emailed to
5b9 2pkf-1ittlepun.com
22-4-19

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.

FELSHAM PARISH COUNCIL

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: 12,508

Annual gross expenditure for the authority 2018/19: 15,956

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advisory notice under paragraph 1(1) of Schedule 8 to the Audit and Accountability Act 2014 ("the Act"), and has not withdrawn the notice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under section 28(1) of the Act for a declaration that an item of account is unlawful, and the application has not been withdrawn nor has the court refused to make the declaration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

Date: 16/04/19

Signed by Chairman: M Garrod

Date: 16/4/19

Email: felshamparishclerk@gmail.com

Telephone number: 01284 828112

*Published web address: felsham.onesuffolk.net

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

FELSHAM 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.			✓
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. *("Not Covered" should only be ticked where the authority had a limited assurance review of its 2017/18 AGAR)*	✓		
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 ✓

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: 09/05/2019

Name of person who carried out the internal audit: ANDREW DAVID CONQUEST

Signature of person who carried out the internal audit: A Conquest

Date: 11/05/19

*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:

FELSHAM 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.	YES		*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.	YES		*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.	YES		*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.	YES		*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.	YES		*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.	YES		*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.	YES		*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.	YES		*disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.*

	Yes	No	N/A	
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.			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 should be published

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

21/05/2019

and recorded as minute reference:

2019/2529

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

Chairman

Clerk

Section 2 – Accounting Statements 2018/19 for

FELSHAM PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2018 £	31 March 2019 £	*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.*
1. Balances brought forward	12322	13051	*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	6162	6550	*Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.*
3. (+) Total other receipts	435	5958	*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	2697	2918	*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	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	3171	13038	*Total expenditure or payments as recorded in the cash-book less staff costs (line 4) and loan interest/capital repayments (line 5).*
7. (=) Balances carried forward	13051	9603	*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	13051	9603	*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	9947	14702	*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.*
		NO	*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

R Lewis Hill

Date 21/05/2019

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

21/05/2019

as recorded in minute reference:

2019/2530

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

G M Gerrard.

Felsham Parish Council year ending 31st March 2019

2018/2019

Reciepts

Precept	£ 6,550.00
MSDC Donation	£ 650.00
Dog bin donation (into 2019/20)	
Green Suffolk Grant	£ 2,000.00
Charity donation	£ 3,000.00
Damage to Lower Green payment	£ 155.97
Bank Interest	£ 3.75
Refund VAT	£ 148.42
	£ 12,508.14

Payments

Salaries	£ 2,917.99
Expenses	£ 169.00
Playingfield Grass	£ 250.00
Grass Cutting	£ 1,285.40
Grants S137	£ 125.00
Subscriptions/Registration	£ 250.09
CPRE	£ 36.00
Insurance	£ 341.20
Village News	£ 25.00
Hall Hire	£ 110.00
Training	
VAS	£ 85.60
Litter Bins	£ 200.00
Street Light Maint & Energy	£ 125.71
ICO	£ 40.00
Street Lights	£ 7,641.93
website	£ 50.00
Grit Bin	£ 155.97
tree work	£ 300.00
CAB	£ 50.00
Repairs & Maint	£ 35.49
Vat	£ 1,761.55
	£ 15,955.93

Net payments & Reciepts -£ 3,447.79

Cash Reserves

Opening Reserves	£ 13,050.78
Nett Movement	-£ 3,447.79
Closing Reserves	£ 9,602.99

Represented by:

Cash at Bank - Current	£ 2,932.84
- Deposit	£ 6,670.15
Petty Cash	£ -
	£ 9,602.99

As per Asset Register **£ 14,702.00**

Closing Reserves made up of:

Bus Shelter	£350.00
Street Lighting replacement	£2,008.07
Defibrillator	62.00
Elections	£200.00
village sign	£753.89
general	£6,229.03
	£9,602.99

FELSHAM PARISH COUNCIL - BALANCE SHEET
Balance as at 31st March 2019

Opening balance as at 01.04.18		
Lloyds TSB - Current Account **967		£1,384.38
Lloyds TSB - Current Account **113		£11,666.40
		£13,050.78
Less payments for 1 April to 30 June 2017	£12,130.75	
Less payments for 1 July to 30 September 2017	£1,770.62	
Less payments for 1 October to 31 December 2017	£1,269.76	
Less Payments for 1 January to 31 March 2018	£784.80	
		£15,955.93
Plus receipts for 1 April to 30 June 2017	£7,574.69	
Plus receipts for 1 July to 30 September 2017	£3,275.83	
Plus receipts for 1 October to 31 December 2017	£1,656.79	
Plus receipts for 1 January to 31 March 2018	£0.83	
		£12,508.14
		£9,602.99

Bank Reconcilliation

Balance as at Mar 2019	
Lloyds - Current Account **967	£2,932.84
less payments issued but not cashed	
Plus receipts not shown on bank statement	
Lloyds - Current Account **113	£6,670.15
	£9,602.99

Felsham Parish Council
Annual Return - Check for significant variances 2018/19

Box No	This year	Last Year	Diff £	Diff %	if >£200 or > 15%	Explanation	Amount
2	6550	6162	388	6.30%	YES	Budget process identified precept	£388
3	5958	435	5523	1269.66%	YES	Donations 2018 higher Parish £3000 MSDC grant £650, Green Suffolk £2000	£5,650
4	2918	2697	221	8.19%	NO	Increase in hours Oct 2018 + National pay rise	
5	0	0	0				
6	13038	3171	9867	311.16%	YES	Equipment spend in 2018 Street Lights 7642,	£9,896.00
						VAT up in 2018 £1613	
						Tree work 2018 £300	
						Insurance up £61	
						no Street lights maint in 2017 £125	
						Grit bin £155	
9	14702	9947	4755	47.80%	NO	Added Street Lights 7642, Grit bin £156, VAS cable £43	£7,841
						removed old grit bin £38.00 and old streeet lights £3048	£3,086.00
10			0		NO		

Felsham Parish Council - Items of Expenditure over £100
Financial Year to 31st March 2019

Date	Purpose of Expenditure	Amount £	VAT Recovered	VAT Not recoverable
14.04.18	Subscriptions	£250.09		
14.04.18	Street Lights	£150.86	£25.15	
14.04.18	MSDC bin emptying	£240.00	£40.00	
14.04.18	Hall Hire	£110.00		
30.04.18	Salary	£198.69		
15.05.18	SCC street lights	£9,170.32	£1,528.39	
15.05.18	Insurance	£341.20		
15.05.18	Grass cutting	£299.80		
31.05.18	Salary	£296.29		
30.06.18	HMRC	£144.20		
19.06.18	Grass cutting	£535.90		
30.06.18	Salary	£174.91		
11.07.18	Grass cutting	£149.90		
31.07.18	Salary	£171.43		
31.07.18	Suffolk Tree Services	£360.00	£60.00	
30.08.18	Salary	£243.43		
11.09.18	Grit Bin	£156.00	£26.00	
30.09.18	Salary	£191.90		
30.09.18	HMRC	£146.60		
21.09.18	Grass Cutting	£299.80		
30.10.18	Salary	£185.78		
30.11.18	Salary	£205.91		
18.12.18	Grass cutting	£300.00	£50.00	
27.12.18	HMRC	£157.40		
27.12.18	Salary	£284.67		
31.01.19	Salary	£189.78		
28.02.19	Salary	£180.30		
28.03.19	Salary	£180.50		
28.03.19	HMRC	£135.20		