

Annual Governance and Accountability Return 2019/20 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 2019/20

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** is completed by the authority's internal auditor.
 - **Sections 1 and 2** are to 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 **before 1 July 2020**.
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 2020**. 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 2020
 - 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 2019/20

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 a publicly accessible website:

Before 1 July 2020 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 2019/20**, approved and signed, page 4
- **Section 2 - Accounting Statements 2019/20**, approved and signed, page 5

Not later than 30 September 2020 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.

Annual Internal Audit Report 2019/20

Weasenham Parish Council

This authority's internal auditor, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls to be in operation **during** the financial year ended 31 March 2020.

The internal audit for 2019/20 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 | Agreed? Please choose one of the following | | |
|--|--|-----|----------------|
| | 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 and year-end bank account reconciliations were properly carried out. | ✓ | | |
| 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 2018/19, it met the exemption criteria and correctly declared itself exempt. <i>(If the authority had a limited assurance review of its 2018/19 AGAR tick "not covered")</i> | | | ✓ |
| L. The authority has demonstrated that during summer 2019 it correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations. | ✓ | | |
| M. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee. | Yes | No | Not applicable |
| | ✓ | | |

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

Date(s) internal audit undertaken

24/05/2020

28/05/2020

DD/MM/YY

Name of person who carried out the internal audit

Catherine Moore

Signature of person who carried out the internal audit

C Moore REQUIRED

Date

28/05/2020

*If the response is 'no' you must include a note to 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 2019/20

We acknowledge as the members of:

WEASENHAM 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 2020, 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:

22/06/2020

and recorded as minute reference:

PG 182 REFERENCE 9

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

Chairman

W. Bob

Clerk

M. Mute

Other information required by the Transparency Codes (not part of Annual Governance Statement)
Authority web address

<https://weasenhamparishcouncil.norfolkparishes.gov.uk>

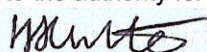
Section 2 – Accounting Statements 2019/20 for

WEASENHAM PARISH COUNCIL

| | Year ending | | Notes and guidance |
|---|--------------------|--------------------|---|
| | 31 March 2019 £ | 31 March 2020 £ | |
| 1. Balances brought forward | 24 275 | 25 708 | 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 | 9 000 | 14 000 | Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received. |
| 3. (+) Total other receipts | 11 671 | 10 234 | 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 | 4 879 | 6 603 | 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 | 14 359 | 16 560 | 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 | 25 708 | 26 779 | 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 | 25 708 | 26 779 | 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 | 9 408 | 8 452 | 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 2020 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval



Date

15/06/2020

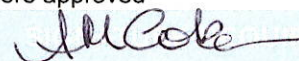
I confirm that these Accounting Statements were approved by this authority on this date:

22/06/2020

as recorded in minute reference:

PG 182 to 9

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



WEASENHAM PC BANK RECONCILIATION

Prepared by Hayley White, Responsible Financial Officer

BANK BALANCES

| Balance per bank statements as at: | 31 March 2020 | |
|--|---------------|-----------|
| | £ | £ |
| Weasenham PC current account ending 3023 | | 6,691.75 |
| Weasenham PC saving account ending 0136 | | 10,042.87 |
| Weasenham PC solar account ending 0926 | | 10,105.88 |
| | | <hr/> |
| | | 26,840.50 |

Less Unpresented Cheques:

| | Payee | Chq No | Value | |
|-------------------------------|-------|--------|--------|-------|
| | SLCC | 1061 | £61.00 | |
| | | | <hr/> | |
| | | | £61.00 | |
| Add any unbanked cash: | | | | 61.00 |

| | | | |
|----------------------------|---------------|-------------|-----------|
| Net Balances as at: | 31-Mar | <hr/> <hr/> | 26,779.50 |
|----------------------------|---------------|-------------|-----------|

CASHBOOK

| | | |
|---|-------------|-----------|
| Opening Balance | <hr/> <hr/> | 25,707.98 |
| Add Receipts in the year | | 24,234.00 |
| Less Payments in the year plus cheques not cleared | | 23162.48 |
| Closing Balance per Cash Book as at: | <hr/> <hr/> | 26,779.50 |

Cashbook minus Bank Balances

0.00

Explanation of variances – pro forma

Name of smaller authority: **Waesenhelm Parish Council**
County area (local councils and parish meetings only):

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);
- 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 £ | 2020 £ | Variance £ | Variance % | Explanation Required? | Explanation |
|---|-----------|-----------|---------------|---------------|-----------------------|--|
| 1 Balances Brought Forward | 24,275 | 25,708 | | | | Automatic responses trigger below based on figures input. DO NOT OVERWRITE THESE BOXES Explanation from smaller authority (must include narrative and supporting figures) |
| 2 Precept or Rates and Levies | 9,000 | 14,000 | 5,000 | 55.56% | YES | Explanation of % variance from PY opening balance not required - Balance brought forward agrees Precept was increased to cover forecasted audit and election costs |
| 3 Total Other Receipts | 11,671 | 10,234 | -1,437 | 12.31% | NO | |
| 4 Staff Costs | 4,679 | 6,603 | 1,724 | 35.34% | YES | Only 10 payments made in 2018-19 as clerk started employment part way through year. Full year worked in 2019-20 plus some overtime. Clerk had pay rise in April 2019 and a further pay rise in Nov 2019 when CILCA qualification was passed. |
| 5 Loan Interest/Capital Repayment | 0 | 0 | 0 | 0.00% | NO | |
| 6 All Other Payments | 14,359 | 16,560 | 2,201 | 15.33% | YES | The increase in spending comes mainly from the £7,337 spent on the recreation ground. Legal advice had to be sort to register it with The Land Registry due to the age of the title deeds. Work has been carried out on the old pavillion building - an asbestos survey, asbestos removal, disconnection and reconnection of power supply plus the demolition of the pavillion and appropriate approval and plans for a new building. There is also a £1,081 grant to the football team to upgrade their facilities. There was a 52% decrease in election fees this year and a 97% decrease in audit fees as the auditors invoice has not yet been received. |
| 7 Balances Carried Forward | 25,708 | 26,779 | | | | VARIANCE EXPLANATION NOT REQUIRED |
| 8 Total Cash and Short Term Investments | 25,708 | 26,779 | | | | VARIANCE EXPLANATION NOT REQUIRED |
| 9 Total Fixed Assets plus Other Long Term Investments and | 9,406 | 6,452 | -956 | 10.16% | NO | |
| 10 Total Borrowings | 0 | 0 | 0 | 0.00% | NO | |

Rounding errors of up to £2 are tolerable

Variances of £200 or less are tolerable

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

| | £ | £ | £ |
|---|----------|-----------------|------------------------|
| Earmarked reserves: | | | |
| Solar Current Account | 10042.84 | | |
| Solar Savings Account | 10105.88 | | |
| | | <u>20148.72</u> | |
| General reserve | 6630.75 | | |
| | | <u>6630.75</u> | |
| Total reserves (must agree to Box 7) | | | <u><u>26779.47</u></u> |

Section 3 – External Auditor Report and Certificate 2019/20

In respect of

ENTER NAME OF AUTHORITY

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 2020; 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 2019/20

(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 2019/20

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 2020.

*We do not certify completion because:

External Auditor Name

ENTER NAME OF EXTERNAL AUDITOR

External Auditor Signature

SIGNATURE REQUIRED

Date

DD/MM/YY

*Note: the NAO issued guidance applicable to external auditors' work on limited assurance reviews in Auditor