

# Annual Governance and Accountability Return 2023/24 Form 3

To be completed by Local Councils, Internal Drainage Boards and other Smaller Authorities\*:

- where the higher of gross income or gross expenditure exceeded £25,000 but did not exceed £6.5 million; or
- where the higher of gross income or gross expenditure was £25,000 or less but that:
  - are unable to certify themselves as exempt (fee payable); or
  - have requested a limited assurance review (fee payable)

## Guidance notes on completing Form 3 of the Annual Governance and Accountability Return 2023/24

1. Every smaller authority in England that either received gross income or incurred gross expenditure exceeding £25,000 **must** complete Form 3 of the Annual Governance and Accountability Return at the end of each financial year in accordance with *Proper Practices*.
2. **The Annual Governance and Accountability Return is made up of three parts, pages 3 to 6:**
  - The **Annual Internal Audit Report** **must** be completed by the authority's internal auditor.
  - **Sections 1 and 2** **must** be completed and approved by the authority.
  - **Section 3** is completed by the external auditor and will be returned to the authority.
3. The authority **must** approve Section 1, Annual Governance Statement, before approving Section 2, Accounting Statements, and both **must** be approved and published on the authority website/webpage **before 1 July 2024**.
4. An authority with either gross income or gross expenditure exceeding £25,000 or an authority with neither income nor expenditure exceeding £25,000, but which is unable to certify itself as exempt, or is requesting a limited assurance review, **must** return to the external auditor by email or post (not both) **no later than 30 June 2024**. Reminder letters will incur a charge of £40 +VAT:
  - the Annual Governance and Accountability Return Sections 1 and 2, together with
  - a bank reconciliation as at 31 March 2024
  - an explanation of any significant year on year variances in the accounting statements
  - notification of the commencement date of the period for the exercise of public rights
  - Annual Internal Audit Report 2023/24

Unless requested, do not send any additional documents to your external auditor. Your external auditor will ask for any additional documents needed.

Once the external auditor has completed the limited assurance review and is able to give an opinion, the Annual Governance and Accountability **Section 1, Section 2 and Section 3 – External Auditor Report and Certificate** will be returned to the authority by email or post.

## Publication Requirements

Under the Accounts and Audit Regulations 2015, authorities must publish the following information on the authority website/webpage:

Before 1 July 2024 authorities **must** publish:

- Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited;
- **Section 1 - Annual Governance Statement 2023/24**, approved and signed, page 4
- **Section 2 - Accounting Statements 2023/24**, approved and signed, page 5

Not later than 30 September 2024 authorities **must** publish:

- Notice of conclusion of audit
- **Section 3 - External Auditor Report and Certificate**
- **Sections 1 and 2 of AGAR** including any amendments as a result of the limited assurance review. It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report, page 3.

The Annual Governance and Accountability Return constitutes the annual return referred to in the Accounts and Audit Regulations 2015. Throughout, the words 'external auditor' have the same meaning as the words 'local auditor' in the Accounts and Audit Regulations 2015.

\*for a complete list of bodies that may be smaller authorities refer to schedule 2 to the Local Audit and Accountability Act 2014.

## Guidance notes on completing Form 3 of the Annual Governance and Accountability Return (AGAR) 2023/24

- The authority **must** comply with *Proper Practices* in completing Sections 1 and 2 of this AGAR. *Proper Practices* are found in the *Practitioners' Guide\** which is updated from time to time and contains everything needed to prepare successfully for the financial year-end and the subsequent work by the external auditor.
- Make sure that the AGAR is complete (no highlighted boxes left empty) and is properly signed and dated. Any amendments must be approved by the authority and properly initialled.
- The authority **should** receive and note the Annual Internal Audit Report before approving the Annual Governance Statement and the accounts.
- Use the checklist provided below to review the AGAR for completeness before returning it to the external auditor by email or post (not both) no later than 30 June 2024.
- The Annual Governance Statement (Section 1) must be approved on the same day or before the Accounting Statements (Section 2) and evidenced by the agenda or minute references.
- The Responsible Financial Officer (RFO) must certify the accounts (Section 2) before they are presented to the authority for approval. The authority must in this order; consider, approve and sign the accounts.
- The RFO is required to commence the public rights period as soon as practical after the date of the AGAR approval.
- **You must inform your external auditor about any change of Clerk, Responsible Financial Officer or Chair, and provide relevant authority owned generic email addresses and telephone numbers.**
- Make sure that the copy of the bank reconciliation to be sent to your external auditor with the AGAR covers all the bank accounts. If the authority holds any short-term investments, note their value on the bank reconciliation. The external auditor must be able to agree the bank reconciliation to Box 8 on the accounting statements (**Section 2, page 5**). An explanation **must** be provided of any difference between Box 7 and Box 8. More help on bank reconciliation is available in the *Practitioners' Guide\**.
- Explain fully significant variances in the accounting statements on **page 5**. Do not just send a copy of the detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include complete numerical and narrative analysis to support the full variance.
- If the bank reconciliation is incomplete or variances not **fully** explained then additional costs may be incurred.
- Make sure that the accounting statements add up and that the balance carried forward from the previous year (Box 7 of 2023) equals the balance brought forward in the current year (Box 1 of 2024).
- The Responsible Financial Officer (RFO), on behalf of the authority, **must** set the commencement date for the exercise of public rights of 30 consecutive working days which **must** include the first ten working days of July.
- The authority **must** publish on the authority website/webpage the information required by Regulation 15 (2), Accounts and Audit Regulations 2015, including the period for the exercise of public rights and the name and address of the external auditor **before 1 July 2024**.

Completion checklist – 'No' answers mean you may not have met requirements		Yes	No
All sections	Have all highlighted boxes have been completed?	✓	
	Has all additional information requested, including <b>the dates set for the period for the exercise of public rights</b> , been provided for the external auditor?	✓	
Internal Audit Report	Have all highlighted boxes been completed by the internal auditor and explanations provided?	✓	
Section 1	For any statement to which the response is 'no', has an explanation been published?	✓	
Section 2	Has the Responsible Financial Officer signed the accounting statements before presentation to the authority for approval?	✓	
	Has the authority's approval of the accounting statements been confirmed by the signature of the Chair of the approval meeting?	✓	
	Has an explanation of significant variations been published where required?	✓	
	Has the bank reconciliation as at <b>31 March 2024</b> been reconciled to Box 8?	✓	
	Has an explanation of any difference between Box 7 and Box 8 been provided?	✓	
Sections 1 and 2	Trust funds – have all disclosures been made if the authority as a body corporate is a sole managing trustee? <b>NB:</b> do not send trust accounting statements unless requested.		✓

**\*Governance and Accountability for Smaller Authorities in England – a Practitioners' Guide to Proper Practices**, can be downloaded from [www.nalc.gov.uk](http://www.nalc.gov.uk) or from [www.ada.org.uk](http://www.ada.org.uk)

# Annual Internal Audit Report 2023/24

New Frankley Parish Council

<https://www.newfrankleyinbirminghamparishcouncil.gov.uk/>

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.		✓	
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")			✓
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

02/05/2024 13/05/2024

Name of person who carried out the internal audit

Eleanor Choudry

Signature of person who carried out the internal audit

*Eleanor Choudry*

Date

13/05/2024

\*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 2023/24

We acknowledge as the members of:

### NEW FRANKLEY in BIRMINGHAM 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 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:

20/05/2024

and recorded as minute reference:

MINUTE REFERENCE

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

Chair

J. M. Walker

Clerk

SIGNATURE REQUIRED

EN [www.newfrankleyinbirminghamparishcouncil.gov.uk](http://www.newfrankleyinbirminghamparishcouncil.gov.uk) Reso

## Section 2 – Accounting Statements 2023/24 for

### NEW FRANKLEY in BIRMINGHAM PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2023 £	31 March 2024 £	
1. Balances brought forward	48,411	55,088	<i>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.</i>
2. (+) Precept or Rates and Levies	43,520	59,755	<i>Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.</i>
3. (+) Total other receipts	41,351	58,157	<i>Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.</i>
4. (-) Staff costs	32,184	39,104	<i>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.</i>
5. (-) Loan interest/capital repayments	0	0	<i>Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).</i>
6. (-) All other payments	46,010	38,186	<i>Total expenditure or payments as recorded in the cash-book less staff costs (line 4) and loan interest/capital repayments (line 5).</i>
7. (=) Balances carried forward	55,088	95,710	<i>Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).</i>
8. Total value of cash and short term investments	55,088	95,710	<i>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></i>
9. Total fixed assets plus long term investments and assets	47,459	47,459	<i>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.</i>
10. Total borrowings	0	0	<i>The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).</i>

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

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**

*M. Macrell*

Date

15/05/2024

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

20/05/2024

as recorded in minute reference:

MINUTE REFERENCE

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

*J.M. Walter*

## Section 3 – External Auditor’s Report and Certificate 2023/24

In respect of

NEW FRANKLEY in BIRMINGHAM PARISH COUNCIL

### 1 Respective responsibilities of the auditor and the authority

Our responsibility as auditors to complete a **limited assurance review** is set out by the National Audit Office (NAO). A limited assurance review is **not a full statutory audit**, it does not constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and hence it **does not** provide the same level of assurance that such an audit would. The UK Government has determined that a lower level of assurance than that provided by a full statutory audit is appropriate for those local public bodies with the lowest levels of spending.

Under a limited assurance review, the auditor is responsible for reviewing Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with NAO Auditor Guidance Note 02 (AGN 02 as issued by the NAO on behalf of the Comptroller and Auditor General. AGN 02 is available from the NAO website – <https://www.nao.org.uk/code-audit-practice/guidance-and-information-for-auditors/> .

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2024; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

### 2 External auditor’s limited assurance opinion 2023/24

(Except for the matters reported below)\* on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return, in our opinion the information in Sections 1 and 2 of the Annual Governance and Accountability Return is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met. (\*delete as appropriate).

(continue on a separate sheet if required)

Other matters not affecting our opinion which we draw to the attention of the authority:

(continue on a separate sheet if required)

### 3 External auditor certificate 2023/24

We certify/do not certify\* that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2024.

\*We do not certify completion because:

External Auditor Name

ENTER NAME OF EXTERNAL AUDITOR

External Auditor Signature

SIGNATURE REQUIRED

Date

DD/MM/YYYY

# Frankley Parish Council

## Internal Audit Report for the Financial Year ending 31<sup>st</sup> March 2024

The Accounts and Audit Arrangements introduced from 1st April 2002 (lighter touch audit) requires all Town and Parish Councils to implement an independent internal audit examination of their Accounts and Accounting processes annually. The Council have complied with the requirements in terms of independence by the Council decision making process by appointing Eleanor Choudry to undertake the work for 2023/24.

This visit is to check that the Parish Council adhere to the requirements set out in the Governance and Accountability for Smaller Authorities in England ensuring that compliance is maintained. The audit concluded on the 13<sup>th</sup> May 2024.

An Internal Audit testing strategy is set out in the current Governance and Accountability for Smaller Authorities in England appendix 5. This covers a "suggested approach to internal audit testing" covering 10 aspects ranging from Proper bookkeeping right through to Year-end procedures. Our Internal Audit testing is based on this approach.

My initial discussion with the Parish Clerk established any system or procedure changes to the internal controls from the previous period. I have undertaken a series of independent audit tests using the various financial records, vouchers, documents, Minutes, insurance documentation to ascertain the efficiency and effectiveness of the internal controls.

As part of this internal audit review I checked:

### **Book Keeping**

- The financial totals as at 31 March 2023 have been brought forward accurately.
- The cashbook is up to date.
- The calculations are correct.
- VAT is evidenced and a claim was made in 2023/24.
- The payments have been checked, all were supported by invoices, authorised or minuted. (see page 5).
- Income recorded in the bank account was checked to those entries shown in the cashbook.
- The Council does not have the General Power of Competence.
- S137 is recorded separately.
- A grant was paid to Frankley Carnival of £5,000. There is no financial evidence of how this was spent and whether the £900 remaining balance was reimbursed to the PC.
- A Grant Application form is available on the website along with the criteria for applying.

### **Due Process**

- Standing Orders were reviewed at the meeting held on 05/23.
- Financial Regulations have been customised and reviewed at the Annual Meeting on 22/5/23.
- There is no evidence of investments or loans.

## **Frankley Parish Council**

- A Localising Council Tax Support Grant is received of £40,899.
  - Petty cash vouchers should have the folio number completed which corresponds to the cash book entry.
  - A physical check of the petty cash fund has not been carried out as part of the internal audit.
  - The following petty cash vouchers differ to the cash book:  
Voucher 237 has been entered in the cash book as £60, the receipt is for £60.01.  
Voucher 184 has been entered in the cash book as £6.14, the receipt is for £12.84.  
Voucher 147 has been entered in the cash book as £30.73, the receipt is for £39.99.  
Voucher 109 has been entered in the cash book as £4, the receipt is for £3.99.  
Voucher 108 has been entered in the cash book as £10.87, the receipt is for £11.83.  
There is not a voucher for petty cash payment 116 to Alarra Cowie for £350.
  - The monthly payments and bank reconciliations are approved in retrospect at the meetings and this is minuted.
  - The Clerk advised that the Internal Controls Policy will be reviewed in 2024.
  - There is evidence of budget monitoring and the Clerk confirmed that this is carried out at least quarterly. This could be shown as a separate line in the minutes that the budget to date was discussed and checked for clarity.
  - An Equality, Diversity and Inclusivity Policy was adopted in 05/23.
  - The Disclosable Pecuniary Interests Forms have not been completed for all Cllrs and all Councillors details are not available on the website.
  - Agendas are available on the website. They are displayed at least three clear days prior to a meeting. An agenda for 08/23 is not on the website.
  - Each month payments are summarised and supplied to each Councillor at the meetings.
  - There is evidence that apologies are minuted.
  - Declaration of members interests are minuted.
  - Minutes have not always been signed at the following meeting of the council.
  - Frankley PC does conform to the Transparency Code in 2022/23.
- **Recommendation:**
  - **I recommend that:**
    - Complete the folio numbers on the petty cash vouchers.
    - Ensure petty cash vouchers match receipts and all receipts are present.
    - The Disclosable Pecuniary Interests Forms are completed for all Cllrs and all Councillors details are available on the website.

### **Risk Management**

- A scan of the minutes does not reveal any unusual activity.
- A Health and Safety Policy is available on the website.
- A Safeguarding policy is available on the website.
- A Complaints Procedure is available on the website.
- There is evidence that a Lone Working Policy and Working From Home Policy have been drawn up. The Clerk advised the policies will be adopted in 05/24.
- A Flooding including severe weather Plan is available on the website and was reviewed in November 2022.



## **Frankley Parish Council**

- Minutes are consistently signed. Pages are identified but do not always run consecutively through the year. Minute references do not run consecutively across the year.
- Financial payments are added as supporting documents to the Agenda/minutes and displayed on the website.
- Financial payments are minuted after they have already been paid.
- Bank balances are regularly reported.
- The Risk Assessment and Risk Review Log were reviewed in March 2024.
- Annual insurance is renewed and is adequate. The policy includes £10 million Public and Employers Liability.
- The PC should have an email address that belongs to the council and to which the council has access, this ideally would be a .gov.uk or .org.uk address or an email address linked to the parish website.

- **Recommendation:**

- **I recommend that:**

- Payments should be authorised at the PC meeting prior to being paid.
- Ensure minute references and page numbers run consecutively across the year.
- Comparative insurance quotes are sought prior to renewal.
- Email addresses comply with new JPAG (Joint Practitioners Advisory Group) requirement.

### **Budget**

- An annual budget is prepared, discussed and adopted by the council.
- There is evidence that Frankley PC have considered the level of the precept.
- The precept demand is approved and minuted, stating the amount of £59,755.
- There is evidence of budget setting.
- Earmarked reserves for specific projects have been discussed by the PC and agreed.

### **Payroll – Clerk/RFO/Admin Assistant/Cleaner**

- There is evidence of a RFO signed contract of Employment that is customised.
- There is evidence of an Admin Assistant signed contract of Employment that is customised.
- There is evidence of a Clerk signed contract of Employment that is customised.
- The Cleaner is on the payroll but does not appear to have a contract. The RFO advised that the contract was lost and the Clerk is drawing up a replacement contract.
- Payroll is outsourced to DCK Payroll Solutions.
- There is evidence that the PAYE/NI has been paid and approved.
- There is compliance with Minimum wage requirements.
- There is evidence of current Employers Liability Insurance.
- The hourly pay rate for staff does not match with the SCP Local Government pay agreement for 23/24.

## **Frankley Parish Council**

- There is evidence of a Staff Grievance Procedure which was approved in 11/2004 but is not on website. The Clerk noted on the document that this will be reviewed in 04/24.
- There is evidence of a Staff Disciplinary Procedure which was approved in 11/2004 but is not on the website. The Clerk noted on the document that this will be reviewed in 04/24.

### **Asset Control**

- An Asset Register is kept and is up to date with the value of individual assets at cost listed and was reviewed in March 2024.

### **Bank Reconciliation**

- There is evidence of bank reconciliations.
- There is evidence that the bank reconciliations have been reviewed by Councillors and minuted.
- There does not appear to be unexplained balancing entries in the reconciliation.

### **Banking and Investments**

- Frankley Parish Council has two bank accounts with Unity Trust Bank : New Frankley in Birmingham Parish Council Current Account No XXXXXX71 and Deposit Account XXXXXX01 for holding reserves.

### **Year End Procedures**

- Year-end accounts are prepared correctly on a receipts and payments basis. The bank statements and ledger are reconciled.

### **Misc**

- The new LGA Code of Conduct was adopted in November 2022 and is available on the website.
- The RFO informed me that all electronic files are backed up to an external hard drive.
- The Notice for the Public Inspection of the Councils records in 2022/23 was made correctly and is available on the website.
- The Council is registered with ICO and this is paid by Direct Debit in May.
- A Freedom of Information Act publication scheme has been adopted and is available on the website.
- A Privacy Policy was reviewed in 05/23.
- A Social Media Policy is available on the website which was reviewed in 04/23.

## Frankley Parish Council

For the year 2023/2024 an audit trail of the following payments was carried out:-

BACS	PAYEE	AMOUNT £
26/05/2023 Fuschia Gardening	Karl Sankey	240.00 – minuted 26/06/23
19/06/2023	Frankley Carnival	5000.00 – minuted 17/07/23
13/09/2023	Alarra ACowie	74.58 – minuted 16/10/23
14/12/2023	Heron Press	410.00 – minuted 15/01/24
26/02/2024	Daphne Seymour	140.00 – minuted 18/03/24
27/03/2024	David Cresswell	210.00 - minuted 15/04/24

– on Scribe as SL Landscapes not D Cresswell Electrical Services

### **Last year's audits recommendations**

- The RFO and Councillor sign the monthly bank reconciliations, and these are filed. This has been completed.
- Petty cash receipts for purchases are collected prior to payment. If a receipt cannot be provided a payment should not be made. Receipts should not include personal purchases. This has been completed.
- An Equality Policy is drawn up and adopted by the PC. This has been completed.
- At least quarterly, progress against budget should be discussed, checked and minuted. This has been completed.
- Each month receipts and payments are summarised and supplied along with payments to each councillor at meetings. Receipts and payments should be added to the agenda to be approved at the meeting and then payment made and approval minuted.
- Financial payments and receipts are added to the agenda/minutes and are available on the website. Appendixes have been added to the website.
- Reserves are earmarked and a contingency indicated. Reserves have been earmarked.
- Both the Staff Grievance and Disciplinary Procedures are reviewed. To be done in 2024/25.

### **Conclusion**

It is my opinion that the internal audit has identified areas where improvements should be considered and recommendations have been made.

This report should be noted and taken to the next meeting of the Parish Council to inform them of the Internal Audit work carried out. The details of this Internal Audit Report should be minuted by the Parish Council.

## **Frankley Parish Council**

I would like to acknowledge the support and assistance provided by the RFO and Clerk during the internal audit review.

**Eleanor Choudry, CiLCA, Internal Auditor**

13<sup>th</sup> May 2024

**New Frankley in Birmingham Parish Council**  
Annual Return

**Accounts for Year from 01/04/2023 to 31/03/2024**

This is prepared based on the information in "Governance and Accountability for Local Councils : a Practitioners' Guide"

Important note: These figures have been prepared on a RECEIPTS and PAYMENTS basis.

\* Note :- An asterisk to the right of the box below indicates it is an item that has changed by more than 15% and £200 from the previous year and probably warrants a comment in your notes. This is only an indication and should not be considered exclusive. You will only see asterisks if this is the second year you have used the report.

Box No.	Description	Year ending		
		31/03/2023 £	31/03/2024 £	
1	Balances brought fwd	48,410.58	55,087.71	
2	Annual precept	43,520.00	59,755.00	*
3	Total other receipts	41,350.89	58,157.46	*
4	Staff Costs	32,184.14	39,103.56	*
5	Loan interest/capital repayment	0.00	0.00	
6	Total other payments	46,009.62	38,186.49	*
7	Balances carried forward	55,087.71	95,710.12	*
8	Total Cash and Short Term Inve	55,087.71	95,710.12	*
9	Total Fixed Assets and Long Ter	47,458.68	47,458.68	
10	Total Borrowings	0.00	0.00	

**New Frankley in Birmingham Parish Council**  
**ANNUAL RETURN - Section 2 : Statement of Accounts**

**Explanation of variances**

This is prepared based on information in "Governance and Accountability for Local Councils : a Practitioner's Guide"

Important note: These figures have been prepared on a RECEIPTS and PAYMENTS basis.

Box No.	Description	31/03/2023 £	31/03/2024 £	Variance £	Variance %	Explanation Required?	Notes
1	Balances brought fwd	48410.58	55087.71				BALANCE B/F AGREES
2	Annual precept	43520.00	59755.00	16235.00	37%	Yes	Increase in Precept is due to the Cost of Living Crisis prices have gone up rapidly.
3	Total other receipts	41350.89	58157.46	16806.57	41%	Yes	Localising Council Tax Grant of £40899 was received by district Authority. Funds of £12326.82 have been transferred by ex Cllr for Truck Expenses
4	Staff Costs	32184.14	39103.56	6919.42	21%	Yes	Backdated payments for Salary SpC Increase and Job positions. Updated Salaries according to NALC recommendations.
5	Loan interest/capital repayments	0.00	0.00	0.00	0%	No	
6	Total other payments	46009.62	38186.49	-7823.13	17%	Yes	PC Truck under S137 was out of road for 6 months due to repairs and have not used funds.
7	Balances carried forward	55087.71	95710.12	40622.41	74%	Yes	Last Year 2022/2023 figures were reinstated.
8	Total Cash and Short Term Investments	55087.71	95710.12	40622.41	74%	Yes	Last Year 2022/2023 figures were reinstated.
9	Total Fixed Assets and Long Term Investments	47458.68	47458.68	0.00	0%	No	
10	Total Borrowings	0.00	0.00	0.00	0%	No	

This report is intended as a guide to the variances you may need to explain. The specific requirements vary between external auditors so please check the requirements shown on the pro forma provided to your council

Please note a breakdown of approved reserves will also be required if the total reserves (Box 7) figure is more than twice the annual precept value (Box 2)

Column1	Column2	Column3	Column4	Column5
	<b>BOX 2 2022-23</b>	<b>2023-24</b>	<b>difference</b>	<b>remaining difference</b>
Reason for variance: BOX 2 ANNUAL PRECEPT	43520	57955	14435	
Accommodation Expenses	11596	15020	3424	11011
Administration Expenses	5815	8056	2241	8770
Staffing and Allowances	32184	40954	8770	0
	<b>BOX 3</b>			
Reason for variance BOX 3 TOTAL OTHER RECEIPTS	41351	58157	16806	
Funds Received for Council Truck	0	12327	12327	4479
VAT Received	0	3764	3764	715
Bank Interest Received	104	819	715	0
	<b>BOX 4</b>			
Reason for variance BOX 4 STAFF COSTS	32184	39104	6920	
Salaries backdating	2728	1596	-1132	8052
NEST Pension Contributions	1747	2457	710	7342
NIC and PAYE	1870	2687	1460	5882
Staff Salaries Increase	26219	32101	5882	0
	<b>BOX 6</b>			
Reason for variance BOX 6 TOTAL OTHER PAYMENT:	46010	38186	-7824	
CCTV Community Shops Installation Charges	3414	2743	671	-7153
Community Grants	5815	3470	-2345	-9498
Frankley Truck Running Costs	12500	3002	9498	0
	<b>BOX 7</b>			
Reason for variance BOX 7 BALANCES CARRIED F/D	55088	95710	40622	

Funds Received for Council Truck	0	12327	12327	28295
VAT Received	0	3764	3764	24531
Bank Interest Received	104	819	715	23816
Earmarked Reserves	0	19908	-19908	3908
Underspend Truck Costs	0	3908	-3908	0
BOX 8				
Reason for variance BOX 8 TOTAL CASH	55088	95710	40622	
PRECEPT	43520	59755	16235	24387
VAT Received	0	3764	3764	20623
Bank Interest Received	104	819	715	19908
Earmarked Reserves	0	19908	-19908	0



## New Frankley in Birmingham Parish Council

Prepared by: Margarita Facekell, RFO  
Name and Role (Clerk/RFO etc)

Date: 09/04/24

Approved by: \_\_\_\_\_  
Name and Role (RFO/Chair of Finance etc)

Date: \_\_\_\_\_

<b>Bank Reconciliation at 31/03/2024</b>			
	Cash in Hand 01/04/2023		55,087.71
	<b>ADD</b> Receipts 01/04/2023 - 31/03/2024		117,912.46
	<b>SUBTRACT</b> Payments 01/04/2023 - 31/03/2024		173,000.17
			77,242.16
<b>A</b>	<b>Cash in Hand 31/03/2024</b> (per Cash Book)		<b>95,758.01</b>
	<b>Cash in hand per Bank Statements:</b>		
	Petty Cash 31/03/2024	95.23	
	Current Account - New Frankley in 31/03/2024	50,360.79	
	Deposit Account - New Frankley in 31/03/2024	45,301.99	
	Multipay Credit card 31/03/2024	0.00	
			<b>95,758.01</b>
	Less unrepresented payments		95,758.01
	Plus unrepresented receipts		
<b>B</b>	<b>Adjusted Bank Balance</b>		<b>95,758.01</b>
	<b>A = B Checks out OK</b>		

# Your Account Statement



For Businesses. For Communities. For Good.

Unity Trust Bank plc  
PO Box 7193  
Planetary Road  
Willenhall  
WV1 9DG

Mrs Margarita Fackrell  
New Frankley In Birmingham Parish Council  
12 Arden Road Rubery  
Birmingham  
B45 0JA

**Date:** 31/03/2024

**Account Name:** New Frankley in Birmingham Parish Council

**Swift Code (BIC):** NWBKGB2L

**IBAN Number:** GB93NWBK60023571418024

**Sort Code:** 608301

**Account Number:** 20290971

Your arranged overdraft limit is £0.00

Our unauthorised overdraft charges are changing from tracked rate of 25% above base rate to a fixed Nominal rate 25% EAR (Equivalent Annual Rate 28.39%). To find out more read our Overdrafts Key Features document and our Standard Service Tariff available at [www.unity.co.uk](http://www.unity.co.uk)



For eligible organisations, your deposits held with Unity Trust Bank are protected up to £85,000 under the Financial Services Compensation Scheme (FSCS). For more information about eligibility and compensation provided by the FSCS, please visit: [FSCS.org.uk](http://FSCS.org.uk) or refer to our FSCS Information Sheet and Exclusions List at [unity.co.uk/fscs](http://unity.co.uk/fscs)

## Contact Us

Call us: **0345 140 1000**

Email us: [us@unity.co.uk](mailto:us@unity.co.uk)

Visit us: [unity.co.uk](http://unity.co.uk)

## Your Current T1 account transactions:

Date	Type	Details	Payments Out	Payments In	Balance
04/03/2024		Balance brought forward	£0.00	£0.00	£54,461.44
11/03/2024	Direct Debit	Direct Debit (LLOYDS BANK PLC)	£3.00	£0.00	£54,458.44
13/03/2024	Direct Debit	Direct Debit (EDF ENERGY)	£64.76	£0.00	£54,393.68
14/03/2024	Direct Debit	Direct Debit (NEST)	£194.20	£0.00	£54,199.48

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**Your Current T1 account transactions:**

Date	Type	Details	Payments Out	Payments In	Balance
21/03/2024	Faster Payment Debit	B/P to: GAZBAGS	£705.00	£0.00	£53,494.48
21/03/2024	Faster Payment Debit	B/P to: GAZBAGS	£238.80	£0.00	£53,255.68
22/03/2024	Direct Debit	Direct Debit (EVERFLOW LIMITED)	£17.90	£0.00	£53,237.78
26/03/2024	Direct Debit	Direct Debit (POZITIVE ENERGY)	£2.37	£0.00	£53,235.41
27/03/2024	Faster Payment Debit	B/P to: Mr David.Cresswell	£210.00	£0.00	£53,025.41
27/03/2024	Faster Payment Debit	B/P to: DCK PAYROLL	£36.00	£0.00	£52,989.41
27/03/2024	Faster Payment Debit	B/P to: Daphne Seymour	£140.00	£0.00	£52,849.41
27/03/2024	Faster Payment Debit	B/P to: Margarita Fackrell	£600.00	£0.00	£52,249.41
27/03/2024	Faster Payment Debit	B/P to: Rachael Anstey	£821.27	£0.00	£51,428.14
27/03/2024	Faster Payment Debit	B/P to: E T Collier	£1,049.35	£0.00	£50,378.79
31/03/2024	Fee	Service Charge	£18.00	£0.00	£50,360.79



# Your Account Statement



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PO Box 7193  
Planetary Road  
Willenhall  
WV1 9DG

Mrs Margarita Fackrell  
New Frankley In Birmingham Parish Council  
12 Arden Road Rubery  
Birmingham  
B45 0JA

**Date:** 31/03/2024

**Account Name:** New Frankley in Birmingham Parish Council Unity Deposit Account

**Swift Code (BIC):** NWBKGB2L  
**IBAN Number:** GB93NWBK60023571418024

**Sort Code:** 608301  
**Account Number:** 20370901

Our unauthorised overdraft charges are changing from tracked rate of 25% above base rate to a fixed Nominal rate 25% EAR (Equivalent Annual Rate 28.39%). To find out more read our Overdrafts Key Features document and our Standard Service Tariff available at [www.unity.co.uk](http://www.unity.co.uk)

The credit interest rate is 2.75% AER as of your statement date.

## Contact Us

 Call us: **0345 140 1000**

 Email us: **[us@unity.co.uk](mailto:us@unity.co.uk)**

 Visit us: **[unity.co.uk](http://unity.co.uk)**



For eligible organisations, your deposits held with Unity Trust Bank are protected up to £85,000 under the Financial Services Compensation Scheme (FSCS). For more information about eligibility and compensation provided by the FSCS, please visit: **[FSCS.org.uk](http://FSCS.org.uk)** or refer to our FSCS Information Sheet and Exclusions List at **[unity.co.uk/fscs](http://unity.co.uk/fscs)**

## Your Instant Access account transactions:

Date	Type	Details	Payments Out	Payments In	Balance
29/02/2024		Balance brought forward	£0.00	£0.00	£44,993.51
31/03/2024	Credit Interest	Credit Interest	£0.00	£308.48	£45,301.99

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We invest in people Gold

