

Mrs Liz Shayler
Bleadon Parish Council
Bleadon Parish Council
Coronation Halls
Coronation Road
Bleadon
BS24 0PG

Our ref AV0014
SAAA ref SB00968

Email sba@pkf-l.com

19 May 2023

Dear Mrs Shayler (CiLCA)

Bleadon Parish Council
Completion of the limited assurance review for the year ended 31 March 2021

We have completed our review of the Annual Governance & Accountability Return (AGAR) for Bleadon Parish Council for the year ended 31 March 2021. On 27 September 2021, we issued an 'interim' report in respect of our review of Bleadon Parish Council's AGAR for the year ended 31 March 2021. We explained the reasons that we were unable to certify completion of the review at that time. We are now able to certify completion of the review. The final external auditor report and certificate is included for your attention as another attachment to the email containing this letter, along with a copy of Sections 1 and 2, on which our report is based, and a copy of our 'interim' Section 3 report. The smaller authority must consider the final external auditor report and decide what, if any, action is required.

Action you are required to take at the conclusion of the review

The Accounts and Audit Regulations 2015 (SI 2015/234) set out what you must do at the conclusion of the review. In summary, you are required to:

- Prepare a "Notice of conclusion of audit" which details the rights of inspection, in line with the statutory requirements. We attach a pro forma notice you may use for this purpose.
- Publish the "Notice" along with the AGAR (Sections 1, 2 & 3) and our attached final report and certificate before 30 September (or as soon as possible where this date has passed), which must include publication on the smaller authority's website. (Please note that when the statute and regulations were amended in 2014 and 2015, they did not include a requirement for the length of time that for which the Notice must be published. There is no requirement for the Notice to be publicly accessible for 5 years, as there is for the AGAR and the external auditor report and certificate. The previous statute required 14 days; but it is now up to the authority to make this decision).
- Keep copies of the AGAR (Sections 1, 2 & 3) and the attached final report and certificate available for purchase by any person on payment of a reasonable sum.

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- Ensure that Sections 1, 2 and 3, plus the attached final report and certificate, of the published AGAR remain available for public access for a period of not less than 5 years from the date of publication.

Fee

Where applicable, we enclose our second fee note for the review, which is in accordance with the fee scales set by Smaller Authorities' Audit Appointments Ltd. Please arrange for this to be paid **at the earliest opportunity** as well as the first fee note which was issued with our 'interim' external auditor report.

Additional charges are itemised on the fee note if applicable. These arise where either

- we were required to issue chaser letters and/or exercise our statutory powers due to a failure to provide an AGAR; or
- we had to seek clarification and/or correction to supporting documentation due to a mistake or omission by the smaller authority; or
- it was necessary for us to undertake additional work.

Please return the remittance advice with your payment, which should be sent to: PKF Littlejohn LLP, Ref: Credit Control (SBA), 5th Floor, 15 Westferry Circus, Canary Wharf, London, E14 4HD. Please include the reference AV0014 or Bleadon Parish Council as a reference when paying by BACS.

Feedback on 2020/21

Please note that if you wish to provide feedback, our satisfaction survey template can be used, which is available on our website: <https://www.pkf-l.com/services/limited-assurance-regime/useful-information-and-links/>.

Yours sincerely



PKF Littlejohn LLP

Mrs Liz Shayler
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BS24 0PG

Our ref AV0014
SAAA ref SB00968
Invoice no: SB20214569
VAT no: GB 440 4982 50

Email sba@pkf-l.com

19 May 2023

INVOICE

Professional services rendered in connection with the following:

Limited assurance review of Annual Governance & Accountability Return for year ended 31 March 2021

Additional charges (where applicable) as detailed on attached appendix A

Additional fees (where applicable) as detailed by separate cover £2,485.00

TOTAL NET £2,485.00

VAT @ 20% £497.00

TOTAL PAYABLE £2,982.00

PAYMENT IS DUE ON RECEIPT OF INVOICE

**For payments by cheque, please return the remittance advice with your payment to:
PKF Littlejohn LLP, Credit Control (SBA), 5th Floor, 15 Westferry Circus, Canary Wharf,
London E14 4HD**

For payments by credit transfer, our bank details are:-

HSBC Bank plc Sort Code: 40-02-31

Account number: 11070797

Account Name: PKF Littlejohn LLP

Please include AV0014 or Bleadon Parish Council as the reference.

For account queries, contact creditcontrol@pkf-l.com.

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Section 1 – Annual Governance Statement 2020/21

We acknowledge as the members of:

BLEADON 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 2021, 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:

05/05/2021

and recorded as minute reference:

342.13.1.b

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

Chairman

Clerk

www.bleadonparishcouncil.co.uk

Section 2 – Accounting Statements 2020/21 for

BLEADON PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2020 £	31 March 2021 £	
1. Balances brought forward	66,518	68,117	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	45,344	50,000	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	7,764	15,273	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	13,428	17,391	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	38,081	37,498	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	68,117	78,501	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	68,117	78,501	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	863,814 <i>Re-stated</i>	864,794	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).
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	The Council, as a body corporate, acts as sole trustee for and is responsible for managing Trust funds or assets. N.B. The figures in the accounting statements above do not include any Trust transactions.
	✓		

I certify that for the year ended 31 March 2021 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

[Signature]
05/05/2021

Date

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

05/05/2021

as recorded in minute reference:

342.13.1.(c)

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

[Signature]

Section 3 – External Auditor Report and Certificate 2020/21

In respect of **Bleadon Parish Council - AV0014**

1 Respective responsibilities of the body and the auditor

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 2021; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

Our responsibility is to review Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with guidance issued by the National Audit Office (NAO) on behalf of the Comptroller and Auditor General (see note below). Our work **does not** constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and **does not** provide the same level of assurance that such an audit would do.

2 External auditor report 2020/21

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.

We are unable to complete our review work on the AGAR and supporting documentation as a result of correspondence received in relation to 2020/21 and/or prior years. Once we have finalised our review and completed any additional work arising from that correspondence, a final report will be provided with the certificate of completion detailing any qualifications and 'other' matters.

An invoice for the statutory annual review fee (and chaser letter charges where they apply) has been issued with this interim certificate. This interim invoice may be settled prior to us certifying completion and issuing our final report and certificate. Any additional fees arising from additional work required as a result of the correspondence received will be invoiced with the certificate of completion for the relevant year; where no additional fees apply a zero invoice will be issued on completion.

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

Please see above.

3 External auditor certificate 2020/21

We 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 2021

We do not certify completion because:

We have received correspondence bringing information to our attention that we must consider before certifying the completion of our review and the discharging of our responsibilities.

External Auditor Name

PKF LITTLEJOHN LLP

External Auditor Signature

PKF Littlejohn LLP

Date

26/9/2021

* Note: the NAO issued guidance applicable to external auditors' work on limited assurance reviews in Auditor Guidance Note AGN/02. The AGN is available from the NAO website (www.nao.org.uk)

Respective responsibilities of the body and the auditor

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 2021; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

External auditor report 2020/21

On 26 September 2021, we issued a report detailing the results of our limited assurance review of Sections 1 and 2 of this authority's Annual Governance & Accountability Return for the year ended 31 March 2021. We explained that we were unable to certify completion of the review at that time. We are now in a position to certify completion of the review.

The external auditor report given in Section 3 of the Annual Governance & Accountability Return requires amendments as follows:

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.

1. The Council's earmarked reserves are subject to some confusion as to the amount and purpose of the reserves being held. The Council has informed us that for the 2023/24 financial year, there will be a review of the earmarked reserves held by the Council. As a result of this non-compliance with proper practices, the Council should have responded 'No' to Assertion 1 on the Annual Governance Statement.
2. We note that in respect of one contract above £5,000, 3 quotations were not obtained as was required by the Council's financial regulations, and neither was the financial regulation followed that requires an explanation as to why non-compliance with financial regulations was being recommended. As a result of this non-compliance, the Council should have responded 'No' to Assertion 2 on the Annual Governance Statement.
3. We note that the issues of a lack of transparency, including failure to publish required information, and the use of working groups relate to the responses given in Assertions 2 and 3 of the Annual Governance Statement. The Council has commented that currently the working groups that are

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Final External Auditor Report and Certificate 2020/21 in respect of Bleadon Parish Council AV0014

Accountants &
business advisers

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established have no formal agenda or notes for the meetings held; any reports are presented verbally to the Council on the night of the meeting; and that the standing orders do not cover working groups. The Council has informed us of its recent actions and plans to improve weaknesses in these areas; however, in our view, the Council should have responded 'No' to Assertions 2 and 3 as a result of these governance issues.

4. The smaller authority has disclosed that it made proper provision during the year 2020/21 for the exercise of public rights, by answering 'Yes' to Section 1, Assertion 4. However, as became apparent during our additional work, we are aware that it failed to do this fully and therefore should have answered 'No' to this assertion.
5. The figure in Section 2, Box 9 is incorrect; since the fixed asset register (FAR) should have included the nine tablet devices and mobile phone purchased in 2020. The Council has informed us that the FAR is currently being reviewed in relation to legal advice obtained in reference to the Coronation Hall/Car Park/Youth Club land and will be restated on the 2022/23 AGAR.

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

6. The smaller authority has not provided an adequate explanation for the variance between the prior and current year values in Box 3 of Section 2.
7. We note that the Council agreed to consider allocating a further £1,000 to the Covid Group from the Small Business Grant received from North Somerset at the meeting on 8 June 2020 (minute 337.9). There is no evidence that this was revisited during the year; however, at the time of our additional work, a 'Covid Group' earmarked reserve of £1,000 still existed in the 2022/23 earmarked reserves. The Council informed us that at the end of that financial year this would be reviewed with a view to closing it, as requested by the Covid Group.
8. The Council informed us that confusion exists as to whether 'Bleadon in Bloom' is a Council run initiative or an independent entity. It has commented that, given that 'Bleadon in Bloom' receives grants and income from other sources which do not go through the Council's accounts, it is assumed to be an independent entity. For this reason, the Council has confirmed that in future any money budgeted for 'Bleadon in Bloom' will be accessed using the grant application process.
9. We received considerable challenge correspondence in relation to the 2020/21 and 2021/22 AGARs which we considered before completing our work. The authority will receive invoices in relation to this additional work.

External auditor certificate 2020/21

We certify that we have completed our review of Sections 1 and 2 of the Annual Governance & Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2021.

PKF Littlejohn LLP

PKF Littlejohn LLP

17/05/2023

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