

COUNCIL – 26th APRIL 2021

ANNUAL RETURN YEAR ENDING 31 MARCH 2021

1. INTRODUCTION

This report presents the Annual Return for the year ending 31 March 2021.

2. ANNUAL GOVERNANCE STATEMENT

As part of the Annual Return the Council is required to review and complete the Annual Governance Statement. Set out below are each of the statements along with the detail on how The Ivers Parish Council complies with the requirement.

1. 'We have put in place arrangements for the effective financial management during the year, and for the preparation of accounting statements'.

We have prepared our accounting statements in accordance with the Accounts and Auditing Regulations. We prepared and approved a budget and submitted a precept request in a timely manner. The budget is monitored through reports that are submitted to the delegated committees and council. Financial appraisals are undertaken for all larger expenditure items with full reports prepared for committees and council as appropriate. The council has a responsible finance officer and uses an online accounts system to maintain accounting records. Bank reconciliations are undertaken weekly and are inspected by a councillor on a regular basis. The council places its funds in appropriate accounts to gain interest on the reserves held. The Annual Statement of Accounts is being considered by the council on 26th April 2021.

2. 'We maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness'.

We made proper arrangements and accepted responsibility for safeguarding the public money and resources in our charge. The council maintains regularly reviewed Finance Regulations and Standing Orders that are adhered to; during the year an internal control process was developed and agreed and is included in the Financial Regulations along with a cash handling and banking procedure. Two member signatures are required on the payment sign off sheets and banking mandates are up to date. Finance knowledge of the RFO is refreshed when appropriate.

All remuneration is agreed by the HR Committee and all pension and employment requirements are adhered to. VAT is handled appropriately, and assets are managed appropriately with the asset

register refreshed as required. The council has two Public Works Board Loans for which loan payments are regularly made and the internal auditor has undertaken the required audits and inspections.

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'.

The council has only done what it has the legal power to do and has complied with the proper practices in doing so. The council operated within regulatory spending powers throughout the year and has invoked the General Power of Competence. All requirements and regulations have been adhered to. The council's systems of internal control are set out in the Financial Regulations that were reviewed on 11th January 2021 and the Standing Orders that were reviewed and adopted on 22 April 2020. Financial Regulations will next be reviewed January 2022 unless a requirement to review occurs earlier.

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'.

The notice of completed audit for 2019/2020 was displayed from 29 June 2020 to 14 August 2020. The notice for electors to inspect the accounts for the years ending 31 March 2021 will be displayed from 14th June 2021 to 23rd July 2021. Persons will be required to make an appointment to visit the office and view the financial records

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'.

The council considered and documented the financial and other risks that it faces and has either dealt with them immediately or is delivering actions to reduce the risks further. The council carried out a review of its insurance cover and assets and commissioned a review of asset and insurance value in 2020 that led to a revaluation of insurance cover. For 2021 – 2022 the existing insurance policy is being reviewed and quotes sought from third parties to the current arrangements. Internal controls have been reviewed and have been incorporated into the financial regulations.

6. 'We maintained, throughout the year, an adequate and effective system of internal audit of the accounting records and control systems'.

The appointed independent internal auditor undertook a mid-year interim audit and is due to undertake a final audit for the end of the financial year. The interim report was considered at the council committee meeting held on 15th February 2021 and the final audit will be considered as soon as possible after it's completion. During the year the Council moved from the Xero accounting system to a bespoke Council system Edge Finance

7. 'We took appropriate action on all matters raised in reports from internal and external audit'.

Internal Audit – All recommendations identified in the reports have been considered and appropriate actions have been taken

External audit 2018/2019 - There were no recommendations in the report that was considered by Council on the 2nd September 2019

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'.

All material matters are disclosed in the Annual Accounts.

2.9 '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'.

The Council is currently awaiting legal opinion on the history of the Iver Heath Recreation Ground and associated Trust, and the assets that are situated on the ground. Following the receipt of legal opinion the Council intends to undertake the necessary actions to formalise new Trust and governance structures. During 2020 – 2021 the Council also rejuvenated the Ivers Community Connect Trust and this Trust currently has no funds or assets.

3. ACCOUNTS AND ANNUAL RETURN

Councillors are considering the Annual Accounts at the Council meeting on 26th April 2021. In order to comply with the Audit and Accounts regulations the reports below are submitted to the Council for approval, prior to them being audited by the External Auditor (PKF Littlejohn LLP). The Annual Governance and Accountability Return can be found at:

<https://www.pkf-l.com/wp-content/uploads/2020/09/Annual-Return-Part3-2020-21-3-e-enabled.pdf>

3.1 The completed Sections 1 and 2 for consideration by the council are extracted below:

Section 1 – Annual Governance Statement 2020/21

We acknowledge as the members of:

The Ivers Parish Council
ENTER NAME OF AUTHORITY

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 2021, 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
	✓		

*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:

DD/MM/YY

and recorded as minute reference:

MINUTE REFERENCE

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

Chairman SIGNATURE REQUIRED

Clerk SIGNATURE REQUIRED

www.iversparishcouncil.gov.uk

ENTER PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

Section 2 – Accounting Statements 2020/21 for

The Ivers Parish Council

	Year ending		Notes and guidance
	31 March 2020 £	31 March 2021 £	
1. Balances brought forward	286,584	255,989	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	596,860	614,160	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	71,517	151,069	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	251,582	254,747	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	43,618	43,260	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	403,772	378,104	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	255,989	345,108	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	250,755	309,684	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	3,086,928	3,257,853	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	633,154	620,497	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.
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

I certify that for the year ended 31 March 2021 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

SIGNATURE REQUIRED

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

DD/MM/YY

as recorded in minute reference:

MINUTE REFERENCE

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

4. ADDITIONAL DOCUMENTS

The following additional documents are required by the External Auditor:

4.1 Explanation of Variances on Annual return greater than +/- 10% See table below

Explanation of variances – pro forma

Name of smaller authority: **The Ivers Parish Council**

County area (local councils and **Buckinghamshire**)

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**: 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).

	2019/20 £	2020/21 £	Variance £	Variance %	Explanation Required?	Automatic responses trigger below based on figures input, DO NOT OVERWRITE THESE BOXES	Explanation from smaller authority (must include narrative and supporting figures)
1 Balances Brought Forward	286,584	255,989				Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	596,860	614,160	17,300	2.90%	NO		
3 Total Other Receipts	71,517	151,069	79,552	111.24%	YES	totalling £44,396. The authority also received £36,000	
4 Staff Costs	251,582	254,747	3,165	1.26%	NO		
5 Loan Interest/Capital Repayment	43,618	43,260	-358	0.82%	NO		
6 All Other Payments	403,772	378,104	-25,668	6.36%	NO		
7 Balances Carried Forward	255,989	345,107			NO	VARIANCE EXPLANATION NOT REQUIRED	
8 Total Cash and Short Term Investments	250,755	309,684				VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and	3,086,928	3,257,853	170,925	5.54%	YES	check of its assets and moved it's records to an online	
10 Total Borrowings	633,154	620,497	-12,657	2.00%	NO		

Rounding errors of up to £2 are tolerable

Variances of £200 or less are tolerable

BOX 10 VARIANCE EXPLANATION NOT REQUIRED IF CHANGE CAN BE EXPLAINED BY BOX 5 (CAPITAL PLUS INTEREST PAYMENT)

4.2 Bank Reconciliation

Bank reconciliation – pro forma

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. Please complete the highlighted boxes, remembering that unpresented cheques should be entered as negative figures.

Name of smaller authority:

The Ivers Parish Council

County area (local councils and parish meetings only):

Buckinghamshire

Financial year ending 31 March 20xx

Prepared by (Name and Role):

Stephanie Bennett, Clerk

Date:

19/04/2021

Balance per bank statements as at 31/3/xx:

Metro bank

154,435.8

Nationwide

100,192.3

CCLA

55,000.0

309,628.1

Petty cash float (if applicable)

55.7

Less: any unpresented cheques as at 31/3/21 (**enter these as negative numbers**)

0.00

-

Add: any un-banked cash as at 31/3/21

-

-

Net balances as at 31/3/xx (Box 8)

309,683.7

4.3 Reconciliation between Boxes 7 and 8

Reconciliation between Box 7 and Box 8 in Section 2 - pro forma

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

Please complete the highlighted boxes.

Name of smaller authority:

The Ivers Parish Council

County area (local councils and parish meetings only):

Buckinghamshire

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.

	£	£
Box 7: Balances carried forward		345,108.00
Deduct: Debtors (enter these as negative numbers)		
Buckinghamshire Council	(75.00)	
EE refund	(8.82)	
HMRC	(2,055.89)	
HMRC	(1,230.42)	
Grundon	(36,000.00)	
	(39,370.13)	
Deduct: Payments made in advance (prepayments) (enter these as negative numbers)		
	0.00	
	-	
Total deductions		(39,370.13)
Add: Creditors (must not include community infrastructure levy (CIL) receipts)		
HMRC	4,309.86	
PlusNet	16.00	
SSE Contracting	- 617.30	
Npower	236.03	
	3,944.59	
Add: Receipts in advance (must not include deferred grants/loans received)		
	-	
	-	
Total additions		3,944.59
Box 8: Total cash and short term investments		309,682.46

4.4 Evidence that the Council is registered with HMRC

At the time of writing this report HMRC website is offline. When it is available the annual statement will be drawn off and provided as evidence.

4.5 Internal Auditor Report

The Annual Internal Audit report is contained within the AGAR Part 3. The Internal Auditor will be attending the Council on 13th May, 2021 and will complete the report at that time.

5.0 SUBMISSION DATES

The AGAR is to be submitted by 2 July 2021 with earlier notification of the contact details of the Chair/man for 2021/2022.

For further information contact:
Stephanie Bennett
Clerk
01753 655331
clerk@iverparishcouncil.gov.uk