

Smaller authority name: BADSWORTH PARISH COUNCIL

**NOTICE OF PUBLIC RIGHTS AND PUBLICATION
OF ANNUAL GOVERNANCE & ACCOUNTABILITY
RETURN (EXEMPT AUTHORITY)**

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

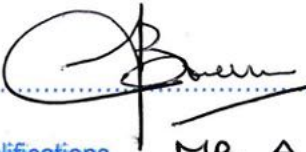
**Local Audit and Accountability Act 2014 Sections 25, 26 and 27
The Accounts and Audit Regulations 2015 (SI 2015/234)**

NOTICE	NOTES
<p>1. Date of announcement <u>21st July 2023</u> (a)</p> <p>2. Each year the smaller authority prepares an Annual Governance and Accountability Return (AGAR). The AGAR has been published with this notice. It will not be reviewed by the appointed auditor, since the smaller authority has certified itself as exempt from the appointed auditor's review. Any person interested has the right to inspect and make copies of the AGAR, the accounting records for the financial year to which it relates and all books, deeds, contracts, bills, vouchers, receipts and other documents relating to those records must be made available for inspection by any person interested. For the year ended 31 March 2023, these documents will be available on reasonable notice by application to:</p> <p>(b) <u>COUNCILLOR BRENDA GRAHAM</u> <u>(CHAIRMAN) brenda@badsworthpc.co.uk</u> <u>01977 642994</u></p> <p>commencing on (c) <u>24th July 2023</u></p> <p>and ending on (d) <u>18th August 2023</u></p> <p>3. Local government electors and their representatives also have:</p> <ul style="list-style-type: none">• The opportunity to question the appointed auditor about the accounting records; and• The right to make an objection which concerns a matter in respect of which the appointed auditor could either make a public interest report or apply to the court for a declaration that an item of account is unlawful. Written notice of an objection must first be given to the auditor and a copy sent to the smaller authority. <p>The appointed auditor can be contacted at the address in paragraph 4 below for this purpose between the above dates only.</p> <p>4. The smaller authority's AGAR is only subject to review by the appointed auditor if questions or objections raised under the Local Audit and Accountability Act 2014 lead to the involvement of the auditor. The appointed auditor is:</p> <p>PKF Littlejohn LLP (Ref: SBA Team) 15 Westferry Circus Canary Wharf London E14 4HD (sba@pkf-l.com)</p> <p>5. This announcement is made by (e) <u>Brenda Graham</u></p>	<p>(a) Insert date of placing of the notice which must be not less than 1 day before the date in (c) below</p> <p>(b) Insert name, position and address/telephone number/ email address, as appropriate, of the Clerk or other person to which any person may apply to inspect the accounts</p> <p>(c) Insert date, which must be at least 1 day after the date of announcement in (a) above and at least 30 working days before the date appointed in (d) below</p> <p>(d) The inspection period between (c) and (d) must be 30 working days inclusive and must include the first 10 working days of July.</p> <p>(e) Insert name and position of person placing the notice – this person must be the responsible financial officer for the smaller authority</p>

INTERNAL AUDIT SERVICE FOR BADSWORTH PARISH COUNCIL

AUDIT PROGRAMME – PERIOD ENDING : 31 MARCH 2023

I certify that I have carried out the tests detailed below in accordance with the suggested approach contained in the 2011 edition of "Governance and Accountability in Local Councils in England and Wales – A Practitioners Guide".

Signed:  Date: 14/6/2023
 Name & qualifications: MR. A. BOSMANS B.A (HONS)

1 Internal Control	2 Tests	3 Initial Yes	4 Initial No	5 Comments-date checked
Previous Internal Audit Report	Do the minutes record that Council has considered the Internal Audit Report for the previous year and the matters arising addressed?	✓		MAY 2022
Proper bookkeeping	Is the cashbook maintained and up to date?	✓		
	Is the cashbook arithmetically correct?	✓		
	Is the cashbook regularly balanced?	✓		MONTHLY
Standing Orders and Financial Regulations	Has the Council formally adopted Standing Orders and Financial Regulations?	✓		NEED REVIEW NEXT ANNUAL MEETING
	Has a Responsible Financial Officer been appointed?		✓	VACANT
	Have items or services above a de minimis amount been competitively purchased?	✓		
	Are payments in the cashbook supported by invoices and have they been authorised and minuted?	✓		
	Has VAT on payments been identified, recorded and reclaimed?	✓		CLAIMED APRIL 2022
	Is Section 137 expenditure separately recorded and within statutory limits?		✓	IDENTIFIED AS DONATIONS WITHIN LIMITS
Risk Management Arrangements	Does a scan of the minutes identify any unusual activity?		✓	

1 Internal Control	2 Tests	3 Initial Yes	4 Initial No	5 Comments-date checked
Risk Management Arrangements (contd)	Do the minutes record the Council carrying out an annual risk assessment?		d	NEED REVIEWING 2023-24
	Is insurance cover appropriate and adequate?		d	INSURANCE MUST BE IN PLACE NOW
	Are internal financial controls documented and regularly reviewed?	d		POLICIES & PROCEDURES REVIEW FILE
Budgetary Controls	Has the Council prepared an annual budget in support of its precept?	d		
	Is actual expenditure against the budget regularly reported to Council?	d		
	Are any significant variances from budget explained?	d		
Income Controls	Is income properly recorded and promptly banked?	d		
	Does the precept recorded in the cashbook agree to the Council Tax Authority's notification?	d		
	Are security controls over cash adequate and effective?	d		
Petty Cash Procedures	Is petty cash spent recorded, and supported by receipts?	}		
	Is petty cash expenditure reported to each Council Meeting?			NO PETTY CASH
	Is petty cash reimbursement carried out regularly?		}	
Payroll Controls	Do salaries paid agree with those approved by Council?			NO SALARIES
	Are any other payments to the Clerk/other staff reasonable and approved by Council?	d		

1 Internal Control	2 Tests	3 Initial Yes	4 Initial No	5 Comments-date checked
Payroll Controls (contd)	Has PAYE/NIC been properly operated by the Council as an employer?			NO CLERK 2022 - 23 ↓
Assets Controls	Do all employees have contracts of employment with clear terms + conditions?			
	Does the Council keep an Assets Register of all material assets owned?	✓		
	Are the Assets & Investments Register up to date?	✓		
	Do asset insurance valuations agree with those in the Asset Register?	✓		
Bank Reconciliation	Is there bank reconciliation for each bank account?	✓		
	Is the bank reconciliation carried out regularly on the receipt of statements?	✓		
	Are there any unexplained balancing entries in any reconciliation?		✓	
	Is the value of investments summarised on the reconciliation?	✓		
Year-End Procedures	Are year-end accounts prepared on the correct accounting basis?	✓		
	Do accounts agree with the cashbook?	✓		
	Is there an audit trail from underlying financial records to the accounts?	✓		
	Where appropriate, have debtors and creditors been properly recorded?			NOT APPLICABLE

GOOD AUDIT TRAIL AND RECOGNISE THE DIFFICULTIES THAN CLLR GRAHAM HAS IN KEEPING COUNCIL ACTIVE NEEDS A FULL ACTION PLAN RECORDED, SEE SEPARATE SHEET FOR DETAILS.

INTERNAL AUDIT SERVICE FOR BADSWORTH PARISH COUNCIL 2022-2023

There are **NO** significant problem areas indeed the Accounts are very carefully and logically presented.

Firstly, let me state that Cllr Brenda Graham is to be applauded for her patience and persistence in being the only Councillor or Officer left at Badsworth Parish Council.

I have audited the accounts and there are no issues per my report on the basis of the information provided.

However, after a lengthy conversation, I understand that the accounts cannot be signed off until the new elections enable councillors to be appointed.

There are a number of concerns and an action plan which must be put into place as follows:

1. There is currently no insurance as there is no one to approve the expenditure. Cover for insurance **MUST** be in place as it leaves the Council wide open for claims – I understand that on my verbal recommendation, cover has now been arranged.
2. PKF – External Auditors – must be informed immediately of a possible delay in sending them the accounts and the circumstances behind the delay.
3. Councillors once appointed **MUST** appoint a new Chair at its first meeting and preferably a Vice Chair – though this is a lesser requirement.
4. Measures must be taken to establish a small HR Committee of maximum 3 Councillors after the Committee Terms of Reference have been approved at the first Council Meeting per above – sample terms for an HR Committee can be found on the YLCA Website. The Committee must then advertise and seek a competent Clerk & Responsible Financial Officer at an appropriate rate.
5. At the First Meeting there must also be appointments to any bodies such as Planning Committee or representative bodies such as Lawson Hut Committee etc.
6. The AGAR and appropriate reports must be approved – again at this meeting – and signed by the new Chair with the appropriate minute reference.
7. The Dates for public inspection must be publicised and all documents for AGAR inspection / Back up and contact for New Chair etc must be sent to External Auditors PKF
8. All policies should be re-adopted and reviewed preferably at the meeting above, or if not at the next available meeting as per my recommendation.
9. Mandates for the Bank Statements should be changed as soon as possible and as soon as a new Clerk is in place, online banking should be considered.

Any problems, please let me know – I shall be happy to assist Badsworth in the Interim but cannot consider the permanent role.

Andrew Bosmans
Approved SLCC Internal Auditor

Section 1 – Annual Governance Statement 2022/23

We acknowledge as the members of:

BADSWORTH 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 2023, 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.

*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:

19th July 2023

and recorded as minute reference:

26/07/23

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

Chairman

Brenda Graham

Vice

Clerk

Chairman

RSU

Information required by the Transparency Code (not part of the Annual Governance Statement)

The authority website/webpage is up to date and the information required by the Transparency Code has been published.

Yes	No
✓	

badsworthparishcouncil.gov.uk

Section 2 – Accounting Statements 2022/23 for

BADSWORTH PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2022 £	31 March 2023 £	
1. Balances brought forward	36,138	39,836	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	11,131	11,000	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	687	658	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	2,934	0	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	5,186	3,113	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	39,836	48,381	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	39,836	48,381	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	10,407	10,407	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 do not include any Trust transactions.

I certify that for the year ended 31 March 2023 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

R. J. Williams (signed) *vice chair*

Date 19/7/23

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

19/07/23

as recorded in minute reference:

26/07/23

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

Brenda Graham (signed)

Certificate of Exemption – AGAR 2022/23 Form 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 2023, 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 2023 and a completed Certificate of Exemption is submitted no later than **30 June 2023** notifying the external auditor.

certifies that during the financial year 2022/23, 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 2022/23: 11,658

Total annual gross expenditure for the authority 2022/23: 3,113

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 Form 3 to the external auditor to undertake a limited assurance review for which a fee of **£210 +VAT** will be payable.

By signing this **Certificate of Exemption** you are confirming that:

- The authority was in existence on 1st April 2019
- In relation to the preceding financial year (2021/22), 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 the above statements apply and 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 the authority website/webpage* before 1 July 2023.

Signing this certificate confirms the authority will comply with the publication requirements.

Signed by the Responsible Financial Officer

Date

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

Signed by Chairman

Date

as recorded in minute reference:

Generic email address of Authority

Telephone number

*Published web address

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 2023. Reminder letters for late submission will incur a charge of £40 + VAT.