

## 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.

WITHYCOMBE 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:

7917

Total annual gross expenditure for the authority 2019/20:

4341

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notice under paragraph 1(1) of Schedule 8 to the Local Audit and Accountability Act 2014 ("the Act"), and has not withdrawn the notice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under section 28(1) of the Act for a declaration that an item of account is unlawful, and the application has not been withdrawn nor has the court refused to make the declaration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

*S. Rowe*

05/08/20

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

05/08/20

Signed by Chairman

Date

*Regis*

05/08/20

as recorded in minute reference:

via email

Ref: 3.1

Email of Authority

Telephone number

*Sam Rowe 60@gmail.com*

01643 703514

\*Published web address

*www.withycombepc.co.uk*

**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**



advertisement or notice that tells you the accounting records are available to inspect will also give the period for the exercise of public rights during which you may ask the auditor questions, which here means formally asking questions under the Act. You can ask someone to represent you when asking the external auditor questions.

Before you ask the external auditor any questions, inspect the accounting records fully, so you know what they contain. Please remember that you cannot formally ask questions, under the Act, after the end of the period for the exercise of public rights. You may ask your smaller authority other questions about their accounts for any year, at any time. But these are not questions under the Act.

You can ask the external auditor questions about an item in the accounting records for the financial year being audited. However, your right to ask the external auditor questions is limited. The external auditor can only answer 'what' questions, not 'why' questions. The external auditor cannot answer questions about policies, finances, procedures or anything else unless it is directly relevant to an item in the accounting records. Remember that your questions must always be about facts, not opinions. To avoid misunderstanding, we recommend that you always put your questions in writing.

### **The right to make objections at audit**

You have inspected the accounting records and asked your questions of the smaller authority. Now you may wish to object to the accounts on the basis that an item in them is in your view unlawful or there are matters of wider concern arising from the smaller authority's finances. A local government elector can ask the external auditor to apply to the High Court for a declaration that an item of account is unlawful, or to issue a report on matters which are in the public interest. You must tell the external auditor which specific item in the accounts you object to and why you think the item is unlawful, or why you think that a public interest report should be made about it. You must provide the external auditor with the evidence you have to support your objection. Disagreeing with income or spending does not make it unlawful. To object to the accounts you must write to the external auditor stating you want to make an objection, including the information and evidence below and you must send a copy to the smaller authority. The notice must include:

- confirmation that you are an elector in the smaller authority's area;
- why you are objecting to the accounts and the facts on which you rely;
- details of any item in the accounts that you think is unlawful; and
- details of any matter about which you think the external auditor should make a public interest report.

Other than it must be in writing, there is no set format for objecting. You can only ask the external auditor to act within the powers available under the [Local Audit and Accountability Act 2014](#).

### **A final word**

You may not use this 'right to object' to make a personal complaint or claim against your smaller authority. You should take such complaints to your local Citizens' Advice Bureau, local Law Centre or to your solicitor. Smaller authorities, and so local taxpayers, meet the costs of dealing with questions and objections. In deciding whether to take your objection forward, one of a series of factors the auditor must take into account is the cost that will be involved, they will only continue with the objection if it is in the public interest to do so. They may also decide not to consider an objection if they think that it is frivolous or vexatious, or if it repeats an objection already considered. If you appeal to the courts against an auditor's decision not to apply to the courts for a declaration that an item of account is unlawful, you will have to pay for the action yourself.

For more detailed guidance on public rights and the special powers of auditors, copies of the publication [Local authority accounts: A guide to your rights](#) are available from the NAO website.

If you wish to contact your authority's appointed external auditor please write to the address in paragraph 4 of the *Notice of Public Rights and Publication of Unaudited Annual Governance & Accountability Return*.



## Section 1 – Annual Governance Statement 2019/20

We acknowledge as the members of:

WITHYCOMBE 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
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	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
	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

\*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:

email 29/7 - 31/8/20

and recorded as minute reference:

email agenda ref. 3.2

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

Chairman



Clerk





## Section 2 – Accounting Statements 2019/20 for

WITTYCOMBE PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2019 £	31 March 2020 £	
1. Balances brought forward	18145	21.752	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	7545	7852	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	805	65	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	2794	2794	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	NIL	NIL	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	1649	1547	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	21752	25328	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	21752	25328	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	6,600	6,600	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	NIL	NIL	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

SRAD

Date

28/6/2020

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

by email 29/7 - 5/8/20

as recorded in minute reference:

email agenda ref: 3.3

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

SUSO

# WITHYCOMBE PARISH COUNCIL

## RECEIPTS AND PAYMENTS SUMMARY 2019/20

Balances brought forward 1st April 2019	£21,752.08
Add total receipts	£7,917.58
TOTAL	£29,669.66
Less total payments	(£4,340.97)
<b>Balance carried forward 31st March 2020</b>	<b>£25,328.69</b>

These cumulative funds are represented by:

NatWest Bank current account 95304622	£2,623.02
NatWest Bank reserve account 44356501	£22,705.67

Total: £25,328.69

Less unrepresented cheques at 31st March 2020 £0.00

**Total Funds at 31st March 2020 £25,328.69**

The Parish Council holds funds on behalf of Active Living: £52.00

True funds available to Withycombe Parish Council £25,276.69

I hereby certify that the above statement properly represents the receipts and payments for the year 1st April 2019 to 31st March 2020.

Responsible Financial Officer / Clerk: 

Date: 5/8/20

Chairman: 

Date: 05/08/20

Approved by the Parish Council via email July 2020 29/7/20 - 5/8/20



## Annual Internal Audit Report 2019/20

### WITHEYCOMBE 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.	✓		
<b>M. (For local councils only)</b> 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).

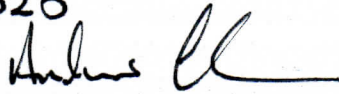
Date(s) internal audit undertaken

Name of person who carried out the internal audit

03/07/2020

ANDREW BILES

Signature of person who carried out the internal audit



Date

03/07/2020.

\*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).

**WITHYCOMBE PARISH COUNCIL**

## SOMERSET

## BANK RECONCILIATION YEAR ENDED 31 MARCH 2020

	£
<b>A BALANCE ON BANK STATEMENTS 31 MARCH 2020</b>	
Current Account 95304622	2,623.02
Business Reserve Account 44356501	<u>22,705.67</u>
	25,328.69
<b>B OUTSTANDING ITEMS</b>	
Less unpresented cheques detailed below:	
<u>                </u> 0.00	
<b>C Plus uncleared payments into bank</b>	0
<b>D Plus petty cash</b>	0
<b>E Balance in cash book at 31 March 2020</b>	<b>25,328.69</b>
(Calculated as A-B+C+D=E and agrees with Box 8 on the Annual Return)	



# WITHYCOMBE PARISH COUNCIL

## RECEIPTS TO 31ST March 2020

	<u>2019</u>	<u>2020</u>
Precept	7,545	7,852
VAT Repayment	321	13
Interest Earned	26	52
Withycombe Active Living	158	0
Other Income	0	0
<b>TOTAL RECEIPTS</b>	<b>8,050</b>	<b>7,917</b>

## PAYMENTS TO 31ST March 2020

Salaries	2,794	2,794
<u>Administrative and other costs</u>		
Working from home allowance	200	200
Clerk's expenses (photocopying, stamps etc.)	116	112
Fees / subscriptions	117	117
Hire of Memorial Hall	100	50
Insurance	317	365
Audit	91	91
Parish Newsletter	130	64
Election Costs	0	0
Titholes	0	0
Website Licence/Domain	55	119
Legal Fees	0	0
Equipment / Miscellaneous/Training	51	0
Active Living	460	405
VAT	13	24
<b>TOTAL PAYMENTS</b>	<b>4,444</b>	<b>4,341</b>



32 Parkhouse Road  
Minehead  
TA24 8AD  
3<sup>rd</sup> July 2020

Ms S Rawle  
Clerk and Responsible Financial Officer  
Withycombe Parish Council  
60 Paganel Road  
Minehead  
Somerset TA24 5EY

Dear Sam,

Annual Report by the Internal Auditor  
Financial Year ended 31<sup>st</sup> March 2020

Thank you for your help in carrying out and completing the internal audit.

I have the following matter that I wish to draw to the attention of your Parish Council.

*The Council considered quotations for renewal of its insurance cover at the meeting held on the 20<sup>th</sup> May 2019 (Minute 1916). The options considered were (1) Inspire - £379.73 (2) Hiscox - £627.76 (3) Ecclesiastical - £379.73. The minutes do not record a decision on the agreed provider and a payment of £365.52 was made to Zurich, recorded in the Cash Book 4<sup>th</sup> June 2019 (Cheque 709).*

*The payment to Zurich is not recorded in the minutes as having been approved by the Council. The Council should approve the payment made to Zurich.*

I have completed and signed the Annual Internal Audit Report which forms part of the Annual Governance and Accountability Return 2019/20 (Part 2).

The Parish Council should note that I have carried out a limited internal audit. The Council must ensure that effective controls are in place and are in operation to prevent and minimise any possible losses through fraud and corruption.

Yours sincerely



Andrew Giles  
Internal Auditor