

## Frequently Asked Questions – updated April 2019 (please see page 3 onwards)

1. When will we receive our **hard copy AGAR forms** and instruction pack in the post?  
There are no hard copy AGAR forms provided by SAAA. If you live in an area with poor broad band and are struggling to print off the AGAR forms, please email us and we will print a batch and post them to you.
2. The **hyperlinks in the instruction email** are not working, why is this?  
Last year we became aware that a small number of email spam filters corrupted the hyperlinks in our emails on receipt – please go to our website where all the year end information can be found: <https://www.pkf-littlejohn.com/services-limited-assurance-regime-useful-documents-and-links>
3. **What is the address** for submitting our documentation to you?  
All documentation should be emailed to us at [sba@pkf-littlejohn.com](mailto:sba@pkf-littlejohn.com) We have also provided a printable address label if you prefer to use the post: [https://www.pkf-littlejohn.com/sites/default/files/media/documents/address\\_label.pdf](https://www.pkf-littlejohn.com/sites/default/files/media/documents/address_label.pdf) If you have emailed us the documentation, PLEASE DO NOT SEND A DUPLICATE SUBMISSION IN THE POST.
4. If we are completing AGAR Part 2 and **submitting an exemption certificate** to you, when **should we send our other documents** to you?  
If you are certifying your smaller authority as exempt from our review, please ONLY submit a copy of the exemption certificate and confirmation of your contact details.
5. Our district council has **paid the first instalment of our 2019/20 precept to us during March** and we prepare our accounts on a receipts and payments (cash) basis, what should we do?  
This type of early payment of the first instalment of the following year's precept happens every year in a few district councils around the country and is something that we are used to seeing reflected in local councils' accounting statements and supporting documentation.  
If you prepare your council's accounts on a receipts and payments (i.e. cash) basis, then you must account for the extra precept receipt in 2018/19, since that was when it was received. Any adjustments to the income figures and the bank reconciliation to 'remove' the early payment from the accounting statements are not in compliance with proper practices (and would therefore lead to a qualification of our opinion). We are aware of a number of district councils that have paid the first 2019/20 precept instalment early – and so we will be expecting to see this reflected in the explanation of variances for those councils working on an R&P basis.  
If you prepare your accounts on an income and expenditure (i.e. accruals) basis, then you simply need to treat the receipt as income received in advance on the Box 7 to 8 reconciliation along with the usual creditor-type items.
6. Can an electronically enabled **AGAR form be completed by hand**?  
Yes, all forms can be completed by hand or electronically. Any AGAR forms completed electronically will need to be printed before being signed, and then should be scanned in for publishing and submitting to us as appropriate.
7. How do I know whether we have been chosen for **intermediate review as part of the random sample**?  
An additional email is sent to all smaller authorities who were chosen in the last week of March. If you have not received an email (and have both gross income and expenditure below £200k) then you are not subject to intermediate review this year. NB: additional emails are not sent to authorities who have income and expenditure over £200k, since they are automatically required to have an intermediate review
8. We are an **exempt authority but have been selected for intermediate review**, what documents should we submit?

Please ONLY submit a copy of the exemption certificate and confirmation of your contact details. As per the 5% sample email, being selected does not stop you being eligible to certify yourselves as exempt from our review. You are therefore exempt from an intermediate review rather than a basic review.

9. Our **council does not have a website**, can we put the information on a noticeboard as in previous years?

Unfortunately only parish meetings are exempt from the requirement to publish their AGAR etc on a website. (Many small parish councils 'piggyback' on their district council/local association websites.) This has been a statutory requirement for the past 4 years, so please ensure that you declare your council's prior year non-compliance by answering 'No' to Assertion 4 of the Annual Governance Statement.

10. Has the **internal audit timing** requirement changed?

There has been no change. It is best practice to have the internal audit visit and report (AIAR) completed before approving the Annual Governance Statement (AGS) (i.e. Section 1 of AGAR Part 2 or 3), but it is not a statutory requirement (the AGAR guidance note says 'should' not 'must'). If the date of the AIAR is after the date of the AGS, then we will simply look at last year's AIAR date to ensure that it occurred between 1/4/18 and 31/3/19, thereby providing evidence that there was internal audit provision DURING the year (as specified in the wording of assertion 6).

11. It is not fair that you are forcing councils to **pay for expensive software packages** in order to complete the AGAR forms online, why have you done this?

SAAA (and not the audit firms) designed the forms specifically for use with the free Adobe Reader package. There should be no need for you to pay any charges. Please see our instructions which include a link to the package. If you need us to print out copies and post them to you, then please let us know.

12. What are the **new internal audit control objectives** on the AIAR about?

- Internal control objective 'K' is new this year and requires internal auditors to conclude on whether the exemption criteria were met in relation to the 2017/18 AGAR (i.e. the previous year); it should be answered 'Not covered' if the authority was not an exempt authority in 2017/18.
- Internal control objective 'L' has been prefilled for 2018/19 and will become active for the 2019/20 and subsequent years, when internal auditors will be required to conclude on whether the public rights provision during the previous summer was compliant with the Regulations.

13. **Why are there more AGAR forms** this year, should I use AGAR Part 2 or AGAR Part 2PM?

This year SAAA have introduced separate forms for parish meetings that have no parish council. You should only use AGAR Part 2PM if your authority is a parish meeting.

14. We have received additional grant funding this year that means **our income and therefore review fee is much higher than normal, do we have to pay the invoice since it is a one-off?**

Yes, the invoices are generated for each individual year dependent on the income and expenditure banding for that year, if your income and expenditure return to their 'usual' level in future years, so will the fee for our review.

**UPDATED FOR ADDITIONAL QUERIES RECEIVED IN APRIL 2019:**

15. Do we have to provide you with **explanations for 'No' responses** on our AGAR?  
Yes, as per our detailed instructions, if you are submitting an AGAR Part 3 for our review, please provide copies of the reasons for any 'No' responses in the Annual Governance Statement (from next year onwards, these MUST be published as well) and any 'No' or 'Not covered' responses on the Annual Internal Audit Report (AIAR).
16. Why does the **AGAR form not accept dates in the format DD/MM/YY?**  
We are aware that although SAAA have designed the electronic version of the forms to only accept the format DD/MM/YYYY, the white 'guidance' type indicates the shorter format should be used. Please use the longer format or click in the box and use the pop up calendar that appears when you click on the grey bar on the right of the box.
17. Why **can't I change the answer to internal control objective L** on the AIAR?  
Please see the answer to #12 above.
18. **What do I need to send in respect of risk management?**  
As per our detailed instructions, if you are subject to intermediate review this year, please send a copy of the relevant minutes and agenda papers from the meeting at which the annual review of risk management arrangements during 2018/19 was discussed. (Agenda papers are the documents that are being discussed.) Please note that the annual discussion of the answers to the assertions in the Annual Governance Statement should include the latest summary of the risk management arrangements as an agenda paper to support the agreed response. If this evidence is provided, we would accept a 'Yes' response, even if there hasn't been a separate minuted review of risk management earlier in the year, since it can be argued that the annual review of the risk management arrangements took place during the discussions of the assertion responses (rather like the Assertion 2 annual internal control review, which can also be evidenced in that way.)
19. We are a **parish meeting and have already had our annual meeting**, do we have to call another meeting to approve our AGAR Part 2PM/3PM?  
Yes, as per our detailed instructions, we are aware that parish meetings where there is no parish council are required to hold their annual meeting between 1 March and 1 June; however, the AGAR forms must be approved after the financial year end of 31 March 2019 so there is a mismatch between the requirements of the various legislation. Hence, if the only scheduled meeting for your parish meeting is in March 2019, a second meeting must therefore be convened in order to approve the AGAR after the year end and before the statutory deadline of 1 July 2019. (Parish meetings with no parish council are required to hold at least 2 meetings per year.)
20. I don't understand the **new explanation of variances spreadsheet, can I use a different format?**  
Yes, please feel free to provide the explanations in whatever format suits you best. We require full narrative and numerical explanations for those variances over 15% (and over £200) for Boxes 2/3/4/5/6/9/10 and a breakdown of reserves held at the year end where Box 7 is more than twice Box 2.