Annual Governance and Accountability Return 2019/20 Part 2PM

ONLY to be completed on behalf of PARISH MEETINGS OF PARISHES NOT HAVING PARISH COUNCILS, where the higher of gross income or gross expenditure was £25,000 or less, that meet the qualifying criteria, and that wish to certify themselves as exempt from a limited assurance review.

Guidance notes for Parish Meetings on completing Part 2PM of the Annual Governance and Accountability Return 2019/20

1. Every Parish Meeting in England where the higher of all gross income **or** gross expenditure was £25,000 or less **must,** following the end of each financial year, complete Part 2PM of the Annual Governance and Accountability Return in accordance with *Proper Practices*, unless the Parish Meeting:

   a) does not meet the qualifying criteria for exemption; or

   b) does not wish to certify itself as exempt

2. Parish Meetings where the higher of all gross annual income **or** gross annual expenditure **does not exceed** £25,000 and that meet the qualifying criteria as set out in the Certificate of Exemption **are able to declare themselves exempt** from sending the completed Annual Governance and Accountability Return to the external auditor for a limited assurance review **provided** that the Parish Meeting **completes:**

   a) The **Certificate of Exemption**, page 3 and returns a copy of it to the external auditor **either** by email **or** by post (not both) **no later than 30 June 2020.** Failure to do so will result in reminder letter(s) for which the Parish Meeting will be charged £40 +VAT for each letter; and

   b) The **Annual Governance and Accountability Return (Part 2PM)** which is made up of:
   • **Annual Internal Audit Report (page 4)** to be completed by the Parish Meeting's internal auditor.
   • **Section 1 – Annual Governance Statement (page 5)** to be completed and approved by the Parish Meeting.
   • **Section 2 – Accounting Statements (page 6)** to be completed and approved by the Parish Meeting.
   NOTE: Parish Meetings certifying themselves as exempt SHOULD NOT send the completed Annual Governance and Accountability Return to the external auditor.

3. The Parish Meeting **must** approve Section 1 Annual Governance Statement before approving Section 2 Accounting Statements and both **must** be approved and published or displayed **before 1 July 2020.**

Publication Requirements

Parish Meetings **must** publish or display various documents as required by the Accounts and Audit Regulations 2015, and the Local Audit (Smaller Authorities) Regulations 2015. Parish Meetings without a website must display the documents in the local area for 14 days. These include:

- **Certificate of Exemption**, page 3
- **Section 1 – Annual Governance Statement 2019/20**, page 5
- **Section 2 – Accounting Statements 2019/20**, page 6
- Notice of the period for the exercise of public rights and other information required by Regulation 15 (2), Accounts and Audit Regulations 2015.

Limited Assurance Review

Provided that the Parish Meeting certifies itself as exempt, and completes and publishes the documents listed in the preceding section headed 'Publication Requirements', there is **no** requirement for the Parish Meeting to have a limited assurance review.

Any Parish Meeting may, however, request a limited assurance review. In these circumstances the Parish Meeting should not certify itself as exempt and should not complete the Certificate of Exemption. Instead it should complete Part 3PM of the Annual Governance and Accountability Return 2019/20 and return it to the external auditor for review together with the supporting documentation requested by the external auditor.

The cost to the Parish Meeting for the review will be **£200 +VAT.**

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.

Guidance notes for Parish Meetings on completing Part 2PM of the Annual Governance and Accountability Return 2019/20, Sections 1 and 2

- A Parish Meeting that wishes to declare itself exempt from the requirement for a limited assurance review must do so at a meeting held between 1 April and 30 June 2020. It should not submit its Annual Governance and Accountability Return to the external auditor.
- The Certificate of Exemption should be returned to the external auditor no later than 30 June 2020. Reminder letters will incur a charge of £40 +VAT.
- The Parish Meeting **must** comply with *Proper Practices* in completing Sections 1 and 2 of its Annual Governance and Accountability Return and the Certificate of Exemption. 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.
- The Parish Meeting **should** receive and note the annual internal audit report before approving the annual governance statement and the accounts.
- Make sure that the Annual Governance and Accountability Return is complete (no highlighted boxes left empty), and is properly signed and dated. Avoid making amendments to the completed annual return. Any amendments must be approved by the Parish Meeting and properly initialled.
- Use the checklist provided below to review the Annual Governance and Accountability Return for completeness at the meeting at which it is signed off.
- **You should inform your external auditor about any change of Chairman, and provide a relevant email address and telephone number.**
- The Parish Meeting must publish numerical and narrative explanations for significant variances in the accounting statements on **page 6.** Guidance is provided in the *Practitioners' Guide** which may assist.
- Make sure that the accounting statements add up and the balance carried forward from the previous year (Box 7 of 2019) equals the balance brought forward in the current year (Box 1 of 2020).
- The Chairman, on behalf of the Parish Meeting, **must** set the commencement date for the exercise of public rights. From the commencement date for a single period of 30 consecutive working days, the approved accounts and accounting records can be inspected. Whatever period is set **must** include a common inspection period – during which the accounts and accounting records of all smaller authorities must be available for public inspection – of the first ten working days of July.
- The Parish Meeting **must** publish 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 2020.

Completion checklist – 'No' answers mean you may not have met requirements		Yes	No
All sections	Have all highlighted boxes been completed?	✔	
	Have the dates set for the period for the exercise of public rights been published?	✔	
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', is an explanation available for publication?	✔	
Section 2	Has the Parish Meeting'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 or displayed?	✔	
	Is an explanation of any difference between Box 7 and Box 8 available, should a question be raised by a local elector and/or an interested party?	✔	

Governance and Accountability for Smaller Authorities in England – a Practitioners' Guide to Proper Practices, can be downloaded from **www.nalc.gov.uk**

Certificate of Exemption – AGAR 2019/20 Part 2PM

To be completed by all Parish Meetings that neither received gross income nor incurred gross expenditure exceeding £25,000 in the year of account ended 31 March 2020, and that wish to certify themselves as exempt from a limited assurance review under Section 9 of the Local Audit (Smaller Authorities) Regulations 2015

There is no requirement to have a limited assurance review or to submit an Annual Governance and Accountability Return to the external auditor, **provided** that the Parish Meeting has certified itself as exempt at a Parish Meeting held between 1 April and 30 June 2020 and a completed Certificate of Exemption is submitted no later than 30 June 2020 notifying the external auditor.

West Haddlesey Parish Meeting ENTER NAME OF PARISH MEETING

certifies that during the financial year 2019/20, the higher of the Parish Meeting's total gross income for the year **or** total gross annual expenditure for the year did not exceed **£25,000**

Total annual gross income for the Parish Meeting 2019/20: 4364 ENTER AMOUNT £00,000

Total annual gross expenditure for the Parish Meeting 2019/20: 2094 ENTER AMOUNT £00,000

There are certain circumstances in which an Parish Meeting will be **unable to certify itself as exempt,** so that a limited assurance review will still be required. If a Parish Meeting **is unable to confirm the statements below then it cannot certify itself as exempt** and it **must** submit the completed Annual Governance and Accountability Return Part 3PM to the external auditor to undertake a limited assurance review for which a fee of **£200 +VAT** will be payable.

By signing this **Certificate of Exemption** you are confirming that:

- This parish has no Parish Council
- The authority was in existence on 1st April 2016
- In relation to the preceding financial year (2018/19), the external auditor **has not:**
  - issued a public interest report in respect of the Parish Meeting or any entity connected with it
  - made a statutory recommendation to the Parish Meeting
  - issued an advisory notice under paragraph 1(1) of Schedule 8 to the Local Audit and Accountability Act 2014 ("the Act"), and not withdrawn the notice
  - commenced judicial review proceedings under section 31(1) of the Act
  - made an application under section 28(1) of the Act for a declaration that an item of account is unlawful, and the application has not been withdrawn nor has the court refused to make the declaration
- The court has not declared an item of account unlawful after a person made an appeal under section 28(3) of the Act.

If you are able to confirm that the above statements apply and that the Parish Meeting neither received gross income, nor incurred gross expenditure, exceeding £25,000, then the Certificate of Exemption can be signed and a copy submitted to the external auditor **either** by email **or** by post (not both).

The Annual Internal Audit Report, Annual Governance Statement, and Annual Accounting Statements still need to be fully completed and, along with a copy of this certificate and notice of the period for the exercise of public rights, published or displayed before 1 July 2020. **By signing this certificate you are also confirming that you are aware of this requirement.**

Signed by Chairman SIGNATURE REQUIRED

Date 21/08/2020 DD/MM/YYYY

I confirm that this Certificate of Exemption was approved by this Parish Meeting on this date: 21/08/2020 DD/MM/YYYY

as recorded in minute reference: 2 MINUTE REFERENCE

Email info@westhaddlesey.org.uk EMAIL ADDRESS REQUIRED

Telephone number 07766687658 TELEPHONE NUMBER

ONLY a copy of this Certificate of Exemption should be returned EITHER by email OR by post (not both) as soon as possible after certification to your external auditor but no later than 30 June 2020. Reminder letters incur a charge of £40 +VAT.

Part 2PM Annual Internal Audit Report 2019/20

West Haddlesey Parish Meeting ENTER NAME OF PARISH MEETING

This Parish Meeting'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 Parish Meeting'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 Parish Meeting.

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 Parish Meeting complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✔		
C. This Parish Meeting assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✔		
D. The precept 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.	✔		
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 Parish Meeting certified itself as exempt from a limited assurance review in 2018/19, it met the exemption criteria and correctly declared itself exempt. *(If the Parish Meeting had a limited assurance review of its 2018/19 AGAR tick "not covered")*	✔		
L. The Parish Meeting has demonstrated that during summer 2019 it correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations.	✔		

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

Date(s) internal audit undertaken

21/08/2020 DD/MM/YY DD/MM/YY

Name of person who carried out the internal audit

Richard Keep ENTER NAME OF INTERNAL AUDITOR

Signature of person who carried out the internal audit SIGNATURE REQUIRED

Date 21/08/2020 DD/MM/YY

*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).

Part 2PM Section 1 – Annual Governance Statement 2019/20

We acknowledge as the members of:

West Haddlesey Parish Meeting ENTER NAME OF PARISH MEETING

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	*No*	*'Yes' means that this Parish Meeting:*
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 Parish Meeting 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 Parish Meeting's accounts.*
5. We carried out an assessment of the risks facing this Parish Meeting 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 met the needs of this Parish Meeting.*
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 Parish Meeting 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.*

*For any statement to which the response is 'no', an explanation must be published or displayed

This Annual Governance Statement was approved at a Parish Meeting on:

21/08/2020 DD/MM/YYYY

and recorded as minute reference:

2 MINUTE REFERENCE

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

Chairman SIGNATURE REQUIRED

Part 2PM Section 2 – Accounting Statements 2019/20 for

West Haddlesey Parish Meeting ENTER NAME OF PARISH MEETING

	Year ending		Notes and guidance
	31 March 2019 £	31 March 2020 £	*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.*
1. Balances brought forward	978	3868	*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	4000	4250	*Total amount of precept received or receivable in the year. Exclude any grants received.*
3. (+) Total other receipts	4180	114	*Total income or receipts as recorded in the cashbook less the precept received (line 2). Include any grants received.*
4. (-) Staff costs	0	0	*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 Parish Meeting's borrowings (if any).*
6. (-) All other payments	5290	2094	*Total expenditure or payments as recorded in the cash-book less staff costs (line 4) and loan interest/capital repayments (line 5).*
7. (=) Balances carried forward	3868	6138	*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	3868	6138	*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	0	0	*The value of all the property the Parish Meeting 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).*

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 Parish Meeting.

Signed by the Chairman before being presented to the Parish Meeting for approval

SIGNATURE REQUIRED

Date 21/08/2020

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

21/08/2020

as recorded in minute reference:

MINUTE REFERENCE

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

SIGNATURE REQUIRED