

Certificate of Exemption – AGAR 2019/20 Part 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 2020, 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 2020 and a completed Certificate of Exemption is submitted no later than 30 June 2020 notifying the external auditor.

WITHYPOOL & HAWKRIDGE PARISH COUNCIL - SOMERSET

certifies that during the financial year 2019/20, 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 2019/20: £4685

Total annual gross expenditure for the authority 2019/20: £3850

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 Part 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 2016
- In relation to the preceding financial year (2018/19), 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notice under paragraph 1(1) of Schedule 8 to the Local Audit and Accountability Act 2014 ("the Act"), and has not withdrawn the notice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under section 28(1) of the Act for a declaration that an item of account is unlawful, and the application has not been withdrawn nor has the court refused to make the declaration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 a public website* before 1 July 2020. **By signing this certificate you are also confirming that you are aware of this requirement.**

Signed by the Responsible Financial Officer

Date

26/05/2020

I confirm that this Certificate of Exemption was approved by this authority on this date:

02/06/2020

Signed by Chairman

Date

02/06/2020

as recorded in minute reference:

08/20

Email of Authority

withypoolhawkridgeparishclerk@gmail.com

Telephone number

01643 831535

*Published web address

www.parish-council.com/withypoolhawkridgeparishcouncil/

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 2020. Reminder letters incur a charge of £40 +VAT

Withypool/Hawkridge Parish Council Annual Internal Audit 2019-20

Thank you for inviting me to look over the accounts and minutes of Withypool/Hawkridge Parish Council for another year.

Your organisation is evident, and the minutes and record keeping are thorough, clear and efficient, so my job has been an easy one. I am very happy to sign off against all criteria in the internal audit, and have hardly any comments to make – other than a couple of typos below:

- March 2019 18/98 xii - cheque amount minuted as £344.51, but should have been £344.41
- November 2019 63/19 ii – cheque numbers should be 498, 499, 500 not 237, 238, 239

Lyn Fisher

14 May 2020

The RFO's response to the above.

The minuted amount was what was meant to be paid, but, as detailed on the invoice, the missing 10p was paid on the next expense invoice. I have now added this note to the minutes to explain the difference in the amounts.

The incorrect cheque numbers were due to using the Exmoor chq book for W&H and I had to cancel those cheques and do new ones using the correct cheque book. I have now made a note of this in the minute book to explain the change in numbers.

Charlotte Hornsby

18/05/2020

Annual Internal Audit Report 2019/20

WITHYPOOL + HAWKRIDGE PARISH COUNCIL - SOMERSET

This authority's internal auditor, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls to be in operation **during** the financial year ended 31 March 2020.

The internal audit for 2019/20 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	Agreed? Please choose one of the following		
	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.			No petty cash
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.	✓		(no NI)
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic and year-end bank account reconciliations were properly carried out.	✓		
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 2018/19, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2018/19 AGAR tick "not covered")	✓		
L. The authority has demonstrated that during summer 2019 it correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations.	✓		
M. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

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

14/05/2020

Name of person who carried out the internal audit

LYN S. FISHER

Signature of person who carried out the internal audit

Date

14/05/2020

*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

Section 1 – Annual Governance Statement 2019/20

We acknowledge as the members of:

WITHYPOOL & HAWKRIDGE PARISH COUNCIL - SOMERSET

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 2020, 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.	✓		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.	✓		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.	✓		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.	✓		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.	✓		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.	✓		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.	✓		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.	✓		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
			✓
			has met all of its responsibilities where as a body corporate it is a sole managing trustee of a local trust or trusts.

*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:

02/06/2020

and recorded as minute reference:

09/20

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

Chairman

Clerk


Withypool and Hawkridge Parish Council, Somerset

Bank Reconciliation Year ended 31st March 2020


	£
Balance per bank statement at 31st March 2020 (taken from Bank Statement) - Reserve Account	10.66
Balance per bank statement at 31st March 2020 (taken from Bank Statement) - Current Account	7,169.85
Sub Total	7,180.51
Outstanding Items	
Less Unpresented Cheques	0.00
Plus uncleared payments into the bank	0.00
Petty Cash	
Plus any Petty Cash balance held at 31st March 2020	0.00
Balance per cash book at 31st March 2020	7,180.51

Details of unpresented cheques

<i>Payable to</i>	<i>Amount</i>
None	£ -
	£ -
Total	£ -



Chairman
Date 02/06/2020



Responsible Financial Officer
Date 02/06/2020

Withypool and Hawkrige Parish Council
Summary of Income and Expenditure for the year ended 31 March 2020

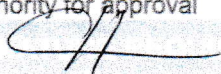
	2018/2019	2019/2020	
Income			
Carried forward	3292.81	6345.74	
Precept	2850.00	3500.00	
Interest received	0.03	0.03	
Rents received	610.00	370.00	
Flood Defence	0.00	0.00	
Refund from SCC	0.00	35.00	
VAT claimed	0.00	473.08	
Refund from other PC's	12.50	246.50	
Sale of Land	4780.00	60.00	
	<u>8252.53</u>	<u>4684.61</u>	Transfer from Reserve to Current Account
	<u>11545.34</u>	<u>11030.35</u>	
Expenditure			
Insurance	184.13	184.13	Unpresented chqs from 2019 118
Subscriptions/Miscellaneous	91.66	121.85	Unbanked pay-in 0
Training	25.00	140.00	
Audit	0.00	30.00	
Office Supplies	0.00	162.00	
Parish Lengthsman	0.00	0.00	
Clerk's Salary	1005.82	1300.38	Unbanked cheques 0.00
Clerk's expenses	263.01	99.30	
Upkeep of Parish property	941.00	1747.18	
Hire of Village Halls	118.00	65.00	
Solicitor Fee	0.00	0.00	
Flood Defence	1944.00	0.00	
Laptop, software and other costs	626.98	0.00	
Rural property Consultant fee	0.00	0.00	Reserve Acct interest 0.03
Unpaid item fee	0.00	0.00	
	<u>5199.60</u>	<u>3849.84</u>	
Opening balances			
Reserve Account	10.60	10.63	Current Account Balance Now 7169.85
Current Account	3377.21	6453.11	
	<u>3387.81</u>	<u>6463.74</u>	Reserve Account Balance Now 10.66
Closing balances			
Reserve Account	10.63	10.66	
Current Account	6453.11	7169.85	
	<u>6463.74</u>	<u>7180.51</u>	
Village Hall - Hawkrige	0.00	0.00	
Village Hall - Withypool	0.00	0.00	
Unbanked cheques	118.00	0.00	Unbanked cheque numbers: 2019:484, 487
Balance Carried Forward	<u>6345.74</u>	<u>7180.51</u>	

Section 2 – Accounting Statements 2019/20 for

WITHYPOOL AND HAWKRIDGE PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2019 £	31 March 2020 £	
1. Balances brought forward	3,293	6346	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	2850	3500	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	5403	1185	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	1269	1300	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	3931	2550	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	6346	7181	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	6464	7181	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	22064	22064	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 2020 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

26/05/2020


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

02/06/2020

as recorded in minute reference:

10/20

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



**Withypool and Hawkridge Parish Council
Explanation of Variances 2019/20**

Figures are rounded to nearest £1

Box		2019	2020	variance (2020 less 2019)	% (Variance divided by 2019 figure multiplied by 100)	Explanation required? Less than £250 NO More than 15% YES Less than 15% NO
2	Precept or Rates or Levies	2850	3500	650	23%	YES
3	Total other receipts	5403	1185	-4218	78%	YES
4	Staff costs	1269	1300	31	2%	NO
5	Loan interest / capital repayments	0	0	0	0%	NO
6	All other payments	3931	2550	-1381	35%	YES
9	Total fixed assets plus long term investments and assets	22064	22064	0	0%	NO

BOX NUMBER	2
	£
Figure in 2019 column	2850
Figure in 2020 column	3500
Variance (2020 figure less 2019 figure)	650
REASON	Amount
Reason 1	On the advice of the Somerset County Council the Precept was raised to pay for grit bins for the winter salting routes. The parish council used the extra money for this.
Reason 2	
Reason 3	
Reason 4	
Unexplained	

BOX NUMBER	3
Figure in 2019 column	£ 5403
Figure in 2020 column	1185
Variance (2019 figure less 2018 figure)	-4218
REASON	Amount
Reason 1	In 2018/19 the parish council sold some land.
Reason 2	VAT claimed amount £473.08
Reason 3	Exmoor PC paid for their share of the laptop that W&H PC purchased.
Reason 4	Rent from parish garden
Unexplained	

BOX NUMBER	6
Figure in 2019 column	£ 3931
Figure in 2020 column	2550
Variance (2020 figure less 2019 figure)	-1381
REASON	Amount
Reason 1	2018/19 £626.98 was paid out for a laptop and software
Reason 2	2018/19 £1944.00 was paid for flood defence
Reason 3	2019/20 £757.18 was paid for salt bins
Reason 4	2019/20 Village Halls were used less.
Unexplained	

**Asset Register for Withypool and Hawkrigde Parish Council
as of 31st March 2020**

- Withypool and Hawkrigde Parish Council own various small paddocks known as 'Parish Gardens' totalling approximately 3.5 acres. Updating this to current land prices the total value is estimated in the region of £20,000.
- Withypool and Hawkrigde Parish Council purchased a defibrillator and case for £1500 in April 2017
- Withypool & Hawkrigde Parish Council purchased a Laptop which will be shared with Exmoor Parish Council. £563.99 The ratio of ownership is 3:5 with W&H owning the greater share. Exmoor paid their 3/8ths of the laptop Sept 2019.

Total Asset Value: £22063.99

**Details of any earmarked or restricted reserves held by
Withypool and Hawkrigde Parish Council at 31 March 2020**

Amount held at 31 March 2020 £	Purpose of reserve
160.00	Balance of budget for laptop kept for emergencies.