

Annual Governance and Accountability Review

Certificate of Exemption – AGAR 2021/22 Form 2

To be completed by smaller authorities where the higher of gross income or gross expenditure did not exceed £25,000 in the year of account ended 31 March 2022, 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 authority has certified itself as exempt at a meeting of the authority after 31 March 2022 and a completed Certificate of Exemption is submitted no later than **30 June 2022** notifying the external auditor.

CHIDEOCK PARISH COUNCIL

certifies that during the financial year 2021/22, the higher of the authority'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 authority 2021/22: **£20,724**

Total annual gross expenditure for the authority 2021/22: **£13,251**

There are certain circumstances in which an authority will be **unable to certify itself as exempt**, so that a limited assurance review will still be required. If an authority 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 Form 3 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:

- The authority was in existence on 1st April 2018
- In relation to the preceding financial year (2020/21), the external auditor **has not**:
 - issued a public interest report in respect of the authority or any entity connected with it
 - made a statutory recommendation to the authority, relating to the authority or any entity connected with it
 - issued an advisory notice under paragraph 1(1) of Schedule 8 to the Local Audit and Accountability Act 2014 ("the Act"), and has not withdrawn the notice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under section 28(1) of the Act for a declaration that an item of account is unlawful, and the application has not been withdrawn nor has the court refused to make the declaration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 authority 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, Accounting Statements, an analysis of variances and the bank reconciliation plus the information required by Regulation 15 (2), Accounts and Audit Regulations 2015 including the period for the exercise of public rights still need to be fully completed and, along with a copy of this certificate, published on the authority website/webpage* before 1 July 2022.

By signing this certificate you are also confirming that you are aware of this requirement.

Signed by the Responsible Financial Officer



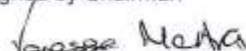
Date

24/05/2022

I confirm that this Certificate of Exemption was approved by this authority on this date:

24/05/2022

Signed by Chairman



Date

24 05 2022

as recorded in minute reference:

2752 L)

Generic email address of Authority

chideock@dorset-aptc.gov.uk

Telephone number

01308426327

*Published web address

www.chideockpc.org.uk

ONLY 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 2022. Reminder letters incur a charge of £40 +VAT

Section 1 – Annual Governance Statement 2021/22

We acknowledge as the members of:

CHIDEOCK 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 2022, that:

	Agreed		'Yes' means that this authority:
	Yes	No	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	✓		<i>prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i>
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	✓		<i>made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.</i>
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	✓		<i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i>
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	✓		<i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.</i>
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		<i>considered and documented the financial and other risks it faces and dealt with them properly.</i>
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	✓		<i>arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.</i>
7. We took appropriate action on all matters raised in reports from internal and external audit.	✓		<i>responded to matters brought to its attention by internal and external audit.</i>
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.	✓		<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A
			✓
			<i>has met all of its responsibilities where as a body corporate it is a sole managing trustee of a local trust or trusts.</i>

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

This Annual Governance Statement was approved at a meeting of the authority on:

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

and recorded as minute reference:

Chairman

Clerk

Other information required by the Transparency Code (not part of the Annual Governance Statement)

The authority website/webpage is up to date and the information required by the Transparency Code has been published.	Yes	No
	✓	

www.chideockpc.org.uk

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CHIDEOCK PARISH COUNCIL

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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.
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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.
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			✓	

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

This Annual Governance Statement was approved at a meeting of the authority on:

24/05/2022

and recorded as minute reference:

2752 b)

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

Chairman

Janine Martin

Clerk

S. Adams

Other information required by the Transparency Code (not part of the Annual Governance Statement)

The authority website/webpage is up to date and the information required by the Transparency Code has been published.	Yes	No
	✓	

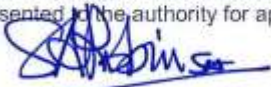
www.chideockpc.org.uk

Section 2 – Accounting Statements 2021/22 for

CHIDEOCK PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2021 £	31 March 2022 £	
1. Balances brought forward	39,299	44,362	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	16,463	16,464	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	3,102	4,260	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	3,697	3,905	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	10,806	9,346	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	44,362	51,835	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	44,362	51,835	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	24,494	24,632	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	N/A
			✓
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 2022 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority. Signed by Responsible Financial Officer before being presented to the authority for approval


Date 24/05/2022

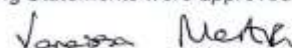
I confirm that these Accounting Statements were approved by this authority on this date:

24/05/2022

as recorded in minute reference:

2752 5

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



Internal Auditor's Report

		Yes	No	Not Covered	Comments	
A	Appropriate accounting records have been properly kept throughout the financial year					
	1) Is cash book maintained and up to date?	X				
	2) Is cash book mathematically correct?	X				
	3) Is cash book regularly balanced?	X			Monthly	
B	This authority complied with its financial regulations, payments were supported by invoices all expenditure was approved and VAT was appropriately accounted for:	1) has Council formally adopted standing orders and financial regs	X		Mar-22	
		2) has responsible Financial Officer been appointed with specific duties?	X		Mar-22	
		3) have several quotes been obtained where appropriate?	X			
		4) are payments supported by invoices, authorised and minuted?	X			
		5) has VAT on payments been correctly recorded and reclaimed?	X			
		6) is Section 137 expenditure recorded and within limits?	X			
C	This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	1) Do minutes identify unusual activity?		X		
		2) Do minutes show Council carried out annual assessment?	X		Start Mar 2022	

	3) Is insurance cover appropriate and adequate?	X	Comp. May 22
	4) Are internal financial controls documented & regularly reviewed?	X	
D	The precept or rates requirement resulted from an adequate budgetary process; progress against budget was regularly monitored; and reserves were appropriate		Jan.2022
	a) Has Council prepared annual budget in support of precept?	X	
	b) Is expenditure against the budget regularly reported to Council?	X	
	c) Are there any significant unexplained variances from the budget?		X
	a) Is income properly recorded and promptly banked?	X	
	b) Does precept shown in books agree with notification from Local authority?	X	
	c) Are security controls over cash adequate?	X	
E	Expected income was fully received, based on correct prices, properly recorded, and promptly banked; and VAT was appropriately accounted for		
	d) Is VAT correctly reserved in books?	X	
	Petty Cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for:		
F	a) Is all cash spent recorded and supported by valid VAT receipts?		No petty cash held
	b) Is petty cash reimbursement carried out regularly?		
	Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly		
G	a) Do salaries paid agree with those approved by Council?	X	
	b) Has PAYE/NIC been properly calculated and paid to HMRC?	X	

Up dated
May '21 and
added to as
req'd

<p>H Asset and investments registers were complete and accurate and properly maintained.</p>	<p>a) Does the Council keep an asset register? X b) Is the register up to date? X c) Do asset values reflect the cost? - i.e. Book value X</p>	
<p>I Period and year-end bank account reconciliations were properly carried out.</p>	<p>a) Is there reconciliation for each account & carried out regularly? X b) Are there unexplained balances on the reconciliation? X</p>	
<p>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.</p>	<p>a) Are accounts prepared on correct basis & agree with books? X b) Is there an audit trail for financial records? X</p>	
<p>K Trust Funds (including charitable)- The Council met its responsibilities as a trustee.</p>	<p>If applicable has the PC met these requirements? N/A</p>	
<p>L Transparency Code- Has the authority met the transparency regulations:</p>	<p>Information to be published a) all items above £100 X b) end of year accounts X c) annual governance statement X d) internal audit report X e) list of Council members responsibilities X f) details of public land and building assets X</p>	

Monthly



g) minutes, agendas, and meeting papers of formal meetings X

C General comments

Excellent record keeping. Minor discrepancies discussed with clerk.
As always a very clear set of records.

Internal Auditor

Ian Wigglesworth

Date 03/05/2022

Bank Reconciliation.

Bank reconciliation

This reconciliation should include **all** bank and building society accounts, including short term investment accounts. It **must** agree to Box 8 in the column headed "Year ending 31 March 20xx" in Section 2 of the AGAR – and will also agree to Box 7 where the accounts are prepared on a receipts and payments basis

Name of smaller authority: Chideock Parish Council

County area (local councils and parish meetings only): Dorset

Financial year ending 31 March 2022

Prepared by (Name and Role): Sal Robinson, Clerk and RFO

Date: 28/04/2022

	£	£
Balance per bank statements as at 31/3/22:		
TSB Current Account	£9,783.69	
TSB Deposit Account	£43,932.11	
Bank of Ireland	£0.00	
		53,715.80
Petty cash float (if applicable)	-	-
Less: any un-presented cheques as at 31/3/22		
Cheque number 324	(354)	
325	(206)	
326	(14)	
327	(48)	
328	(60)	
329	(200)	
330	(200)	
331	(100)	
332	(700)	
		(1,881)
Add: any un-banked cash as at 31/3/22		
		-
Net balances as at 31/3/22 (Box 8)		51,834.52

Explanation of Significant Differences.

Explanation of variances – pro forma

Name of smaller authority: **Chideock Parish Council**

County area (local councils and parish meetings only): **Dorset**

Insert figures from Section 2 of the AGAR in all **Blue** highlighted boxes

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

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

	2020/21	2021/22	Variance	Variance	Explanation	
	£	£	£	%	Required?	Explanation from smaller authority (<u>must include narrative and supporting figures</u>)
1 Balances Brought Forward	39,299	44,361				
2 Precept or Rates and Levies	16,463	16,464	1	0.01%	NO	
3 Total Other Receipts	3,102	4,260	1,158	37.33%	YES	Interest decreased from £121.71 to £193.81 Vat Refund increased to £1,525.07 from £363.89 There was no Western Power Distribution Wayleave Payment of £25.00 Foss Orchard Car Park - Tickets and Season Tickets sales decreased from £974.66 to £946.37 There was a donation of £103.80 from the Chideock Mini Fete Repayment of £561.72 was received from the Friends of Clapps Mead There was no Dorset Council Grant of £600 received for the Chideock COVID-10 Support Group
4 Staff Costs	3,697	3,905	208	5.63%	NO	
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO	
6 All Other Payments	10,806	9,346	-1,460	13.51%	NO	
7 Balances Carried Forward	44,361	51,835			YES	VARIANCE EXPLANATION REQUIRED ON RESERVES TAB AS TO WHY CARRY FORWARD RESERVES ARE GREATER THAN TWICE INCOME FROM LOCAL TAXATION/LEVIES
8 Total Cash and Short Term Investments	44,361	51,835				VARIANCE
9 Total Fixed Assets plus Other Long Term Investment	24,493	24,632	139	0.57%	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

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

	£	£	£
Earmarked reserves:			
Community Fund	3,773		
Playing Field Depreciation Fund	2,081		
Foss Orchard Car Park Maintenance Fund	15,606		
Foss Orchard River Bank Fund	12,080		
Adverts	80		
All Weather Footpath	200		
Mill Lane (Bridleway 18)	121		
Training	415		
Playing Field Maintenance	48		
Flood / Winter Maintenance	137		
Hall Hire	304		
Village Clock Service Contract	448		
Mower Hire	70		
Highways Contingency	1,500		
Recharge of Parish Elections	2,683		
Fingerpost Renovations	800		
S106 - BW20 and FP20	1,457		
Devolution of Services Contingency	5,500		
Insurance Excess	250		
Clerk's Salary Contingency	1,500		
War Memorial Maintenance	500		
		49,553	
General reserve	2,282		
		2,282	
Total reserves (must agree to Box 7)			51,835