



**Farnham Town Council**

**Papers for External Audit**

**Year ending 31<sup>st</sup> March 2021**

**Index of documents sent to External Audit**

<b>1</b>	<b>Completed and approved Annual Governance and Accountability Return (AGAR) (including the Annual Internal Audit Report)</b>
<b>2</b>	<b>Form showing dates for the provision for the exercise of public rights</b>
<b>3</b>	<b>Copy of bank reconciliation</b>
<b>4</b>	<b>Explanation of variances</b>
<b>5</b>	<b>Reconciliation between Section 2, Boxes 7 and 8</b>
<b>6</b>	<b>Except for Matter 2019-20.      None</b>
<b>7</b>	<b>Evidence that the authority is registered as an employer with HMRC</b>
<b>8</b>	<b>Contact details form</b>



## **2020-21 Audit**

### **Section I - Completed and approved Annual Governance and Accountability Return**

Please note that the staff costs for 2020 have been restated in line with the updated staff costs definition in the Practitioners' Guide

# Annual Governance and Accountability Return 2020/21 Part 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 Part 3 of the Annual Governance and Accountability Return 2020/21

1. Every smaller authority in England that either received gross income or incurred gross expenditure exceeding £25,000 **must** complete Part 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 2021**.
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 2021**. 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 2021
  - 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 2020/21

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 2021 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 2020/21**, approved and signed, page 4
- **Section 2 - Accounting Statements 2020/21**, approved and signed, page 5

Not later than 30 September 2021 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 Part 3 of the Annual Governance and Accountability Return (AGAR) 2020/21

- 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 2021.
- 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 2020) equals the balance brought forward in the current year (Box 1 of 2021).
- 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 2021**.

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 <b>the dates set for the period for the exercise of public rights</b> , 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 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 from last year to this year been published?	✓	
	Has the bank reconciliation as at <b>31 March 2021</b> 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? <b>NB:</b> 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](http://www.nalc.gov.uk) or from [www.ada.org.uk](http://www.ada.org.uk)

# Annual Internal Audit Report 2020/21

Farnham Town Council

www.farnham.gov.uk

During the financial year ended 31 March 2021, 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 2020/21 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 2019/20, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2019/20 AGAR tick "not covered")			✓
L. If the authority has an annual turnover not exceeding £25,000, it publishes information on a website/webpage up to date at the time of the internal audit in accordance with the Transparency code for smaller authorities.			✓
M. The authority, during the previous year (2019-20) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set).	✓		
N. The authority has complied with the publication requirements for 2019/20 AGAR (see AGAR Page 1 Guidance Notes).	✓		
<b>O. (For local councils only)</b> 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).

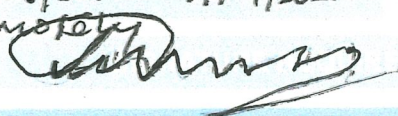
Date(s) internal audit undertaken

Name of person who carried out the internal audit

12/11/2020 17/03/2021 14/04/2021

Paul Hartley

Signature of person who carried out the internal audit



Date

13/05/2021

\*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 2020/21

We acknowledge as the members of:

Farnham Town Council  
ENTER NAME OF AUTHORITY

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.	✓		<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:

29/04/2021

and recorded as minute reference:

0170/20 REFERENCE

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

Chairman

SIGNATURE REQUIRED  
*P. A. Grew*

Clerk

SIGNATURE REQUIRED  
*[Signature]*

ENTER PUBLICLY AVAILABLE WEBSITE ADDRESS [www.farnham.gov.uk](http://www.farnham.gov.uk)

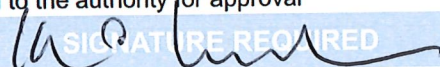
## Section 2 – Accounting Statements 2020/21 for

Farnham Town Council

	Year ending		Notes and guidance
	31 March 2020 £	31 March 2021 £	
1. Balances brought forward	1,442,290	1,551,865	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	1,102,922	1,146,027	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	475,535	284,551	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  Restated	463,360	485,358	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	40,925	0	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments  Restated	964,597	760,907	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	1,551,865	1,736,178	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	1,627,893	1,857,988	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – <b>To agree with bank reconciliation.</b>
9. Total fixed assets plus long term investments and assets	2,218,985	2,393,841	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.
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

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 REQUIRED

Date

29/04/2021

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

29/04/2021

as recorded in minute reference:

C170/20 REFERENCE

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

 SIGNATURE REQUIRED



## Section 3 – External Auditor’s Report and Certificate 2020/21

In respect of

Farnham Town Council  
ENTER NAME OF AUTHORITY

### 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 2021; 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 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, 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 2020/21

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 2021.

\*We do not certify completion because:

External Auditor Name

ENTER NAME OF EXTERNAL AUDITOR

External Auditor Signature

SIGNATURE REQUIRED

Date

DD/MM/YY



**2020-21 Audit**

**Section 2 - Form showing dates for the provision for the exercise of public rights**

**CONFIRMATION OF THE DATES FOR  
THE PERIOD OF EXERCISE OF PUBLIC RIGHTS 2020-21**

In accordance with the Local Audit and Accountability Act 2014 Sections 25, 26 and 27  
The Accounts and Audit Regulations 2015 (SI 2015/234)  
The Accounts and Audit (Coronavirus) (Amendment) Regulations 2020 (SI 2020/404)  
National Audit Office's Code of Practice 2014

*The public has a right to inspect Farnham Town Council's Annual Governance and Accountability Return and supporting records and electors and their representatives have a right to ask the external auditor formal questions or raise objections to the accounts in respect of which the appointed auditor could either make a public interest report or apply to the court for a declaration that an item of account is unlawful. Written notice of an objection must first be given to the auditor and a copy sent to the council.*

Name of smaller authority: **Farnham Town Council, Surrey**

**On behalf of Farnham Town Council, I confirm that the dates set for the period of exercise of public rights are as follows:**

Commencing on: **Tuesday 22<sup>nd</sup> June 2021**

and ending on **Monday 2<sup>nd</sup> August 2021**

**This represents 30 working days inclusive and must include the first 10 working days of July 2021.**

Each year Farnham Town Council's Annual Governance and Accountability Return (AGAR) needs to be reviewed by an external auditor appointed by Smaller Authorities' Audit Appointments Ltd. The unaudited AGAR has been published with this notice. As it has yet to be reviewed by the appointed auditor, it is subject to change as a result of that review.

Any person interested has the right to inspect and make copies of the accounting records for the financial year to which the audit relates and all books, deeds, contracts, bills, vouchers, receipts and other documents relating to those records must be made available for inspection by local government electors and their representatives. For the year ended 31 March 2021, these documents will be available on reasonable notice between the hours of 10am and 4pm on application to:

The Town Clerk at Farnham Town Council, South Street, Farnham GU9 7RN. Telephone: 01252 712667.  
Email: [customer.services@farnham.gov.uk](mailto:customer.services@farnham.gov.uk).

**Signed:** *Iain Lynch*

**Role:** **Town Clerk and Responsible Financial Officer**

**This form is submitted to the appointed external auditor PKF Littlejohn LLP, 1 Westferry Circus, Canary Wharf, London, E14 4HD [sba@pkf-littlejohn.com](mailto:sba@pkf-littlejohn.com) along with the Annual Governance and Accountability Return and other requested documentation.**



**2020-21 Audit**

**Section 3 - Copy of Bank and investment Reconciliation**

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## Farnham Town Council

### Bank - Cash and Investment Reconciliation as at 31 March 2021

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	<u>Account Description</u>	<u>Balance</u>	
<u>Bank Statement Balances</u>			
1	31/03/2021 Current Account - 31141023	95,969.38	
2	29/05/2015 MM Investment - 10245828	0.00	
3	31/03/2021 MM Investment - 10613371	0.00	
4	30/04/2014 MM Investment - 20631256	0.00	
5	30/04/2014 MM Investment - 90678864	0.00	
6	31/03/2021 MM Investment - 90678880	0.00	
7	30/04/2014 MM Investment - 30599204	0.00	
8	31/03/2021 Petty Cash	720.33	
9	31/03/2021 Depot Petty Cash	0.00	
10	31/03/2021 HSBC Commercial card	0.00	
11	31/03/2021 Mayor's Charity Account	7,649.48	
12	31/03/2021 Mayor's Charity Petty Cash	0.00	
13	31/03/2021 Projects Cashbox	0.00	
14	31/03/2015 MM Investment 20687928	0.00	
15	31/03/2021 Money Market Call Account	1,027,094.26	
			<b>1,131,433.45</b>
<u>Other Cash &amp; Bank Balances</u>			
		0.00	
	Bank balance	0.00	
	CCLA Investment 0681180001PC	400,000.00	
	Cambridge & Counties Deposit	236,967.83	
	LA Property Fund	0.00	
	MM Investment	0.00	
	MM Investment 10245828	0.00	
	MM Investment 15-08-13 3 month	0.00	
	MM Investment 20631256	0.00	
	MM Investment 20631256	0.00	
	MM Investment 20687928	0.00	
	MM Investment 20762903	0.00	
	MM Investment 20762911	0.00	
	MM Investment 20776408	0.00	
	MM Investment 30599204	0.00	
	MM Investment 40698210	0.00	
	MM Investment 50777870	0.00	
	MM Investment 70711586	0.00	
	MM Investment 70732087	0.00	
	MM Investment 90678864	0.00	
	MM Investment 90700304 old	0.00	
	MM Investments 00775339	0.00	
	Nationwide 90130536	101,990.78	
			<b>738,958.61</b>
			<b>1,870,392.06</b>

## Farnham Town Council

### Bank - Cash and Investment Reconciliation as at 31 March 2021

		<u>Account Description</u>	<u>Balance</u>
<u>Unpresented Payments</u>			
1	31/03/2021	200733	1,328.00
1	31/03/2021	200734	500.00
1	31/03/2021	200735	500.00
1	31/03/2021	200736	450.00
1	31/03/2021	200737	850.00
1	31/03/2021	200739	300.00
1	31/03/2021	200740	2,000.00
1	31/03/2021	200741	2,750.00
1	31/03/2021	200742	239.90
1	31/03/2021	200743	250.00
1	31/03/2021	200744	500.00
1	31/03/2021	200745	2,486.40
1	31/03/2021	200747	250.00
			<b>12,404.30</b>
			<b>1,857,987.76</b>
<u>Receipts not on Bank Statement</u>			
1	18/03/2019	Match	0.00
			<b>0.00</b>
<b>Closing Balance</b>			<b>1,857,987.76</b>
<u>All Cash &amp; Bank Accounts</u>			
1		Current Bank A/c 31141023	83,565.08
2		MM Investment 10245828 Use 231	0.00
3		MM Investment 10613371	0.00
4		MM Investment 20631256	0.00
5		MM Investment 90678864 Use 230	0.00
6		MM Investment 90610453	0.00
7		MM Investment 30599204	0.00
8		Petty Cash	720.33
9		Depot Petty Cash	0.00
10		HSBC Commercial Card	0.00
11		Mayor's Charity A/C 51735365	7,649.48
12		Mayor's Charity Petty Cash	0.00
13		Projects Cashbox	0.00
14		MM Investment 20687928	0.00
15		MM Call 90700304	1,027,094.26
		Other Cash & Bank Balances	738,958.61
		<b>Total Cash &amp; Bank Balances</b>	<b>1,857,987.76</b>



## **2020-21 Audit**

### **Section 4 – Explanation of variances for boxes 2 to 6 and 9 & 10 on the Accounting Statements 2020/21**

Please note that the staff costs for 2020 have been restated in line with the updated staff costs definition in the Practitioners' Guide

## Explanation of variances – pro forma

Name of smaller authority: **Farnham Town Council**  
 County area (local councils and **Surrey**)

## Annex 1

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:** 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).

	2019/20 £	2020/21 £	Variance £	Variance %	Explanation Required?	Automatic responses trigger below based on figures input, <b>DO NOT OVERWRITE THESE BOXES</b>	Explanation from smaller authority ( <b>must include narrative and supporting figures</b> )
1 Balances Brought Forward	1,442,290	1,551,865				Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	1,102,922	1,146,027	43,105	3.91%	NO		
3 Total Other Receipts	475,535	284,551	-190,984	40.16%	YES		See below - most events were cancelled due to Covid-19.
4 Staff Costs - RESTATED	463,360	485,358	21,998	4.75%	NO		Restated 2019-20 due to the new definition of staff costs (less £5,026)
5 Loan Interest/Capital Repayment	40,925	0	-40,925	100.00%	YES		Loan repaid in full in 2019-20
6 All Other Payments - RESTATED	964,597	760,907	-203,690	21.12%	YES		See below. Spending patterns changed due to Covid-19. Restated 2019-20 due to the new definition of staff costs (plus £5,026)
7 Balances Carried Forward	1,551,865	1,736,178			NO	VARIANCE EXPLANATION NOT REQUIRED	
8 Total Cash and Short Term Investments	1,627,893	1,857,988				VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and Assets RESTATED	2,218,985	2,393,841	174,856	7.88%	YES		2020 value has been restated for £5,089 additions which were previously omitted.
10 Total Borrowings	0	0	0	0.00%	NO		

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)**



Farnham Town Council - Explanation of Variances 2020/21 page 2

Total other receipts

s106 income received in 19/20 - none in 20/21	-	71,342
Drop in Cemetery income	-	40,339
No income for Highways Contract in 20/21	-	5,160
Fall in event income - most didn't run in 20/21	-	106,803
Income for Gostrey Meadow rec'd 19/20	-	21,914
Craft Town Grant 19/20	-	47,500
No income at Wrecclesham Community Centre 20/21	-	6,250
Reduction in precept support grant	-	3,030
Reduction in interest received in 20/21	-	8,632
Reduction in Farnham in Bloom income in 20/21	-	6,504
Reduction in banner income in 20/21	-	6,335
Income for Coronavirus Hardship Fund		48,932
Covid-19 grant income		30,132
Contribution to CCTV work rec'd 20/21		40,558
Increase in CIL income in 20/21		13,601
Other differences, net	-	398
	-	<u>190,984</u>

Fixed asset additions

New computers & laptops	3,670
New AV equipment	9,297
Gazebos	3,103
Cemetery pathways & fencing	25,584
CCTV at Gostrey Meadow	2,072
New gardens @ £1 each	5
Bins	3,354
Play areas/ electrical works GM	39,450
Grounds planters & equipment	25,717
Christmas decorations	4,723
CCTV	56,534
Other items	1,347

174,856

0

All other payments

Covid-19 related expenditure	15,939	
Coronavirus Hardship Fund expenditure	19,511	
Craft Town 2019 expenditure - project completed 19/20	-	49,373
Higher spend on Cemetery maint in 19/20	-	16,645
Victoria Garden maintenance in 19/20	-	12,352
Conservation area maintenance in 19/20	-	26,681
World Craft Town increased spending in 20/21		9,344
Reduction in event costs - most didn't take place in 20/21	-	90,152
CCTV upgrade project in 20/21		51,062
Elections in 19/20	-	31,688
Neighbourhood Plan - project finished in 19/20	-	19,950
Farnham Infrastructure Project - new in 20/21		6,486
Higher spend on Grounds/Farnham in Bloom 19/20 (including new vehicle)	-	79,459
Increased spending at War Memorial in 20/21		6,811
Gostrey Meadow work in 20/21		39,821
Reduction in spending on Town Centre incl banners 20/21	-	10,036
Reduction in spending on Allotments	-	5,964
Localism projects in 19/20	-	12,500
More work at Hale Chapels 20/21		4,300
Reduced spending at Wrecclesham CC in 20/21	-	2,936
Other differences, net		772
	-	<u>203,690</u>



**2020-21 Audit**

**Section 5 – Reconciliation between Section 2, Boxes 7 and 8**

## Farnham Town Council

### Working Detail for Reserves Reconciliation for ANNUAL RETURN 31 March 2021

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>
	<b>Total Reserves</b>	<b><u>1,551,865.40</u></b>	<b><u>1,736,177.70</u></b>
100	Debtors	22,981.28	10,077.70
105	VAT Control A/c	41,978.80	39,714.18
120	Sundry debtors	2,000.00	2,500.00
180	Cycle to work loan 1	0.00	1,876.42
181	Cycle to work loan 2	0.00	2,000.04
	<b>Less Total Debtors</b>	<b><u>66,960.08</u></b>	<b><u>56,168.34</u></b>
190	Provision re Cycle to work loa	0.00	3,876.46
500	Creditors	14,025.93	33,418.29
501	Commercial Card Balance	7,036.04	6,994.22
510	Accruals	81,464.68	95,269.85
525	PAYE/NI Creditor	8,144.29	11,180.79
550	Bandstand Deposits	200.00	0.00
560	Receipts In Advance	25,133.65	22,650.42
572	Mayor's Charity 2019/20	6,983.37	4,588.37
	<b>Plus Total Creditors</b>	<b><u>142,987.96</u></b>	<b><u>177,978.40</u></b>
	<b>Equals Total Cash and Bank Accounts</b>	<b><u>1,627,893.28</u></b>	<b><u>1,857,987.76</u></b>
200	Current Bank A/c 31141023	209,001.67	83,565.08
219	MM Call 90700304	225,365.64	1,027,094.26
230	MM Investment 90678864	100,000.00	0.00
236	CCLA Investment 0681180001PC	300,000.00	400,000.00
240	Cambridge & Counties Deposit	234,523.72	236,967.83
243	MM Investment 20762903	150,000.00	0.00
246	MM Investments 00775339	300,000.00	0.00
249	Nationwide 90130536	101,563.10	101,990.78
250	Petty Cash	244.67	720.33
270	Mayor's Charity A/C 51735365	7,194.48	7,649.48
	<b>Total Cash and Bank Accounts</b>	<b><u>1,627,893.28</u></b>	<b><u>1,857,987.76</u></b>



**2020-21 Audit**

**Section 6 - Except for Matter 2019-20.**

**NONE**



**2020-21 Audit**

**Section 7 Evidence that Farnham Town Council is registered with HMRC as an employer**

Screen print from the Farnham Town Council HMRC account showing the PAYE reference.

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## FARNHAM TOWN COUNCIL THE TOWN CLERK

PAYE Employer reference: 765/F473

### About your organisation

#### Name and address

FARNHAM TOWN COUNCIL  
THE TOWN CLERK

[Add trade name](#)

TOWN COUNCIL OFFICES  
SOUTH STREET  
FARNHAM  
SURREY  
GU9 7RN

[Change business address](#)

[Add communication details](#)

#### Reference numbers

PAYE Employer reference                      765/F473

#### Contact details

Telephone number: 01252 712667

Fax: Not held

Email: [town.clerk@farnham.gov.uk](mailto:town.clerk@farnham.gov.uk)

[Change contact details](#)

#### Online Agent details

Name: Moorepay Ltd

Address: Northumbria House  
Samson Close  
Killingworth  
Tyne And Wear  
NE126DX

**2020-21 Audit**
**Section 8 – Contact details form**
**Contact details**

 Name of smaller authority: **Farnham Town Council**

 County Area (local councils and parish meetings only): **Surrey**

Please complete this form and send it back to us with the AGAR or exemption certificate

	Clerk/RFO (Main contact)	Chair
<b>Name</b>	Iain Lynch	Cllr Alan Earwaker Mayor of Farnham
<b>Address</b>	Farnham Town Hall South Street Farnham GU9 7RN	Farnham Town Hall South Street Farnham GU9 7RN
<b>Daytime telephone number</b>	01252 712667	01252 712667
<b>Mobile telephone number</b>	07941 623944	01252 712667
<b>Email address</b>	<a href="mailto:Town.clerk@farnham.gov.uk">Town.clerk@farnham.gov.uk</a>	mayor@farnham.gov.uk



**Papers for External Audit**



**Year ending 31<sup>st</sup> March 2021**