

CERTIFICATE OF EXEMPTION 2022/2023

An authority can only declare itself exempt from a limited assurance review by the external auditor by resolution **at a meeting of the authority after the conclusion of a financial year,**

A Certificate of Exemption needs to be submitted to the auditor every financial year after 31 March. The Council must pass a resolution, having first confirmed that it meets the qualifying criteria, that it wishes to declare itself exempt from a limited assurance review and only then can the Clerk/RFO and Chairman sign the Certificate of Exemption and send it to the auditor.

Criteria for exemption: The **qualifying criteria for an authority to declare itself as exempt** are as set out in Regulation 9 of the Local Audit (Smaller Authorities) Regulations 2015, namely:

- The authority certifies that during the financial year, the higher of the authority's gross income for the year **or** gross annual expenditure for the year did not exceed **£25,000**;
- The authority was in existence on 1st April 2018;
- In relation to the preceding financial year, 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an advisory notice under paragraph 1(1) of Schedule 8 to the Audit and Accountability Act 2014 ("the Act"), and has not withdrawn the notice;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under section 28(1) of the Act for a declaration that an item of account is unlawful, and the application has not been withdrawn nor has the court refused to make the declaration;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 the authority is able to confirm that the above statements apply and that the authority neither received gross income nor incurred gross expenditure exceeding £25,000, then a Certificate of Exemption can be completed, signed and returned to the external auditor.