

## Contact details

Name of smaller authority: **BESTWOOD VILLAGE PARISH COUNCIL**

County Area (local councils and parish meetings only): **\_NOTTINGHAMSHIRE**

**Please complete this form and send it back to us with the AGAR or exemption certificate**

|   |  |  |
|---|--|--|
|   | <b>Clerk/RFO (Main contact)</b>                                  | <b>Chair</b>                                       |
| <b>Name</b>                             | <b>SUSAN STACK</b>   | <b>JACK ASHWORTH</b>                               |
| <b>Address</b>                          | <b>19 SHEPARD CLOSE<br/>HEMPSHILL VALE<br/>NOTTS<br/>NG6 7BP</b> | <b>3 LEEN CLOSE<br/>BESTWOOD VILLAGE<br/>NOTTS</b> |
| <b>Daytime<br/>telephone<br/>number</b> | <b>07708663342</b>   |  |
| <b>Mobile<br/>telephone<br/>number</b>  | <b>07708663342</b>   | <b>07591 947432</b>                                |
| <b>Email<br/>address</b>                | <b>Clerk@bestwoodvillagepc.org</b>                               | <b>Cllr.JAshworth.BestwoodVPC@gmail.com</b>        |

# BESTWOOD VILLAGE PARISH COUNCIL

## NOTICE OF PUBLIC RIGHTS AND PUBLICATION OF UNAUDITED ANNUAL GOVERNANCE & ACCOUNTABILITY RETURN

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

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

| NOTICE  | NOTES  |
|---|--|
| <p><b>1. Date of announcement 17<sup>th</sup> May 2023 (a)</b></p> <p><b>2. Each year the smaller authority's Annual Governance and Accountability Return (AGAR) needs to be reviewed by an external auditor appointed by Smaller Authorities' Audit Appointments Ltd. The unaudited AGAR has been published with this notice. As it has yet to be reviewed by the appointed auditor, it is subject to change as a result of that review.</b></p> <p>Any person interested has the right to inspect and make copies of the accounting records for the financial year to which the audit 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) Susan Stack, by appointment by e-mailing<br/><a href="mailto:Clerk@bestwoodvillagepc.org">Clerk@bestwoodvillagepc.org</a> or calling 07708663342</p> <p>commencing on (c) <u>Monday 5 June 2023</u></p> <p>and ending on (d) <u>Friday 14 July 2023</u></p> <p><b>3. Local government electors and their representatives also have:</b></p> <ul style="list-style-type: none"> <li>The opportunity to question the appointed auditor about the accounting records; and</li> <li>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.</li> </ul> <p>The appointed auditor can be contacted at the address in paragraph 4 below for this purpose between the above dates only.</p> <p><b>4. The smaller authority's AGAR is subject to review by the appointed auditor under the provisions of the Local Audit and Accountability Act 2014, the Accounts and Audit Regulations 2015 and the NAO's Code of Audit Practice 2015. The appointed auditor is:</b></p> <p>PKF Littlejohn LLP (Ref: SBA Team)<br/>15 Westferry Circus<br/>Canary Wharf<br/>London E14 4HD<br/>(<a href="mailto:sba@pkf-l.com">sba@pkf-l.com</a>)</p> <p><b>5. This announcement is made by (e) Susan Stack, Clerk to the Council</b></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> |



# Annual Internal Audit Report 2022/23

## BESTWOOD VILLAGE PARISH COUNCIL

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During the financial year ended 31 March 2023, 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 2022/23 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.   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                                     |
| B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                                     |
| C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                                     |
| D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                                     |
| E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                                     |
| F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | 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.  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                                     |
| H. Asset and investments registers were complete and accurate and properly maintained.   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                                     |
| I. Periodic bank account reconciliations were properly carried out during the year.  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                                     |
| 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.   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                                     |
| K. If the authority certified itself as exempt from a limited assurance review in 2021/22, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2021/22 AGAR tick "not covered")  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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.   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                                     |
| 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 2022-23 AGAR period, were public rights in relation to the 2021-22 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set). | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                                     |
| N. The authority has complied with the publication requirements for 2021/22 AGAR (see AGAR Page 1 Guidance Notes).   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                                     |
| O. (For local councils only)<br>Trust funds (including charitable) – The council met its responsibilities as a trustee.  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |

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

18/04/2023

Name of person who carried out the internal audit

STEPHEN C.S. ARUNDEL

Signature of person who carried out the internal audit

*Stephen Arundel*

Date

19/04/2023

\*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).



## Internal Audit – Bestwood Village Parish Council

### Overall Conclusions

| Issue   | Reference   | Recommendation   |
|---|---|--|
| 1) Omission of reference to financial transactions in the Minutes of Meetings     | Bestwood Village Financial Regulations 1.41 states “the RFO shall prepare a schedule of <b>payments</b> requiring authorisation, forming part of the Agenda for the Meeting, & together with the relevant invoices, present the schedule to the Council. The Council shall review the schedule for compliance and having satisfied itself, shall authorise payment by a resolution of the Council. The approved schedule shall be ruled off and initialled by the Chair of the Meeting.”<br>Under 1.31 It is noted that the Council must <b>authorise</b> all expenditure on revenue items over £500, with the Clerk, in conjunction with the Chair of the Council having the authority to <b>authorise</b> items under £500. | The Council's minutes make almost no reference to any financial transactions. The surviving records are almost entirely without authorisation from Councillors, are sometimes missing invoices and are often without any explanation referring to the purpose behind the transaction.<br><br>The present system of ad-hoc payments should be aligned to the Financial Regulations process, with <b>payment, or repayment to Councillors or Clerk, of expenditure incurred on the Council's behalf, following the Meetings.</b> |
| 2) The previous Clerk was allowed to invoice the Council on a self-employed basis | Contravention of the HMRC's “Parish & Community Councils Clerks PAYE Implementation.”   | Await response from NALC re the Locum Clerk's PAYE status (via Sue Stack).   |
| 3) Large number of sometimes basic errors among entries (refer workings sheet)    | Financial Regulations 1.17 states “at least once a quarter... a member other than the Chair shall be appointed to verify bank reconciliations produced by the RFO. The member shall sign the reconciliations and the original bank statements as evidence of verification. This...shall be reported, including any exceptions, to and noted by, the Council.”   | In practice this should be extended to check a sample of financial entries in the quarter for (1) recorded detail of purpose & authorisation of the original transaction<br>(2) correct accounting of VAT<br>(3) completeness of receipts  |
| 4) Asset Register exists but requires “cleaning up”                               | This audit presumes the register lists the asset values under the “March 2023” column which has a total of £125,864. However the “Value” column on the right of this, which is largely the 2022 and 2023 columns added together, also contains items including grit bins, Xmas lights and a gazebo which are not listed in the 2023 column. It is not clear whether these form part of the Council's assets.  | This sheet should be simplified to include <b>one</b> primary column containing <b>all</b> assets of monetary value, whilst also retaining as desired, the other information relating to the assets.   |
| 5) Uncertainty about works completed / due for payment                            | The folder contains a quote for “£3,220 + VAT” (amount of VAT not stated nor a VAT number quoted on the paperwork).   | VAT status of contractor should be verified before making a payment inclusive of VAT.<br>The Minutes state that this work was given the go-ahead at the meeting of 8 <sup>th</sup> November. Audit is unable to verify whether this has been completed or any indication of payment.   |



## Section 1 – Annual Governance Statement 2022/23

We acknowledge as the members of:

### BESTWOOD VILLAGE 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    | 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  |
|   |        |     | ✓  |

**\*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:

02/05/2023

and recorded as minute reference:

2023/054

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

Chairman

Clerk

*[Signature]*  
Susan Black



## Section 2 – Accounting Statements 2022/23 for

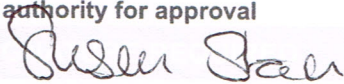
### BESTWOOD VILLAGE PARISH COUNCIL

|   | Year ending           |                       | Notes and guidance  |
|---|-----------------------|-----------------------|---|
|   | 31 March<br>2022<br>£ | 31 March<br>2023<br>£ |   |
| 1. Balances brought forward                                 | 32,044                | 45,598                | 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                          | 25,000                | 25,000                | Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.   |
| 3. (+) Total other receipts                                 | 8,086                 | 4,715                 | 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  | 601                   | 5,274                 | 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                                   | 18,931                | 16,918                | 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                             | 45,598                | 53,121                | 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           | 45,598                | 53,121                | The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – <b>To agree with bank reconciliation.</b>  |
| 9. Total fixed assets plus long term investments and assets | 125,864               | 125,864               | 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**



Date

01/04/2023

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

02/05/2023

as recorded in minute reference:

2023/054

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



## Bank reconciliation – example

This reconciliation should include **all** bank and building society accounts, including short term investment accounts. It **must** agree to Box 8 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

Name of smaller authority: BESTWOOD VILLAGE PARISH COUNCIL

County area (local councils and parish meetings only): **NOTTINGHAMSHIRE**

## Financial year ending 31 March 20xx

Prepared by (Name and Role): SUSAN STACK LOCUM CLERK & RFO

Date: 01/04/2023

|   | £         | £                |
|---|-----------|------------------|
| <b>Balance per bank statements as at 31/3/2023:</b> |           |                  |
| UNITY TRUST BANK                                    | 53,121.00 |                  |
|   | -         |                  |
|   | -         |                  |
|   | <hr/>     |                  |
|   |           | 53,121.00        |
| Petty cash float (if applicable) NOT HELD           |           | -                |
| Less: any un-presented cheques as at 31/3/23 NONE   |           |                  |
|   |           |                  |
|   | <hr/>     |                  |
| Add: any un-banked cash as at 31/3/23 NONE          |           | 0.00             |
|   |           |                  |
|   | <hr/>     |                  |
|   |           | -                |
| <b>Net balances as at 31/3/23 (Box 8)</b>           |           | <b>53,121.00</b> |



# Explanation of variances – pro forma

## Name of smaller BESTWOOD VILLAGE PARISH COUNCIL

County area (loc NOTTINGHAMSHIRE

*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);
- **New from 2020/21 onwards:** variances of £100,000 or more require explanation regardless of the % variation year on year;
- 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).

|   | 2021/22<br>£ | 2022/23<br>£ | Variance<br>£ | Variance<br>% | Explanation<br>Required? | Explanation from smaller authority (must include narrative)                       |
|---|--------------|--------------|---------------|---------------|--------------------------|---|
| 1 Balances Brought Forward                                | 32,044       | 45,598       |               |               |                          | ana<br>tion<br>of   |
| 2 Precept or Rates and Levies                             | 25,000       | 25,000       | 0             | 0.00%         | NO                       |   |
| 3 Total Other Receipts                                    | 8,086        | 4,715        | -3,371        | 41.69%        | YES                      | £3239 LESS IN VAT RECLAIM FROM PREVIOUS YEAR                                      |
| 4 Staff Costs   | 602          | 5,274        | 4,672         | 776.08%       | YES                      | EMPLOYED CLERK FOR 9 MONTHS BUT DID NOT WORK O<br>Paid Clerk £4,254 over 9 months |
| 5 Loan Interest/Capital Repayment                         | 0            | 0            | 0             | 0.00%         | NO                       |   |
| 6 All Other Payments                                      | 18,831       | 16,918       | -2,013        | 10.63%        | NO                       |   |
| 7 Balances Carried Forward                                | 45,598       | 53,121       |               |               | YES                      | RIA   |
| 8 Total Cash and Short Term Investments                   | 45,598       | 53,121       |               |               |                          | RIA   |
| 9 Total Fixed Assets plus Other Long Term Investments and | 125,864      | 125,864      | 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