

Certificate of Exemption – AGAR 2018/19 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 2019, 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 2019 and a completed Certificate of Exemption is submitted notifying the external auditor.

GREAT GLEMHAM

certifies that during the financial year 2018/19, the higher of the authority's gross income for the year or gross annual expenditure, for the year did not exceed **£25,000**

Annual gross income for the authority 2018/19:

£ 7491 000

Annual gross expenditure for the authority 2018/19:

£ 2824 000

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 has been in existence since before 1st April 2015
- In relation to the preceding financial year (2017/18), 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an advisory notice under paragraph 1(1) of Schedule 8 to the Audit and Accountability Act 2014 ("the Act"), and has not withdrawn the notice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under section 28(1) of the Act for a declaration that an item of account is unlawful, and the application has not been withdrawn nor has the court refused to make the declaration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, Annual 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 2019. **By signing this certificate you are also confirming that you are aware of this requirement.**

Signed by the Responsible Financial Officer

Date

Ameny

20/05/2019

Signed by Chairman

Date

HCC

20/05/2019

Email

gtglemhampc@gmail.com

Telephone number

01986798422

*Published web address

www.greatglemham.sussex.gov.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.

Annual Internal Audit Report 2018/19

GREAT GLEMMHAM 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 2019.

The internal audit for 2018/19 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.			NONE HELD ✓
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 2017/18, it met the exemption criteria and correctly declared itself exempt. (<i>"Not Covered" should only be ticked where the authority had a limited assurance review of its 2017/18 AGAR</i>)	✓		
L. During summer 2018 this authority has correctly provided the proper opportunity for the exercise of public rights in accordance with the requirements of the Accounts and Audit Regulations.			Not applicable ✓
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

14/05/2019

Name of person who carried out the internal audit

TREVOR BROWN C.P.E.A.

Signature of person who carried out the internal audit

SIGNATURE T. Brown

Date

14/05/2019

*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 2018/19

We acknowledge as the members of:

GREAT GLEHAM 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 2019, 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
			✓

*For any statement to which the response is 'no', an explanation should be published

This Annual Governance Statement was approved at a meeting of the authority on:

20/05/2019

and recorded as minute reference:

MINUTE REFERENCE 15.3

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

Chairman

SIGNATURE REQUIRED

Clerk

SIGNATURE REQUIRED

Section 2 – Accounting Statements 2018/19 for

GREAT GLENTAM PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2018 £	31 March 2019 £	
			<i>Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to underlying financial records.</i>
1. Balances brought forward	9107	10,076	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	1625	1625	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	5942	5866	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	nil	683	Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and employment expenses.
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	6598	2141	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	10,076	14743	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	10,076	14743	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	RE-STATE 10,972	11,351	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 2019 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

SIGNATURE
Date 20/05/2019

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

20/05/2019

as recorded in minute reference:

MINUTE REFERENCE
15.4

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

SIGNATURE REQUIRED
[Signature]

Explanation of variances – pro forma

Name of smaller authority:

GREAT GLEHAMHAM PARISH COUNCIL
EAST SUFFOLK DISTRICT COUNCIL

County area (local councils and parish meetings only):

Insert figures from Section 2 of the AGAR in all Blue highlighted boxes

Next, please provide full explanations, including numerical values, for the following that will be flagged in the green boxes where relevant:

- variances of more than 15% between totals for individual boxes (except variances of less than £200);

- a breakdown of approved reserves on the next tab if the total reserves (Box 7) figure is more than twice the annual precept/rates & levies value (Box 2).

	2017/18	2018/19	Variance	Variance	Explanation Required?	Automatic responses trigger below based on figures input, DO NOT OVERWRITE THESE BOXES	Explanation from smaller authority (must include narrative and supporting figures)
	£	£	£	%			
1 Balances Brought Forward	9,107	10,076	0	0.00%	NO	Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	1,625	1,625	0	0.00%	NO		
3 Total Other Receipts	5,942	5,866	-76	1.28%	NO		
4 Staff Costs	0	683	683	683%	YES		All staff since the inception of the Parish Council have been voluntary. A new paid clerk was appointed towards the end of 2018, paid within the recommended rates under SALC
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO		
6 All Other Payments	6,598	2,141	-4,457	67.55%	YES		In the preceding year an amount of £5K was donated to the PCC. No large donations have been made in the current year hence the discrepancy
7 Balances Carried Forward	10,076	14,743				VARIANCE EXPLANATION NOT REQUIRED	
8 Total Cash and Short Term Investments	10,076	14,742				EXPLANATION REQUIRED ON RESERVES TAB AS TO WHY CARRY FORWARD RESERVES ARE GREATER THAN TWICE INCOME FROM LOCAL TAXATION/LEVIES	The Parish Council receives an income of approx £5K p.a. from a nearby Solar Farm. This is a 25-year agreement and the funds are shown separately in the accounts. Some disbursements are set against the Solar Income as the small precept will not cover anything major. The precept is set to change in 2019/2020 due to the council having to pay a clerk
9 Total Fixed Assets plus Other Long Term Investments and Assets	13,944	11,351	-2,593	18.60%	YES		The previous register of assets was based on an index linked insurance value and not the true value. This has been corrected in this years accounts hence the reduction in value.
10 Total Borrowings	0	0	0	0.00%	NO		

Rounding errors of up to £2 are tolerable

Variances of £200 or less are tolerable

Bank reconciliation – pro forma

This reconciliation should include **all** bank and building society accounts, including short term investment accounts. It **must** agree column headed "Year ending 31 March 2019" in Section 2 of the AGAR – and will also agree to Box 7 where the accounts are prepared on a receipts and payments basis. Please complete the highlighted boxes, remembering that unpresented cheques should be entered as net

Name of smaller authority:

GREAT GLEMHAM PARISH COUNCIL

County area (local councils and parish meetings only):

EAST SUFFOLK DISTRICT COUNCIL

Financial year ending 31 March 2019

Prepared by (Name and Role):

Caroline Emeny, Parish Clerk and Responsible Financial Officer

Date:

09/04/19

Balance per bank statements as at 31/3/19:

Co-operative Bank Account	<u>£14,849.30</u>	£14,849.30
Petty cash float (if applicable)	Nil	-
Less: any unpresented cheques as at 31/3/19 (enter these as negative numbers)		
chq 269	(81.42)	
chq 270	<u>(24.53)</u>	
		(105.95)
Add: any un-banked cash as at 31/3/19	<u>nil</u>	-
Net balances as at 31/3/19 (Box 8)		<u><u>£14,743.35</u></u>

ACCOUNTS - GREAT GLEHAM PARISH COUNCIL - YEAR ENDING 31 MARCH 2019

Ref	Date	General Acc	Solar	War Memorial	Recycling	K6	Butchers Field	Archive	TOTALS	Chq No	Reference	Power	Bank Recon	Notes
BBF		1333.34	6282.16	360.00	59.45	137.29	1456.10	447.27	10075.61					Balance as at 31/3/18 was £10075.61 (Note 447.27 being assumption of archived funds 44623000)
	27.4.18	812.50							CR			LGFA 1992 s41		Precept - 1st instalment
	11.5.18	-136.10								247		LGA 1972 s111	Y	SALC Subscription
	11.5.18	-20.00								248		LGA 1972s133	Y	Hall hire
	11.5.18	-33.29								249		PHA 1875s164	Y	Fuel & parts for mower
	11.5.18	-3.98								250		PHA 1875s164	Y	Litter pick team refreshments 12/5/18
	1.6.18	-10.00								251		LGA 1972s133	Y	Hall hire
	1.6.18	-50.00								252		PHA 1875s164	Y	Mower service - John Meadows
	30.8.18	-13.68								253		PHA 1875s164	Y	Fuel for mower
		-10.00								254	5.3.2.4 - 11.5.18	LGA 1972s133	Y	Hall hire
			-130.00							255	3 - 9/8/18		Y	Ladies Club payment for speakers
	17.10.18	812.50							CR		LGFA 1992 s41		Y	Precept - 2nd instalment
	9.8.18	-60.00							CR				Y	Incentive from Norse re liter pick
	9.8.18	-21.86								256		LGA 1972s142	Y	Website Hosting to Community Action
	9.8.18	-96.60								257		PHA 1875s164	Y	Fuel for mower
										258		PHA 1875s164	Y	ROSPA play inspection
	28.11.18	-314.36								259	5.3.2.4 - 11.5.18		Y	The Crown Inn re support for petanque
	19.1.19		5465.72							260	10.1 - 10/12/18	LGA 1972 s111	Y	Community Action re insurance renewal
	10.12.18	-139.00								261	10.1 - 10/12/18	LGA 1972 s111	Y	Receipt from BayWa r.e. re Solar Farm 2018
	7.2.19	380.29							CR				Y	Repayment to A Gathorne-Hardy re laptop disbursement
	18.2.19	-240.00								262	10.1 - 18.1.19	LGA 1972 s111	Y	VAT refund from HMRC
	18.2.19	-595.44								263	10.1 - 18.1.19	LGA 1972 s112	Y	Repayment to A Gathorne-Hardy re laptop disbursement
	18.2.19	-87.10								264	10.1 - 18.1.19	LGA 1972 s112	Y	Clerks wages
	18.2.19	-148.80								265	10.1 - 18.1.19	LGA 1972 s112	Y	Clerks expenses
	18.2.19	-14.11								266	10.1 - 18.1.19	LGA 1972 s111	Y	PAYE
	18.2.19	-10.00								267	10.1 - 18.1.19	LGA 1972 s111	Y	Community Action added insurance premium
	18.2.19	-48.00								268	10.1 - 18.1.19	LGA 1972 s111	Y	Clerks Election training 1/3 cost
	15.3.19	-24.53								269		LGA 1972 s111	Y	Citizens Advice donation
	15.3.19	-35.00								270		PHA 1875s164	Y	2018 Audit fee PKF Littlejohn LLP
	11.3.19									DD		LGA 1972s142	Y	Defibrillator parts
														Mower parts
														ICO Annual renewal re data protection
BCF		1246.78	11036.46	360.00	59.45	137.29	1456.10	447.27	14743.35					

I confirm that this Annual Return was presented to and approved by the Parish Council at its meeting on Monday 20th May 2019

signed Responsible Financial Officer

signed Chairman