

Carlton Parish Council

Audit documentation for the financial year ending 31st March 2020

This file includes the following documents:

(A) Annual Governance and Accountability Return 2019-2020 comprising:

Page 3: Certificate of Exemption

Page 4: Internal audit report

Page 5: Annual governance statement

Page 6: Accounting statements

(B) Analysis of variances

(C) Bank reconciliation

These documents are unaudited and subject to change

The accounts and supporting documentation will be available for public
inspection from
Monday 13th July to Friday 21st August 2020 inclusive

[Separate advertisement will give full details and information about public rights]

More detailed financial information is published on the
Carlton Parish Council website at www.carltonpc.co.uk/finance

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.

CARLTON 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:

£ 11,616

Total annual gross expenditure for the authority 2019/20:

£ 8,546

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 aware of this requirement.**

Signed by the Responsible Financial Officer

Date

IED

24/4/20

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

08/07/2020

Signed by Chairman

IED

Date

8/7/20

as recorded in minute reference:

P.1805/5P. REFERENCE

Email of Authority

clerk@carltonpc.co.uk

Telephone number

01455-290934

*Published web address

www.carltonpc.co.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

CARLTON 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.			✓

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

20/1/20 24/1/20

27/4/20

JACKIE MARSHALL

Signature of person who carried out the internal audit

Date 30.4.2020

*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:

CARLTON 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.	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.
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
			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:

08/07/2020

and recorded as minute reference:

P. 1805 / Sh.

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

Chairman

Clerk

Section 2 – Accounting Statements 2019/20 for

CARLTON PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2019 £	31 March 2020 £	
1. Balances brought forward	45958	48885	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	8000	8000	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	4598	3616	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	1400	1500	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	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	8671	7046	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	48885	51955	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	48885	51955	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	21772	26103	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 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

SIGNATURE

Date

24/04/2020

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

08/07/2020

as recorded in minute reference:

P.1806/51

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

Carlton Parish Council Leicestershire

Explanation of variances for financial year ending 31st March 2020

	2018/19	2019/20	Variance £	Variance %	Explanation
Box 2	8000	8000	0		
Box 3	4998	3616	1382	28	Cemetery fees 19/20 1190 VAT refund 19/20 795 Grants 19-20 1391 <u>TOTAL 1</u> 3376 Cemetery fees 18/19 2860 VAT refund 18/19 387 Grants 18/19 1625 <u>TOTAL 2</u> 4872 TOTAL 2 – TOTAL 1 1496 <u>Subtract</u> 1382 114 Residual variance 2%
Box 4	1400	1500	100	7	
Box 5	nil	nil			
Box 6	8671	7046	1625	19	18/19 Speed indicator 3250 18/19 VAT paymt refund 194 <u>TOTAL 1</u> 3444 19/20 Clerk PAYE refund 140 19/20 Park bench seat 1081 19/20 Highway works 1375 19/20 Internal audit paymt 70 19/20 Training 60 <u>TOTAL 2</u> 2726 TOTAL 1 – TOTAL 2 718 Residual variance 8%
Box 9	21772	26103	4331	20	Speed indicator eqpt 3250 Park bench seat 1081 <u>TOTAL</u> 4331 Residual variance 0
Box 10	nil	nil			

Explanation for high reserves

Carlton Parish Council held the following reserves at 31st March 2020:

Recreational land reserve (for purchase of playing field)	37025
Fixed asset fund (for repair/replacement of play equipment)	3880
Voluntary group funds	1737
Election reserve	2000
Contingency reserve	4000
Total	48642

C J Peat
Responsible Financial Officer
24th April 2020

Carlton Parish Council Leicestershire

Bank reconciliation for financial year ending 31st March 2020

Bank statements at 31 st March 2020	£.p
HSBC Community account	686.27
HSBC Business Money Manager account	14282.02
<u>Barclays Business direct account</u>	<u>36990.88</u>
Total	51959.17
<i>Subtract</i>	
<u>Unpresented cheque no 100736</u>	<u>4.40</u>
Total	51954.77

Receipts & Payments account book	£.p
Opening balance on 1 st April 2019	48885.15
<i>Add</i>	
<u>Receipts to 31st March 2020</u>	<u>11615.68</u>
Total	60500.83
<i>Subtract</i>	
<u>Payments to 31st March 2020</u>	<u>8546.06</u>
Total	51954.77

C J Peat
Responsible Financial Officer
24th April 2020