

## Certificate of Exemption – AGAR 2018/19 Part 2PM

To be completed by all Parish Meetings that neither received gross income nor incurred gross expenditure exceeding £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 Parish Meeting has certified itself as exempt at a Parish Meeting held between 1 April and 30 June 2019 and a completed Certificate of Exemption is submitted notifying the external auditor.

MILLBROOK PARISH MEETING

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

Annual gross income for the Parish Meeting 2018/19: £5,401

Annual gross expenditure for the Parish Meeting 2018/19: £4,239

There are certain circumstances in which an Parish Meeting will be **unable to certify itself as exempt**, so that a limited assurance review will still be required. If a Parish Meeting **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 3PM 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:

- This parish has no Parish Council
- The Parish Meeting has been in existence since before 1 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 Parish Meeting or any entity connected with it
  - made a statutory recommendation to the Parish Meeting
  - issued an advisory notice under paragraph 1(1) of Schedule 8 to the Audit and Accountability Act 2014 ("the Act"), and not withdrawn the notice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under section 28(1) of the Act for a declaration that an item of account is unlawful, and the application has not been withdrawn nor has the court refused to make the declaration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 Parish Meeting 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, the period for the exercise of public rights still need to be fully completed and, along with a copy of this certificate, published or displayed before 1 July 2019. **By signing this certificate you are also confirming that you are aware of this requirement.**

Signed by Chairman



Date

9th April 2019

Email address

c\_shrimpo@hotmail.co.uk

Telephone number

01525 404221

**ONLY a copy of 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.**

## Part 2PM Annual Internal Audit Report 2018/19

### MILLBROOK PARISH MEETING

This Parish Meeting'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 Parish Meeting'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 Parish Meeting.

| 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.   | <input checked="" type="checkbox"/>        | <input type="checkbox"/> | <input type="checkbox"/>                              |
| B. This Parish Meeting complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.   | <input checked="" type="checkbox"/>        | <input type="checkbox"/> | <input type="checkbox"/>                              |
| C. This Parish Meeting assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.   | <input checked="" type="checkbox"/>        | <input type="checkbox"/> | <input type="checkbox"/>                              |
| D. The precept requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.  | <input checked="" type="checkbox"/>        | <input type="checkbox"/> | <input type="checkbox"/>                              |
| E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.  | <input checked="" type="checkbox"/>        | <input type="checkbox"/> | <input type="checkbox"/>                              |
| F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.   | <input checked="" type="checkbox"/>        | <input type="checkbox"/> | <input type="checkbox"/>                              |
| H. Asset and investments registers were complete and accurate and properly maintained.   | <input checked="" type="checkbox"/>        | <input type="checkbox"/> | <input type="checkbox"/>                              |
| I. Periodic and year-end bank account reconciliations were properly carried out.   | <input checked="" type="checkbox"/>        | <input type="checkbox"/> | <input type="checkbox"/>                              |
| 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. | <input checked="" type="checkbox"/>        | <input type="checkbox"/> | <input type="checkbox"/>                              |
| K. IF the Parish Meeting 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 Parish Meeting had a limited assurance review of its 2017/18 AGAR)                        | <input checked="" type="checkbox"/>        | <input type="checkbox"/> | <input type="checkbox"/>                              |
| 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<br><input checked="" type="checkbox"/> |

For any other risk areas identified by this Parish Meeting adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

10/05/19

Name of person who carried out the internal audit

NICOLA REEDER

Signature of person who carried out the internal audit

N. Reeder

Date

10/05/19.

\*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).

## Part 2PM Section 2 – Accounting Statements 2018/19 for

### MILLBROOK PARISH MEETING

|   | Year ending        |                    | Notes and guidance  |
|---|--------------------|--------------------|---|
|   | 31 March 2018<br>£ | 31 March 2019<br>£ |   |
| 1. Balances brought forward                                 | 3396               | 5262               | 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  | 5000               | 5000               | Total amount of precept received or receivable in the year. Exclude any grants received.  |
| 3. (+) Total other receipts                                 | 15                 | 401                | Total income or receipts as recorded in the cashbook less the precept received (line 2). Include any grants received.   |
| 4. (-) Staff costs  | 722                | 665                | 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 Parish Meeting's borrowings (if any).   |
| 6. (-) All other payments                                   | 2427               | 3574               | 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                             | 5262               | 6424               | 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           | 5262               | 6424               | The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – <b>To agree with bank reconciliation.</b>                              |
| 9. Total fixed assets plus long term investments and assets | 33630              | 34270              | The value of all the property the Parish Meeting 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).  |

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 Parish Meeting.

Signed by the Chairman before being presented to the Parish Meeting for approval

Date

9th April 2019

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

15/05/19

as recorded in minute reference:

352

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

## Part 2PM Section 1 – Annual Governance Statement 2018/19

We acknowledge as the members of:

MILLBROOK PARISH MEETING

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 Parish Meeting:   |
|--|--------|----|---|
|  | 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 Parish Meeting 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 Parish Meeting’s accounts.  |
| 5. We carried out an assessment of the risks facing this Parish Meeting 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 met the needs of this Parish Meeting. |
| 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 Parish Meeting 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.                                       |

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

This Annual Governance Statement was approved at a Parish Meeting on:

15/05/19

and recorded as minute reference:

352 REFERENCE

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

Chairman

## Bank Reconciliation

This reconciliation must include **all** bank and building society accounts and other short-term investments\*. It **must** agree to Box 8 in the column headed "Year ending 31 March 2019" in Section 2 of the Annual Return. It will also agree to Box 7 where the accounts are prepared on a receipts and payments (cash) basis.

Parish Meeting Name **MILLBROOK PARISH MEETING**

Financial year ending 31 March 2019

Prepared by Julie Todd, Clerk/RFO

Date 8 April 2019

|  |  |          |                 |
|--|--|----------|-----------------|
| Balance per bank statements as at 31 March 2019:                               |  | £        | £               |
| e.g. Current account   |  | 5,994.74 |                 |
| Business Premium account   |  | 487.70   |                 |
| Building society premium a/c   |  |          |                 |
|  |  | <hr/>    | 6,482.44        |
| Petty cash float (if applicable)   |  |          |                 |
| Less: any unpresented cheques at 31 March 2019 (normally only current account) |  |          |                 |
| Cheque number 872  |  | 58.80    |                 |
|  |  | <hr/>    |                 |
| Add: any un-banked cash at 31 March 2019                                       |  |          |                 |
| e.g. Allotment rents banked 31 March 2019 (but not credited until 1 April)     |  |          |                 |
|  |  | <hr/>    |                 |
| Net balances as at 31 March 2019   |  |          | <u>6,423.64</u> |

***The net balances reconcile to the Cash Book (receipts and payments account) for the year, as follows:***

### CASH BOOK

Opening Balance 1 April 2018

Add: Receipts in the year

Less: Payments in the year

Closing balance per cash book [receipts and payments book] as at 31 March 2019 (**must equal net balances above**)

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\* **Note:** Long-term investments should be excluded from the bank reconciliation and from Section 2, Boxes 1, 7 and 8. They must be shown in Section 2, Box 9 and recorded in the asset and investment register.

## Explanation of significant variances in the accounting statements - Section 2

Parish meeting name: **MILLBROOK PARISH MEETING**

Please explain any variances of more than 15% between the totals for individual boxes in Section 2. We do not require explanations for variances of less than £200; however, in some cases there may be 'compensating' variances which leave the overall total for a box relatively unchanged – e.g. where there was a major one-off project in one year (e.g. contribution to village hall extension of £30,000), but a totally different expense of a similar size in the next (e.g. purchase of playground equipment of £28,000). In such cases, it would be helpful to provide an explanation of movements within each box. **We also ask you to explain any change where there is a movement to or from zero.** Please either use the proforma below, or complete a separate schedule if more space is required.

| Section 2  | 2017/18<br>£ | 2018/19<br>£ | Variance<br>(+/-) £ | Detailed explanation of variance<br>(for each reason noted please include monetary values (to nearest £10))  |
|--|--------------|--------------|---------------------|--|
| <b>Box 2</b><br><i>Precept</i>                             | 5000         | 5000         | 0                   |  |
| <b>Box 3</b><br><i>Other income</i>                        | 15           | 401          | 386                 | £400 contribution from Millbrook Village Hall towards grass cutting costs  |
| <b>Box 4</b><br><i>Staff costs</i>                         | 722          | 665          | - 57                |  |
| <b>Box 5</b><br><i>Loan interest/<br/>capital</i>          | 0            | 0            | 0                   |  |
| <b>Box 6</b><br><i>Other payments</i>                      | 2427         | 3574         | 1,147               | £640 purchase of picnic bench; £500 repairs to noticeboard   |
| <b>Box 7</b><br><i>Balances carried forward</i>            | 5262         | 6424         | 1,162               | If some of the year-end balances are earmarked for specific purposes rather than as a general reserve, please provide a breakdown.<br><br>Funds are being accumulated for new play equipment |
| <b>Box 9</b><br><i>Fixed assets &amp; long term assets</i> | 33630        | 34270        | 640                 | Explain all movements in this category and not just those above 15%<br>£640 - Purchase of new picnic bench   |
| <b>Box 10</b><br><i>Total borrowing</i>                    | 0            | 0            | 0                   |  |

**Confirmation regarding the exercise of public rights**

Parish meeting name: **MILLBROOK PARISH MEETING**

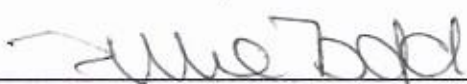
The Parish Meeting must inform the electorate of a 30 working day period during which public rights may be exercised.

The inspection period must include the first **10 working days** of July 2019. It must start the day after the annual return has been published on your website (or noticeboard for parish meetings) and publication must be as soon as practical after the unaudited annual return has been approved by the Parish Meeting.

Working days are defined as Monday – Friday. They **do not** include Saturdays, Sundays and Bank holidays.

The inspection period commences on: Monday, 10 June 2019

And ends on: Friday, 12 July 2019

Signed:  Date: 13/08/19

Position held: Responsible Financial Officer/Parish Clerk