

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.

DOCKING 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: £16,258 R AMOUNT £00,000

Total annual gross expenditure for the authority 2019/20: £12,462 R AMOUNT £00,000

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notice under paragraph 1(1) of Schedule 8 to the Local Audit and Accountability Act 2014 ("the Act"), and has not withdrawn the notice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under section 28(1) of the Act for a declaration that an item of account is unlawful, and the application has not been withdrawn nor has the court refused to make the declaration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

31/05/2020

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

18/06/2020

Signed by Chairman

Date

21/06/2020

as recorded in minute reference:

JUNE 8.3

Email of Authority

docking.council@outlook.com

Telephone number

07766 241127

*Published web address

www.docking-parish-council.norfolkparishes.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, but no later than 30 June 2020. Reminder letters incur a charge of £40 +VAT

Annual Internal Audit Report 2019/20

DOCKING 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.	N/A		
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

04/06/2020

DD/MM/YYYY

DD/MM/YYYY

MRS. JENNIFER SHAH AUDITOR

Signature of person who carried out the internal audit

[Redacted Signature]

REQUIRED

Date

04/06/2020

*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:

DOCKING 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	
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
	☐	☐	☒

*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:

18/06/2020

and recorded as minute reference:

June MIN 8.3 REFERENCE

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

Chairman

Clerk

Section 2 – Accounting Statements 2019/20 for

DOCKING PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2019 £	31 March 2020 £	
1. Balances brought forward	9,022	12,836	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. 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	13,000	13,390	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	3,609	2,868	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	3,900	3,600	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	8,896	8,862	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	12,836	16,632	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	12,836	16,632	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	49,232	49,232	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

[Signature]

Date

31/05/2020

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

18/06/2020

as recorded in minute reference:

June 8-3

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

[Signature]

Explanation of variances – pro forma

Name of smaller authority: **Docking Parish Council**
County area (local councils and Norfolk)

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).

	2018/19 £	2019/20 £	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	9,022	12,838				Explanation of % variance from PY opening balance not required - Balance brought forward does not agree, query this	
2 Precept or Rates and Levies	13,000	13,390	390	3.00%	NO		
3 Total Other Receipts	3,609	2,888	-741	20.53%	YES		Verge Cutting rebate not received
4 Staff Costs	3,900	3,600	-300	7.69%	NO		
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO		
6 All Other Payments	8,886	8,862	-34	0.38%	NO		
7 Balances Carried Forward	12,835	16,632			NO	VARIANCE EXPLANATION NOT REQUIRED	
8 Total Cash and Short Term Investments	12,836	16,632				VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and	49,232	49,232	0	0.00%	NO		
10 Total Borrowings	0	0	0	0.00%	NO		

Rounding errors of up to £2 are tolerable

Variances of £200 or less are tolerable

21/5/20

Bank reconciliation – pro forma

This reconciliation should include all bank and building society accounts, including short term investment accounts. It must be in the column headed "Year ending 31 March 20xx" 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 shown as negative figures.

Docking Parish Council

Norfolk

Financial year ending 31 March 2020

Michelle Wroth - Clerk and RFO

31/03/2020

Balance per bank statements as at 31/3/20:

8,261.9

8,430.2

account 4

account 6

account 8

16,692.1

Petty cash float (if applicable)

Less: any unpresented cheques as at 31/3/20 (enter these as negative numbers)

(60.00)

item 3

item 5

item 7

Item 8

(60.00)

Add: any un-banked cash as at 31/3/20

Net balances as at 31/3/20 (Box 8)

31/5/20

DOCKING PARISH COUNCIL

Accounts for year end 2019/20

Year ending 31.03.19 Year ending 31.03.19

INCOME		
Opening Balances	9,022	12,836
Precept	13,000	13,390
Allotment - Recreation Rents	415	220
VAT	561	293
Interests at Bank	15	15
Grants	212	96
Verge Contract	1,580	
CIL	729	2,244
Donations	98	
Total income	25,632	29,094
EXPENDITURE		
Grounds and Verges	1,458	1,580
HMRC	780	720
Clerk's Salary	3,120	2,880
Expenses	127	340
Administration/audit	136	65
Maintenance costs/rents	177	
Litter and dog bins	658	462
Repairs and Renewals	-	290
CIL	342	-
Street Lighting	786	1,061
speedwatch	126	106
Insurance	706	727
Subscriptions	314	248
VAT	931	932
Parish Plan	-	-
Removal of Conifer Trees	-	2,200
Election Expenses	-	52
Section 137/ Donations	550	640
Defibrillator	2,170	-
Bench	364	
Computer Expenses	50	159
Total expenditure	12,796	12,462
Balance of income less expenditure	3,814	3,796
Closing Balance	12,836	16,632
Community Account 31/03/20	4,928	8,262
Business Saver Account 31/03/20	8,122	8,430
Unpresented cheques	214	60
	0	-

Responsible Finance Officer
M Wroth 31/03/2020

3/5/20

INCOME													2019/2020	
	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	YTD	
	£	£	£	£	£	£	£	£	£	£	£	£	£	
Bank Revenue														
Bank Interest														
Bank fee Repay			4.05			4.05			4.05			2.87	15.02	
Precept	13,390.00												13,390.00	
Miscellaneous coins														
CIL							2,243.58						2,243.58	
VAT refunds												293.11	293.11	
Grants														
Precept Grant	96.00												96.00	
Donations														
	0													
Insurance														
Claims														
Other														
Lighting Refund														
Course Grant														
NCC Hgrass cutting														
allotments/land rents		35.00												
TOTAL INCOME	13,486.00	35.00	4.05	0.00	0.00	25.00	2,243.58	105.00	4.05	55.00	0.00	295.98	220.00	
													16,257.71	

Docking PARISH COUNCIL
2019/2020

EXPENDITURE	2019/2020 Budget £	Apr-18 £	May-18 £	Jun-18 £	Jul-18 £	Aug-18 £	Sep-18 £	Oct-18 £	Nov-18 £	Dec-18 £	Jan-19 £	Feb-19 £	Mar-19 £	2019/2020 YTD £
Parish Maintenance														
Bins/Dog Bins	0.00													
Grounds	2,700.00		81.40	81.40	81.40	81.40	81.40	81.40	81.40	81.40	81.40	461.76	81.40	461.76
Street Lighting EON	775.00	54.99	53.22	54.99	53.22	54.99	54.99	53.22	54.99	53.22	54.99	54.99	51.45	895.40
Street Lighting M'tce	0.00	21.81	21.81	21.81	21.81	21.81	171.81	21.81	21.81	21.81	21.81	21.81	21.81	649.26
Verge Cutting	0.00	82.00	41.00	82.00	41.00		82.00		82.00					411.72
M Todd - Green	0.00										275.00			410.00
														275.00
Clerks Salary & Admin														
Fees	3,180.00	240.00	240.00	240.00	240.00		480.00	240.00	240.00	240.00	240.00	240.00	240.00	2,880.00
HMRC	720.00	60.00	60.00	60.00	60.00		120.00	60.00	60.00	60.00	60.00	60.00	60.00	720.00
Expenses	150.00													
Admin	250.00									200.06	15.00	15.00	29.64	259.70
Annual Subs	0.00													
NALC	250.00	247.80												247.80
Insurance	720.00				726.73									726.73
Professional Fees														
Legal	0.00													
Audit	0.00				25.00			40.00						65.00
Councillor Costs														
Courses	100.00													
Travel	0.00													
Chairman expenses	0.00	80.00												80.00
Election Expenses	1,500.00				52.43									52.43
Grants														
Jacks lane	0.00													
Website	0.00													
McAfee	0.00	89.99												89.99
VAT	500.00													
Grounds		16.40	24.48	32.66	24.48	16.28	32.68	16.28	32.68	16.29	16.28	16.28	16.28	932.20
Street Lighting Elect		2.75	2.66	2.75	2.66	2.75	2.75	2.66	2.75	2.66	2.75	2.75	2.57	261.07
Street Lighting M'tce		4.36	4.36	4.36	4.36	4.36	34.36	4.36	4.36	4.36	4.36	4.36	4.36	32.46
capital items											16.00			82.32
Audit								8.00						16.00
Legal														8.00
Dog Bins														
Misc												92.35		92.35
												440.00		440.00
Miscellaneous														
Wreath inc in row 53	0.00								40.00					40.00
Donations/Section 137	700.00				600.00									600.00
Speedwatch	250.00	70.00							36.08					106.08
Removal of Conifers												2,200.00		2,200.00
Capital Costs														
Laptop	0.00													
Printer	0.00	69.00												69.00
Pound Sign	0.00										79.99			79.99
Relacement bins	500.00	210.30												210.30
New Street Light	0.00													
Defibrillator	0.00													
Village Hall														
Rent	200.00													
TOTAL EXPENDITURE	0.00	1,249.40	528.93	579.97	1,933.09	181.59	1,059.99	527.73	656.07	679.80	867.58	3,690.70	507.51	12,462.36

The internal audit of the accounts for Docking Parish Council for the year 2019/20 has been completed using the tests provided in Governance and Accountability for Smaller Authorities in England, March 2019.

Internal Control		Test	Observations (Yes / No / Notes)
Bookkeeping / cashbook	Maintained & up-to-date? Arithmetically correct? Regularly balanced?	Y Y Y	Y Y Y
Standing Orders,	Have these been formally adopted? Date Standing Orders last reviewed Date Financial Regulations last reviewed	Y 16/05/19 16/05/19	Y Y Y
Financial Regulations &	Is there a Responsible Finance Officer with specific duties? Competitive purchasing of goods/services above de minimis amount? Expenditure supported by purchase orders, invoices, authorised and minuted? VAT on payments identified, recorded and reclaimed?	Y Y – Clerk is also RFO Check w. Clerk 1.	Y Y Y
Payment controls	s137 expenditure recorded separately and within statutory limits? s137 expenditure approved and included in the minutes as such?	Y Y	Y Y
Risk Management	Do minutes identify any unusual financial activity? Do minutes record an annual risk assessment or review of their risk management scheme? Insurance cover appropriate and adequate? Internal financial controls documented and regularly reviewed?	N Check w. Clerk 2. Y Y	N Y Y Y
Budget	Does the annual budget support the Council's precept? Is it minuted as approved? Has the precept been calculated from the budget and been approved? Does the budget include a full year? Actual expenditure against budget regularly reported to the Council? Any significant unexplained variances from budget?	Y Y Y N N	Y Y Y N N
Income	Income properly recorded and promptly banked? Does the precept recorded agree to the Council Tax authority's notification? Are security controls over cash and near-cash adequate and effective?	Y Y N/A	Y Y N/A
Petty cash	Expenditure recorded and supported by VAT invoices / receipts? Reported to each Council meeting? Reimbursement carried out regularly?	N/A N/A N/A	N/A N/A N/A
Payroll	Employees have contracts of employment with clear terms & conditions? Salaries paid agree with those approved by the Council? Salaries above the National Living Wage / Minimum wage? Other payments to employees reasonable and approved by the Council? PAYE / NIC been properly operated by the Council as an employer?	Y Y Y Y Y	Y Y Y Y Y
Assets	Asset register of all material assets owned / in the Council's care, maintained? Assets and investments register up-to-date? When last reviewed? Asset insurance valuations agree with those in the asset register?	N See note 3. See note 3.	N Y Y

Internal Control		Test	Observations
Bank reconciliation	Bank reconciliation for each account? Properly reported to the Council? Bank reconciliation carried out regularly and in a timely fashion? Any unexplained balancing entries in any reconciliation? Value of investments held summarised on the reconciliation?		Y Y N Y
Year-end procedures	Accounts prepared on the correct basis (receipts /payments or income/expenditure)? Accounts agree with the cashbook? Year-end bank reconciliation been undertaken? Audit trail from underlying financial records to the accounts? Where appropriate, have debtors and creditors been properly recorded?		Y Y Y Y Y
Procedural	Recommendations from previous Internal Audit report considered by and actioned?	N/A – no previous recommendations	
Transparency: for smaller Councils with turnover under £25,000	Minutes for whole year on website? Agendas for whole year on website? Payments over £100 detailed on website? Electors' rights advertised on website? Councilors' responsibilities detailed on website? Last financial year's Annual Return on website? Land/building assets on website? (Description, location, owner, date & cost of acquisition, present use) Are fees levied in accordance with the Council's approved scale of fees and charges?		Y Y Y Y Y Y N. See note 3. N/A
Burial Authorities only	Have fees for the cemetery been reviewed and agreed by the Council? Were comparisons made with other cemeteries prior to setting the fees? Have burial books been kept up-to-date and are they safely stored?		N/A N/A N/A
Allotments	Has a list of allotment holders with amounts paid to Council been submitted? Have fees for the allotments been reviewed and agreed by Council? Have Charities reported and accounted separately?		Y Y N/A
Councils with charities only	Have the Charity accounts been independently audited? Have the Charity accounts and Annual Return been filed within the legal time limit?		N/A N/A

Recommendations Please see notes in the observations column of the above table and below:

1. de minimis amount specified in Standing Orders or procedures?
2. Review and minute with Council and update as when new risks arise throughout the year.
3. Asset register – to compile and maintain as up-to-date



Signed: Jennifer Shah

4/6/2020

Date