "Not Covered" response for Objective K is that it is not applicable to your Council as the Council did not certify itself exempt from limited assurance review in 2020/21.*
- *The reason for the Not Covered response for Objective L is that it is not applicable to your Council as your 'annual turnover' exceeds £25,000.*
- *The reason for the Not Covered response for Objective O as it is our understanding that the Council does not act as Trustee.*

The External Auditor may query why we have responded 'Not Covered' and, if so, you should provide them with a copy of this letter.

Yours sincerely,



Kevin Rose ACMA
Director