

Annual Governance and Accountability Return 2021/22 Form 3

To be completed by Local Councils, Internal Drainage Boards and other Smaller Authorities¹

- where the higher of gross income or gross expenditure exceeded £25,000 but did not exceed £5.0 million; or
- where the higher of gross income or gross expenditure was £25,000 or less but that:
 - are unable to certify themselves as exempt (see page 6)
 - have requested a limited assurance review (see page 6)

Guidance notes on completing Form 3 of the Annual Governance and Accountability Return 2021/22

1. Every smaller authority in England that either received gross income or incurred gross expenditure exceeding £25,000 must complete Form 3 of the Annual Governance and Accountability Return at the end of each financial year in accordance with Proper Practice.
2. The Annual Governance and Accountability Return is made up of three parts, page 1 to 6:
 - The Annual Internal Audit Report must be completed by the authority's internal auditor.
 - Sections 1 and 2 must be completed and approved by the authority.
 - Section 3 is completed by the external auditor and will be returned to the authority.
3. The authority must approve Section 1, Annual Governance Statement, before approving Section 2, Accounting Statements, and both must be approved and published on the authority website/website page before 1 July 2022.
4. An authority with either gross income or gross expenditure exceeding £25,000 or an authority with neither income nor expenditure exceeding £25,000, but which is unable to certify itself as exempt, or is requesting a limited assurance review, must return to the external auditor by email or post (not both) no later than 30 June 2022. Reminder letters will incur a charge of £100 + VAT
 - the Annual Governance and Accountability Return Sections 1 and 2, together with
 - a bank reconciliation as at 31 March 2022
 - an explanation of any significant year on year variances in the accounting statements
 - calculation of the unencumbered date of the period for the exercise of public rights
 - Annual Internal Audit Report (201/22)

Unless requested, do not send any additional documents to your internal auditor. Your internal auditor will ask for any additional documents needed.

Once the external auditor has completed the limited assurance review and is able to give an opinion, the Annual Governance and Accountability Section 1, Section 2 and Section 3 - External Auditor Report and Certificate will be returned to the authority by email or post.

Publication Requirements

Under the Accounts and Audit Regulations 2015, authorities must publish the following information on the authority website/website page:

Before 1 July 2022 authorities must publish:

- Notice of the period for the exercise of public rights and a declaration that the accounting statements are not all un-audited
- Section 1 - Annual Governance Statement 2021/22, approved and signed (page 1)
- Section 2 - Accounting Statements 2021/22, approved and signed (page 5)

Not later than 30 September 2022 authorities must publish:

- Notice of completion of work
- Section 3 - External Auditor Report and Certificate
- Sections 1 and 2 of AGAR including any amendments as a result of the limited assurance review

It is recommended as best practice, to send any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report (page 3).

Third party documents are exempt from automatic publication under section 42 of the Access to Information Regulations 2010. Throughout this website we refer to the main meaning of the words 'to be published' under the Regulations 2015.

This complete set of forms that may be emailed authorities who do not exceed £100,000 Local Audit and Accountability Act 2016