

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.

BARROW GURNEY PARISH COUNCIL

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: £12,951

Total annual gross expenditure for the authority 2019/20: £14,211

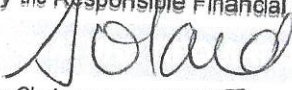
There are certain circumstances in which an authority will be **unable to certify itself as exempt**, so that a limited assurance review will still be required. If an authority is **unable to confirm the statements below then it cannot certify itself as exempt** and it **must** submit the completed Annual 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notice under paragraph 1(1) of Schedule 8 to the Local Audit and Accountability Act 2014 ("the Act"), and has not withdrawn the notice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



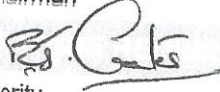
Date

11.06.2020

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

08.06.2020

Signed by Chairman



Date

15.06.20

as recorded in minute reference:

Min. 6(e)

Email of Authority

barrowgurneyclerk@gmail.com

Telephone number

07586437769

*Published web address

<http://www.parish-council.com/barrowgurney/>

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

Section 1 – Annual Governance Statement 2019/20

We acknowledge as the members of:

BARROW GURNEY 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 2020, that:

	Agreed		Yes	No	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:

08.06.2020

and recorded as minute reference:

Min. 6(b)

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

Chairman

Clerk

[Signature]
[Signature]

Section 2 – Accounting Statements 2019/20 for

BARROW GURNEY PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2019 £	31 March 2020 £	
1. Balances brought forward	24,437	11,234	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	8,200	9,000	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	1,552	3,951	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	5,136	5,767	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	17,819	8,444	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	11,234	9,974	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	11,584	11,990	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	23,033	24,468	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

03.06.2020

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

08.06.2020

as recorded in minute reference:

Mm. 6(c) NCF

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

Ej. G. G. REQUIRED

Annual Internal Audit Report 2019/20

BARROW GURNEY PARISH COUNCIL

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.			✓
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.	✓		
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.	Yes	No	Not applicable
			✓

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

8th May to 19th May 2020

Name of person who carried out the internal audit

MR P BALLANTYNE

Signature of person who carried out the internal audit

Peta Ballantyne

Date

19/05/2020

*If the response is 'no' you must include a note to 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).

WESTON IN GORDANO

PARISH COUNCIL

66 Cox Way, Clevedon, North Somerset, BS21 5AD
Tel: 01275 349098 Email: wig.parishcouncilclerk@outlook.com

Joanna van Tonder
Parish Clerk
24 Fernlea Park
Neath
SA10 7SU

19th May 2020

Dear Joanna,

Internal Audit

Further to the internal audit of Barrow Gurney Parish Council for the Financial Year 2019/20 I am pleased to submit the signed Internal Audit Report for your Annual Return. In completing this work I can confirm that I have not given a negative response for any of the Internal Control Objectives.

You will note that I have given 'Not Covered Responses' in respect to control objectives F, L and M and I am required to explain why I have done this.

I have responded 'Not Covered' to response to Objective F as I understand that the Council does not maintain a Petty Cash.

While I have seen your notices on the website I have responded 'Not Covered' to Objective L regarding completed notice documents. You will be aware that there is, in fact, no requirement for this documentary evidence to be maintained by you and therefore it is impossible for an auditor to independently verify this. I am aware that this is a national issue and I expect most, if not all, Councils to have 'Not Covered' as a response to Objective L from their internal auditors.

I have responded 'Not Covered' in respect of Objective M as I understand that the Council does not act as Trustee.

In completing this work I have also carried out the following:

- An inspection of the accounts for the year 2019/20;
- Cross referenced these to the Minutes and reports to the Council against the bank statements, invoices, receipts and chequebooks;
- Reviewed the Asset Register and Insurance provision;
- Checked the brought forward figures from the 2018/19 return against those drafted for the 2019/20 return; and,
- Reviewed the records of Meetings.

I have made two Observations in respect of the year end audit which I would be grateful if you could draw to the Council's attention in due course. If the Council has any queries regarding any points raised please do not hesitate to contact me.

I should like to express my thanks for the assistance you have provided to me during the course of the audit and for providing such a clear and well maintained set of documents on behalf of the Council.

Yours sincerely,

A handwritten signature in black ink that reads "Peter Ballantyne". The signature is written in a cursive style with a large initial 'P' and a long, sweeping tail on the 'y'.

Peter Ballantyne
Clerk and RFO

Barrow Gurney Parish Council - Financial Year 2019/20 - Year End Internal Audit Observations

B. This smaller authority met its financial regulations, payments were supported by invoices; all expenditure was approved and VAT was appropriately accounted for.

No.	Audit Conclusion	Observation	Recommendation	Comments
1	The Council is using old Standing Orders and Financial Instructions	Standing Order 5. J iv sets out the requirement to review and adopt Standing Orders and Financial Instructions	Council to ensure that it reviews standing orders at their May meeting each year	
C. This smaller authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.				

2	The Council did not review risk policy statements in 2019/20 in line with Financial Instructions.	Financial Instruction 14 sets out the requirements for Risk Management. Whilst the Council reviewed their insurance cover at one meeting there were no minutes relating to risk.	Council to ensure that it regularly reviews risks to achieving its objectives.	
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