

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.

MILBURN 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:

5970

Total annual gross expenditure for the authority 2019/20:

5095

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notice under paragraph 1(1) of Schedule 8 to the Local Audit and Accountability Act 2014 ("the Act"), and has not withdrawn the notice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under section 28(1) of the Act for a declaration that an item of account is unlawful, and the application has not been withdrawn nor has the court refused to make the declaration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

J H Todd

14/07/2020

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

14/07/2020

Signed by Chairman

Date

D Richardson

14/07/2020

as recorded in minute reference:

20-07-08

Email of Authority

Telephone number

clerk@milburnparishcouncil.co.uk

017683 52469

*Published web address

MILBURN PARISH COUNCIL

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

Annual Internal Audit Report 2019/20

MILBURN 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

Name of person who carried out the internal audit

5th June 2020

AELWEN EVANS

Signature of person who carried out the internal audit

AELWEN

Date

05 06 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:

MILBURN 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' 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.	✓		<i>prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i>
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	✓		<i>made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.</i>
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.	✓		<i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i>
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.	✓		<i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.</i>
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.	✓		<i>considered and documented the financial and other risks it faces and dealt with them properly.</i>
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	✓		<i>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.</i>
7. We took appropriate action on all matters raised in reports from internal and external audit.	✓		<i>responded to matters brought to its attention by internal and external audit.</i>
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.	✓		<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>
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
			✓
			<i>has met all of its responsibilities where as a body corporate it is a sole managing trustee of a local trust or trusts.</i>

*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:

14/07/2020

and recorded as minute reference:

20 - 07 - 05

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

Chairman

D Richardson

Clerk

J H Todd

Section 2 – Accounting Statements 2019/20 for

MILBURN PARISH COUNCIL OF AUTHORITY

	Year ending		Notes and guidance
	31 March 2019 £	31 March 2020 £	
1. Balances brought forward	1654	2600	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	5000	5000	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	349	970	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	838	938	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	3315	4157	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	2850	3475	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	2850	3475	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	38717	38717	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

J H Todd

Date

14/7/2020

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

14/07/2020

as recorded in minute reference:

20-07-08

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

D Richardson

MILBURN PARISH COUNCIL

VARIATIONS 2019/2020

Box 1 - 2020 Variation to Box 7 - 2019 - Decrease of £250

The opening balance is lower because of an unrepresented cheque in the year ending 2018, the balance used was the bank balance which did not deduct the unrepresented cheque of £250. Year ending 2019, the first £250 cheque was presented but the next cheque for £250 was not presented and again the bank balance was used which did not deduct the unrepresented cheque.

Therefore year ending 2020, the unrepresented cheque was presented and cleared, then the next cheque was issued earlier and therefore the cheque was presented and cleared before the year end.

This amount was the Parish Council donation to Milburn Church.

Box 3 Variation - Increase of £ 621

VAT for 2018/19	£341.81	
VAT for 2019/20	£438.54 =	£780
VAT for 2017/18	£315	Increase of £ 465
Cash received for WI Seat Adopted		Increase of £ 86
Council Tax Reduction Scheme		Decrease of £ 2
123-Reg Website		Increase of £ 72

Box 4 Variation - Increase of £ 100

Clerk's pay increase	£100
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Box 6 Variation - Increase of £842

CALC Subscription	Decrease of £ 15
G & AM Johnston	Increase of £ 144
K & A Thompson	Increase of £ 48
Eden District Council	Increase of £ 105
Brampton Village Hall	Increase of £ 115
John Eyles	Increase of £ 20
Eden Bespoke Landscapes	Increase of £ 705
Milburn Village Hall	Increase of £ 10
Zurich Insurance	Increase of £ 12
Clerk's Expenses	Increase of £ 27
123-Reg	Increase of £ 2
ICO	Decrease of £ 5
CALC	Decrease of £ 70
Russell Hogg	Decrease of £ 185
123-Reg	Decrease of £ 71

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Receipts and Payments for the year ended 31st March 2020

<u>Receipts</u>	£	<u>Payments</u>	£
Precept	5000.00	CALC Membership Fee	96.11
Bank Interest	1.11	WicksteedPlay Equip Inspect	54.00
VAT Repayment 2018/19	341.81	Mowing of Village Green	1897.00
Plus Council Tax		Zurich Insurance	670.51
Reduction Scheme	31.00	Fellrunner Donation	65.00
Cash Rec'd for WI Seat Adoption	86.00	Milburn Village Hall	55.00
VAT Repayment for 2019/20	438.54		
123-Reg Website Refund	71.86	Milburn Church	250.00
		J Todd - Clerk	937.92
		J Todd - Expenses	27.11
		123-Reg Domain	14.39
		Seat Repairs – K & A Thompson	48.00
		John Eyles	115.00
		John Eyles	20.00
		EDC Non-Contested Election Cost	105.00
		Eden Bespoke Landscapes	
		Drain on V. Green	705.25
		ICO Data Protection	35.00
Total Receipts	£ 5970.32	Total Payments	£ 5095.29

Bank Reconciliation

Opening Bank Balances as at 31st March 2019

Business Saver A/c	£ 598.88
Community A/c	<u>£ 2955.48</u>
Total	£ 3554.36

Plus Receipts	£ 5970.32
Less Payments	<u>(£5095.29)</u>
	£ 4429.39

Less cheque issued prior to last years end	(£ 250.00)
	(£ 45.00)
	(£ 658.63)

Balance at year end £ 3475.76

Current Bank Balance as at 31 st March 2020	£ 2875.77	
Business Saver Account as at 31 st March 2020	£ 599.99	= £ 3475.76

Milburn Parish Council

Asset Register - Audit Purposes

March 2020

Asset

Value

1953 Bus Shelter & Seats £ 30,000

Seat around Tree by School £ 800

Seat beside Swings £ 250

1997 Noticeboard £ 500

Maypole/Weathercock £ 500

Sept 2015 Replaced Goal Posts £ 495

Soccer Store Nets £ 145

Sept 2015 Apple Press £ 686

Sept 2015 Display Boards £ 209

Sept 2015 Fire Extinguisher £ 51

Book "Milburn - A History" £ 30

May 2016 Laptop £ 350

Sept 2017 Epsom Projector EB-X27 £ 1

Total £ 38,717

Assets are on the Village Green and Fell Lane The book is with the Chair
The Laptop is with the Clerk
The Projector is with the Clerk
The Apple Crusher is with Mrs Cox