

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.

Paglesham Parish Council
ENTER NAME OF AUTHORITY

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: **£3,949** ENTER AMOUNT £00,000

Total annual gross expenditure for the authority 2021/22: **£7,930** ENTER AMOUNT £00,000

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notice under paragraph 1(1) of Schedule 8 to the Local Audit and Accountability Act 2014 ("the Act"), and has not withdrawn the notice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under section 28(1) of the Act for a declaration that an item of account is unlawful, and the application has not been withdrawn nor has the court refused to make the declaration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
SIGNATURE REQUIRED **[Signature]** **14/07/22**

I confirm that this Certificate of Exemption was approved by this authority on this date: **14/07/22**

Signed by Chairman Date
SIGNATURE REQUIRED **[Signature]** **14/07/22**

as recorded in minute reference: **40 22-23 VII/i**
MINUTE REFERENCE

Generic email address of Authority Telephone number
ENTER AUTHORITY EMAIL ADDRESS **BSUMMINT@HOTMAIL.COM** **01702 549308**

*Published web address

www.pagleshamparishcouncil.co.uk AVAILABLE WEBSITE/WEBPAGE ADDRESS

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

Annual Internal Audit Report 2021/22

PAGLESHAM PARISH COUNCIL

<http://www.pagleshamparishcouncil.co.uk>

During the financial year ended 31 March 2022, 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 2021/22 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 2020/21, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2020/21 AGAR tick "not covered")	✓		
L. The authority publishes information on a free to access website/webpage up to date at the time of the internal audit in accordance with any relevant transparency code requirements		✓	
M. The authority, during the previous year (2020-21) 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 2020/21 AGAR (see AGAR Page 1 Guidance Notes).	✓		
O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	✓		Not applicable

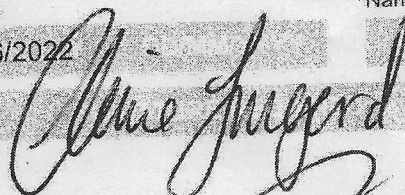
For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

23/06/2022 24/06/2022

Name of person who carried out the internal audit
**CV Lingard for and on behalf of
Auditing Solutions Ltd**

Signature of person who carried out the internal audit



Date

27/06/2022

NB: Paglesham Parish Council does not operate a Petty Cash System

Section 1 – Annual Governance Statement 2021/22

We acknowledge as the members of:

Paglesham 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	No	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.		<input checked="" type="checkbox"/>	<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.	<input checked="" type="checkbox"/>		<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.	<input checked="" type="checkbox"/>		<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.	<input checked="" type="checkbox"/>		<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.	<input checked="" type="checkbox"/>		<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.	<input checked="" type="checkbox"/>		<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.	<input checked="" type="checkbox"/>		<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.	<input checked="" type="checkbox"/>		<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
			<input checked="" type="checkbox"/>

*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:

14/07/22

and recorded as minute reference:

40 min 11/iii

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

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
<input checked="" type="checkbox"/>	<input type="checkbox"/>

www.pagleshamparishcouncil.co.uk

AVAILABLE WEBSITE/WEBPAGE ADDRESS

APPENDIX to Section 1 – Annual Governance Statement 2021-22:

PAGLESHAM PARISH COUNCIL

Item 1 The NO answer:

Recommendations as advised by the Internal Auditor 2022-23 Action Plan:

- R1: The Internal Auditors comment noted.
- R2: The Internal Auditors comment re: VAT, will be claimed inside the three year limit.
- R3: The Internal Auditors comment noted.
- R4: The Insurers do not require official training.
- R5: The Internal Auditors comment noted.
- R6: The Council agree the Annual ROSPA report.
- R7: The Internal Auditors comment noted.
- R8: The Internal Auditors photographic comment noted.
- R9: The Internal Auditors comment noted.
- R10: The Internal Auditors comment noted.

FY2022-23 Action Plan

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Rec. Recommendation No.	Response
Review of Accounting Records and Bank Reconciliations	
R1	The Clerk/RFO should design or acquire a new spreadsheet cashbook which provides proper columnar analysis, reconciliation capability, budget reporting and the preparation of the Annual Return straightforward.
Review of Corporate Governance	
R2	The Clerk/RFO should ensure that an s.126 VAT reclaim is prepared for the period since the Council last submitted a claim to the 31 st March 2022 and submit this to HMRC for refund expediently.
Review of Assessment and Management of Risk	
R3	The Clerk/RFO must develop playground inspection forms to be used by any person responsible for conducting playground inspections on behalf of the council (sample report form provided under separate cover). These forms must be retained for the minimum period required by law (this may be undertaken electronically).
R4	The Clerk/RFO and Members should consider providing appropriate playground inspectors training to persons responsible for conducting playground inspections on behalf of the Council.
R5	The Clerk/RFO should develop a Playground Management Policy, to be Reviewed and Adopted by Members. (An example of such a document may be found via the following link: https://hidworthtowncouncil.gov.uk/wp-content/uploads/2020/11/Playground-Risk-Management-v1.pdf)
R6	The Clerk/RFO and Members should establish a reasonable and proportionate playground inspection regime and associated time-based, fault escalation process for non-conformities identified in the Annual Independent Inspection and the routine inspections.
Review of Fixed Asset Register	
R7	The Clerk/RFO must design a new spreadsheet Fixed Asset Register spreadsheet and undertake an 'stock check' of all the Council's Fixed Assets to ensure that these are correctly recorded in the Fixed Asset Register at purchase cost, net of VAT, delivery and installation charges.
R8	We suggest the Council consider whether they should be keeping photographic records of their assets. We have had instances where Councils have found it necessary to make insurance claims and such photographic records have helped in justifying those claims.
R9	The Clerk/RFO and Members should refer to the Council's Adopted Fixed Asset Register when considering the Council's future insurance requirements each time these are reviewed.
Review of Fixed Asset Register	
R10	The Clerk/RFO is required the correct the Section 2 Accounting statements 2021-22 prior to the Annual Governance and Accountability Return (Exempt) being submitted to the External Auditor.