

## Guidance notes on completing Part 3 of the Annual Governance and Accountability Return 2017/18

- The authority **must** comply with *Proper Practices* in completing Sections 1 and 2 of this Annual Governance and Accountability Return. *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 Annual Governance and Accountability Return is complete (i.e. no empty highlighted boxes), and is properly signed and dated. Avoid making amendments to the completed Annual Governance and Accountability Return. Any amendments must be approved by the authority, properly initialled and accompanied by an explanation. If the Annual Governance and Accountability Return 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 prior to approving the annual governance statement and before approving the accounts.
- Use the checklist provided below to review the Annual Governance and Accountability Return for completeness before sending it to the external auditor.
- Do not send the external auditor any information not specifically requested. However, you **must** inform your external auditor about any change of Clerk, Responsible Finance Officer or Chairman, and provide relevant email addresses and telephone numbers.
- Make sure that the copy of the bank reconciliation to be sent to your external auditor with the Annual Governance and Accountability Return 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 explanation.
- If the external auditor has to review unsolicited information, or receives an incomplete bank reconciliation, or variances are not fully explained, additional costs will be incurred.
- Make sure that the accounting statements add up and that the balance carried forward from the previous year (Box 7 of 2017) equals the balance brought forward in the current year (Box 1 of 2018).
- Please enter the authority's name **only** in Section 3 on Page 6. **Do not complete the remainder of that section**, which is reserved for the external auditor.
- The Responsible Financial Officer (RFO), on behalf of the authority, **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 accounts and accounting records can be inspected. Whatever period the RFO sets it **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 authority **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.

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 have been completed by the internal auditor and explanations provided?	✓	
Section 1	For any statement to which the response is 'no', is an explanation provided?	✓	
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 provided?	✓	
	The bank reconciliation as at 31 March 2018 is agreed 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 is a sole managing trustee? <b>NB:</b> do not send trust accounting statements unless requested or instructed.	N/A	

\*More guidance on completing this annual return is available in **Governance and Accountability for Smaller Authorities in England – a Practitioners' Guide to Proper Practices**, which can be downloaded from [www.nalc.gov.uk](http://www.nalc.gov.uk) or from [www.slcc.co.uk](http://www.slcc.co.uk) or from [www.ada.org.uk](http://www.ada.org.uk)

# Annual Internal Audit Report 2017/18

## WILLINGHAM 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 2018.

The internal audit for 2017/18 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.	<input checked="" type="checkbox"/>		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	<input checked="" type="checkbox"/>		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	<input checked="" type="checkbox"/>		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	<input checked="" type="checkbox"/>		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	<input checked="" type="checkbox"/>		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	<input checked="" type="checkbox"/>		
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.	<input checked="" type="checkbox"/>		
H. Asset and investments registers were complete and accurate and properly maintained.	<input checked="" type="checkbox"/>		
I. Periodic and year-end bank account reconciliations were properly carried out.	<input checked="" type="checkbox"/>		
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.	<input checked="" type="checkbox"/>		
<b>K. (For local councils only)</b>			
Trust funds (including charitable) – The council met its responsibilities as a trustee.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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

26/4/2018

Name of person who carried out the internal audit

RN WILLIAMS O2

Signature of person who carried out the internal audit

Date

26/4/2018

\*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 2017/18

We acknowledge as the members of:

## WILLINGHAM 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 2018, 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 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. Describe how the authority will address the weaknesses identified.

This Annual Governance Statement is approved by this authority and recorded as minute reference:

74118

dated

16/5/18

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

Chairman

*M. Winer*

Clerk

*A. Powell*

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

[www.willinghamparishcouncil.gov.uk](http://www.willinghamparishcouncil.gov.uk)

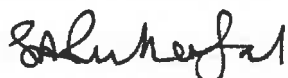
## Section 2 – Accounting Statements 2017/18 for

### WILLINGHAM PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2017 £	31 March 2018 £	
1. Balances brought forward	148,027	168,043	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	115,000	117,300	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	56,436	30,656	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	34,970	39,442	Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and employment expenses.
5. (-) Loan interest/capital repayments	NIL	NIL	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	116,450	86,589	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	168,043	189,968	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	151,280	177,036	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	1,871,296	1,872,791	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	NIL	NIL	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 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.
	N/A	N/A	

I certify that for the year ended 31 March 2018 the Accounting Statements in this Annual Governance and Accountability Return present fairly the financial position of this authority and its income and expenditure, or properly present receipts and payments, as the case may be.

Signed by Responsible Financial Officer



9.5.2018.

Date

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

16/05/2018

and recorded as minute reference:

73/18

Signed by Chairman of the meeting where approval of the Accounting Statements is given



## Section 3 – External Auditor Report and Certificate 2017/18

### WILLINGHAM PARISH COUNCIL

In respect of

#### 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 2018; 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 2017/18

(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 2017/18

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 2018.

\*We do not certify completion because:

External Auditor Name

External Auditor Signature

Date

\*Note: the NAO issued guidance applicable to external auditors' work on limited assurance reviews for 2017/18 in Auditor

**CONFIRMATION OF THE DATES OF THE PERIOD FOR THE  
EXERCISE OF PUBLIC RIGHTS**

Name of smaller authority: \_\_\_\_\_ **WILLINGHAM PARISH COUNCIL** \_\_\_\_\_

County Area (local councils and parish meetings only): \_\_\_\_\_

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

Commencing on \_\_\_\_\_ **Monday 4<sup>th</sup> June 2018** \_\_\_\_\_

and ending on \_\_\_\_\_ **Friday 13<sup>th</sup> July 2018**

**(Please enter the dates set by the smaller authority as appropriate which must be 30 working days inclusive  
and must include the first 10 working days of July 2018.**

**We have suggested the following dates: Monday 4 June – Friday 13 July 2018.**

**The latest possible dates that comply with the statutory requirements are Monday 2 July – Friday 10 August  
2018.)**

**Signed:** \_\_\_\_\_  \_\_\_\_\_

**Role:** \_\_\_\_\_ **Responsible Financial Officer** \_\_\_\_\_

**PLEASE SUBMIT THIS FORM TO PKF LITTLEJOHN LLP WITH  
THE AGAR AND OTHER REQUESTED DOCUMENTATION**

## Bank reconciliation – pro forma

Name of smaller authority: Willingham Parish Council

County area (local councils and parish meetings only): \_\_\_\_\_

**Financial year ending 31 March 2018**

Prepared by Sarah Rutherford – Responsible Financial Officer (Name and role)

Date 22<sup>nd</sup> April 2018

Balance per bank statements as at 31 March 2018:

		£	£
Current Account	5,375.00		
Business Call	148,482.67		
Parish Prop	23,730.87		

Petty cash float (if applicable)

177,588.54  
78.00

Less: any un-presented cheques at 31 March 2018

03626	250.00
03635	380.40

Add: any un-banked cash at 31 March 2018  
NIL

630.40

Net balances as at 31 March 2018 (Box 8)

177,036.14

***The net balances reconcile to the Cash Book (receipts and payments account) for the year, as follows:***

### CASH BOOK:

Opening Balance 1 April 2017 (Prior year Box 8)	151,279.39
Add: Receipts in the year	166,469.64
Less: Payments in the year	140,712.89

Closing balance per cash book [receipts and payments book] as at 31 March 2018 (must equal net balances above – Box 8)

177,036.14

(See [example](#) for guidance if required)

## Explanation of variances – pro forma

Name of smaller authority: Willingham Parish Council

County area (local councils and parish meetings only): \_\_\_\_\_

Please provide full explanations, including numerical values, for the following:

- variances of more than 15% between totals for individual boxes (except variances of less than £200);
- a breakdown of approved reserves if the total reserves (Box 7) figure is more than twice the annual precept/rates & levies value (Box 2).

Section 2	2016/17 £	2017/18 £	Variance £	Variance %	Detailed explanation of variance (with amounts £)
<b>Box 2</b> <i>Precept or Rates and Levies</i>	115,000	117,300	2,300	2%	N/A
<b>Box 3</b> <i>Total other receipts</i>	56,436	30,650	(25,786)	45.6%	2016/17 Section 106 received 36,123 2017/18 Section 106 received 9,738  Giving reduced receipts of 26,385 other receipts remained similar in 2017/18
<b>Box 4</b> <i>Staff costs</i>	34,970	39,442	4,472	12.7%	N/A
<b>Box 5</b> <i>Loan interest/ capital repayments</i>	NIL	NIL			
<b>Box 6</b> <i>All other payments</i>	116,450	86,589	29,861	25.6%	2016/17 New play equipment purchase 36,338, play equipment purchased in 2017/18 3,168  Giving a reduction in payments for play equipment of 33,170 with an increase in general costs and maintenance.
<b>Box 9</b> <i>Total fixed assets &amp; long term investments &amp; assets</i>	1,781,296	1,872,791	1,495	0.0%	N/A
<b>Box 10</b> <i>Total borrowings</i>	N/A	N/A			
<b>Explanation for 'high' reserves</b>	N/A				



## Reconciliation between Box 7 and Box 8 in Section 2 – pro forma

(applies to Accounting Statements prepared on an income and expenditure basis only)

Name of smaller authority: Willingham Parish Council

County area (local councils and parish meetings only): \_\_\_\_\_

There should only be a difference between Box 7 and Box 8 where the Accounting Statements (Section 2 of the AGAR) have been prepared on an income and expenditure basis and there have been adjustments for debtors/prepayments and creditors/receipts in advance at the year end. Please provide details of the year end adjustments, showing how the net difference between them is equal to the difference between Boxes 7 and 8.

		£	£
<b>Box 7: Balances carried forward</b>			<b>189,968</b>
Deduct:	Debtors 5,255		
	• VAT Reclaim 11,397		
	•		
	•		
		<b>16,652</b>	
Deduct:	Payments made in advance (prepayments)		
	•		
	•		
			<b>16,652</b>
<b>Total deductions</b>			<b>16,652</b>
Add:	Creditors 2,820		
	• Accruals 900		
	•		
		<b>3,720</b>	
Add:	Receipts in advance (must not include deferred grants/loans received)		
	•		
	•		
			<b>3,720</b>
<b>Total additions</b>			<b>3,720</b>
<b>Box 8: Total cash and short term investments</b>			<b>177,036</b>

## Contact details

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

County Area (local councils and parish meetings only): \_\_\_\_\_

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

	<b>Clerk/RFO (Main contact)</b>	<b>Chair</b>
<b>Name</b>	<b>Sarah Rutherford</b>	<b>Raymond Croucher</b>
<b>Address</b>	<b>Willingham Parish Council Parish Office Ploughmans Hall West Fen Road Willingham Cambridge CB24 5LP</b>	<b>Willingham Parish Council Parish Office Ploughmans Hall West Fen Road Willingham Cambridge CB24 5LP</b>
<b>Daytime telephone number</b>	<b>01954 261027</b>	<b>01954 261027</b>
<b>Mobile telephone number</b>	<b>07989 242155</b>	
<b>Email address</b>	<b>RFO@willinghamparishcouncil.gov.uk</b>	<b>Cllr.Croucher@willinghamparishcouncil.gov.uk</b>

Dear Sir/Madam

From time to time, we may send digital communications advising you of any new products and special offers that we may have. If you wish to continue to receive such communications, please read, tick the consent box below and return to me as soon as possible.

**I consent to receive digital communications from AR Aspinall and Sons Ltd. I understand that I may change my preferences or opt out of communications with AR Aspinall and Sons Ltd at any time by informing AR Aspinall And Son Ltd in writing or by email.**

**Print Name .....**

**Business Name (if applicable).....**

**I consent to digital communications from A R Aspinall and Sons Ltd**

**(please tick)**

The information that we hold on file about you. E.g, name, address, email address and telephone number etc are for the sole use of AR Aspinall and Sons Ltd. These details will not be given to a third party without your permission.

Under Article 17 of the GDPR, individuals have the right to have personal data erased in certain circumstances. If at any point you wish to exercise your 'right to erasure', then please advise me and I will ensure your request is considered and a decision given and acted upon within one month of receipt.

Kind regards

Andrew Aspinall

