

## Section 1 – Annual Governance Statement 2020/21

We acknowledge as the members of:

**CHIGNAL 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 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.	Yes		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.	Yes		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 authority to conduct its business or manage its finances.	Yes		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.	Yes		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.	Yes		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.	Yes		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.
7. We took appropriate action on all matters raised in reports from internal and external audit.	Yes		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 authority and, where appropriate, have included them in the accounting statements.	Yes		disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.
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
			N/A
			has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.

\*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:

4th MAY 2021

and recorded as minute reference:

2021/288

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

Chairman

*Lynne Sallis*

Clerk

*Wesley*

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**Section 2 – Accounting Statements 2020/21 for**

**CHIGNAL PARISH COUNCIL**

	Year ending		Notes and guidance
	31 March 2020 £	31 March 2021 £	
1. Balances brought forward	30402	35853	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	7385	7600	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	27607	30931	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	3079	3252	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	26462	31377	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	35853	39755	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	35853	39755	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	15898	33549	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	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 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



Date

4<sup>th</sup> MAY 2021


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



as recorded in minute reference:

2021/289

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



**Explanation of variances – pro forma**

Chignal Parish Council

Name of smaller authority: Chignal Parish Council  
 County area (local councils and Essex)  
 Precinct/area (from Section 2 of the AGA): In all Blue Agricultural Areas

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);
- variances of more than £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	30,402	35,853				Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	7,385	7,600	215	2.91%	NO	Please note we received two payments of £3,800	
3 Total Other Receipts	27,607	30,931	3,324	12.04%	NO	£28,262 CIL, £2668.53 in Vat reclaim and interest	
4 Staff Costs	3,079	3,252	173	5.62%	NO		
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO		
6 All Other Payments	26,462	31,377	4,915	18.57%	YES	Spent of CIL Money on projects £8600 on Oak Gazebo, £16,500 on Village Hall Storage Shed, £5000 on a Car Park, £540 On Audit fees, £426 on Playing field Maintenance, £212.47 on Insurance, £142 on Association fees, £17 on Bank charges, £36.53 on parts for the Orchard	
7 Balances Carried Forward	35,853	39,755				VARIANCE EXPLANATION NOT REQUIRED 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	35,853	39,755			YES	VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and	15,898	33,549	17,651	111.03%	YES	Assets added to the Parish Council £8,500 Oak Gazebo, £5000 on a Car Park, £4151 Replacement costs	
10 Total Borrowings	0	0	0	0.00%	NO		

Rounding errors of up to £2 are tolerable

Variances of £200 or less are tolerable

## Bank reconciliation – pro forma

This reconciliation should include **all** bank and building society accounts, including short term investment accounts. It **must** agree with 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 numbers.

Name of smaller authority: Chignal Parish Council

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

### Financial year ending 31 March 20xx

Prepared by (Name and Role): w.Adshead-Grant Clerk&RFO

Date: 08/04/2021

	£	£
<b>Balance per bank statements as at 31/3/xx:</b>		
account 1	2,402.9	
account 2	37,619.3	
 [add more accounts if necessary]		
	_____	40,022.2
Petty cash float (if applicable)		-
Less: any unpresented cheques as at 31/3/xx <b>(enter these as negative numbers)</b>		
100919	(267.20)	
 [add more lines if necessary]		
	_____	(267.20)
Add: any un-banked cash as at 31/3/xx		
	_____	-
<b>Net balances as at 31/3/21 (Box 8)</b>		<b><u><u>39,755.0</u></u></b>

### Explanation for 'high' reserves

(Please complete the highlighted boxes.)

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

	£	£	£
<b>Earmarked reserves:</b>			
CIL		19000	
orchard		532	
		<hr/>	
		19532	
<b>General reserve</b>	20223	<hr/>	
		20223	
<b>Total reserves (must agree to Box 7)</b>		<hr/>	<hr/>
			<b>39755</b>