

Section 1 – Annual Governance Statement 2023/24

We acknowledge as the members of:

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 2024, 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.		✓		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 authority 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 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.		✓		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 meet the needs of this smaller authority.
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 authority 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.
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	has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.
			✓	

*Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.

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

26th June 2024

and recorded as minute reference: 371

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

Chair



Clerk

J. Komar



Kingsbury Parish Council

Working for the local community in North Warwickshire

SECTION 1 - ANNUAL GOVERNANCE STATEMENT 2023/24 STATEMENT

1. *We have put in place arrangements for effective financial management during the year and for the preparation of the account statement.*

The annual Council records and accounts were only made up till February 2024, thus not making the accounts complete.

Kingsbury Parish Council has now put a new budget spreadsheet together showing purchase order and BAC's numbers. This spreadsheet also shows the amount spent and balance figure left in each category.

2. *We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness*

The bank mandate only had two signatories on the bank mandate the previous two clerks.

Since the internal audit the Kingsbury Parish Council has agreed for four councillors to be the signatories on the bank account. Every purchase must now have a purchase order. Accounts for payments are sent to all councillors prior to a parish meeting. Two councillors must now sign the account for payment the proposer and seconder sign.

3. *We took all reasonable steps to ensure 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.*

The above has not been carried out to the potential it should have done and some previous recommended actions had not been appropriately or fully acted upon.

Since the internal audit financial procedures have been put in place, monthly bank reconciliations, bank statements and bank transaction report are sent to all councillors on a monthly basis.

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.*

The above has not been carried out to its full potential and should have been done.

Kingsbury Parish Council is now looking at a financial procedure working through the new NALC Financial Regulations 2024 and putting together a financial procedure together

6. *We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control system.*

Kingsbury Parish Council internal audit was not carried out until April 2024 by a councillor not on the Finance Committee. A number of items were raised where it was suggested that purchase orders be implemented and reimbursement forms for items councillors paid for be introduced in addition to a budget category area being added to the expenses and reimbursement forms.

Since the internal audit Kingsbury Parish Council has proposed and accepted a councillor to do an internal audit quarterly, to sign the report document, sign both the bank statements and bank reconciliations, sign a document that the audit has taken place with comments to take back to the next parish council meeting.

7. *We took appropriate action on all matters raised in report from internal and external audit.*

Kingsbury Parish Council have taken on board the report from the external audit last year as mentioned above purchase orders have been implemented and internal financial controls have been passed at parish meetings. The internal audit this year the parish council has taken on board and actions have been put into place and minuted.

8. *We considered whether any litigation, liabilities or commitments, events or transactions occurring either during or after year end, having financial impact on the authority and, where appropriate, have included them in the accounting statements.*

Kingsbury Parish Council has had no clerk since the middle of March. To the best of our ability we put together all relevant financial reports on all information we have found on the parish laptop which was returned to the Chair of the council on 31st March 2024.

This has been a very hard learning curve for Kingsbury Parish Council and new procedures have been put in place so the Parish Council is never left in this position again.

Section 2 – Accounting Statements 2023/24 for

KINGSBURY PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2023 £	31 March 2024 £	
1. Balances brought forward	28507	34334	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	37996	37821	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	2451	3320	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	18319	7727	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	16302	21726	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	34334	46021	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	34334	47574	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	154520	159894	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).

For Local Councils Only	Yes	No	N/A	
11a. Disclosure note re Trust funds (including charitable)				The Council, as a body corporate, acts as sole trustee and is responsible for managing Trust funds or assets.
11b. Disclosure note re Trust funds (including charitable)				The figures in the accounting statements above exclude any Trust transactions.

I certify that for the year ended 31 March 2024 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

J. Thomas

Date

26/06/24

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

26/06/24

as recorded in minute reference:

371

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

[Signature]

Annual Internal Audit Report 2023/24

Kingsbury Parish Council

During the financial year ended 31 March 2024, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2023/24 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	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 bank account reconciliations were properly carried out during the year.		✓	
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 2022/23, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2022/23 AGAR tick "not covered")	N/A		
L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.	✓		
M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations (during the 2023-24 AGAR period, were public rights in relation to the 2022-23 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).	✓		
N. The authority has complied with the publication requirements for 2022/23 AGAR (see AGAR Page 1 Guidance Notes).	✓		
O. (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

26/4/24

Name of person who carried out the internal audit

J.W. Woollicroft

Signature of person who carried out the internal audit



Date

3/6/24

***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).**

**J W Woolliscroft
Carriers Cottage
Copston Magna
Wolvey
Hinckley
LE10 3HE**

**Kingsbury Parish Council
Internal Audit
26th April 2024**

Additional comments to the Annual Audit Report

The Audit was carried out without the Clerk's presence as she is on long term sick leave. The Audit was conducted with the Chair, Jean Thomas, Vice-chair, Ian Thomas and another councillor present.

Background.

I conducted the internal Audit on Kingsbury PC in June of last year. This was conducted with the Clerk, Samantha Gommershall who had been in post less than one year.

As per my report dated 2/6/24 the Clerk was in the process of sorting out the PC records and learning her role. Recommendations were made in my report and assistance and advice given both during my Audit and during subsequent email exchanges to assist with specific matters that arose following the Audit.

The Clerk is now on long-term sick leave, and this is causing the PC members many problems as many of the PC records, and most importantly – the banking details and access, are unavailable. I have taken this into account when carrying out my Audit and preparing this report, in order to assist the PC to fulfil its' duties despite these issues.

My Audit showed an incomplete but accessible set of Council records and accounts. The Audit checks revealed the following issues which need to be addressed:

- The accounts are based on a spreadsheet and was complete excepting March entries due to the access issues mentioned above. Thus, the annual accounts will be incomplete and unacceptable. Some payments have been made by individual Councillors and this, albeit born of necessity, is not good practice.
- The lack of access to the bank details and statements, due to the Clerk being the sole signatory, has highlighted that this is unworkable and need addressing

urgently. Access to other PC records were also un-accessible, and this needs to be corrected urgently.

- Financial controls had been in place whilst the Clerk was operating, but these were inconsistent, and did not show enough detail. Copies of bank statement were not always made available to Councillors. These should be available to all Councillors, preferably prior to meetings, to allow checking of the figures and bank position and “signing off.” An improved system of financial reporting needs implementing as soon as possible.
- VAT. Evidence was available to show some VAT had been reclaimed during the year and had been received. However, the spreadsheet, although showing payments made, in many instances did not allocate the VAT portion of the invoice. No evidence was available that these VAT amounts were reclaimed.
- Payments that were due for payment in March, but still overdue at the year end, were not accounted for in the year-end accounts, thus making these accounts incorrect.
- No Health and Safety policy appeared to be in place, this is a vital policy for any public body.
- The following policies and procedures.
Standing Orders
Financial regulation
Grievance and Disciplinary
Code of Conduct
GDPR
Are in place but in need of reviewing. I would urge the Council to have an easily accessible and understandable list of all Policies and Procedures be drawn up showing all adopted, complete with recommended review dates and a record of this being carried out.
- The policy for the inspection of PC documents/records by members of the public is in place but due to the present situation is now unworkable, this needs amending to ensure this does not reoccur.
- The Precept requirement for the year was correctly calculated by a prepared budget, but the recording of this and a copy of the budget was not minuted. The resulting request for the agreed amount from the local authority was not correctly minuted.
- The comments and recommendations of both the internal and external audits carried out the previous year have largely not been carried out; this may be due to the present Clerk illness issues.

- No record was made in the minutes of Councillors leaving meetings due to their declared interests (which were minuted) and their return to the meeting. This was despite knowledge that this had occurred.
- A purchase order system had been implemented as recommended, but this has lapsed.
- A formal annual inspection of the playground equipment had been carried out but not reported to the PC or minuted. A more frequent informal inspection was said to be being carried out by Councillors, but this also was not reported or minuted.
- No inspection of the PC assets was recorded or minuted.
- The previous year's AGAR forms were not available and thus were not able to be checked. There is some confusion over the correct AGAR forms for use this year (due to the PC not being eligible for exemption) and Councillors were recommended to contact WALC for advice.

The Councillors showed a great understanding of the issues raised and the tasks involved to "regularise" the PC affairs. I hope the above comments and recommendations will help this process, and I trust the Councillors receive the support to achieve this

Yours sincerely

A handwritten signature in black ink, appearing to read 'Bill Woolliscroft', written over a horizontal line.

Bill Woolliscroft