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 **the dates set for the period for the exercise of public rights**, 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?	N/A	
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 **31 March 2024** 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? **NB:** do not send trust accounting statements unless requested.	N/A	

Governance and Accountability for Smaller Authorities in England – a Practitioners' Guide to Proper Practices, can be downloaded from **www.nalc.gov.uk** or from **www.ada.org.uk**

Annual Internal Audit Report 2023/24

Castle Bromwich Parish Council

www.castlebromwichpc.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

16/01/2024

Name of person who carried out the internal audit

Duncan Edwards (DKE Audit Services)

Signature of person who carried out the internal audit



Date 02/05/2024

***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:

Castle Bromwich 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.*

	Yes	No	N/A	
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.			✓	*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:

29/05/2024

and recorded as minute reference:

C24-069a.

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

Chair P.S. Ale

Clerk G Burgess

www.castlebromwichpc.gov.uk

Section 2 – Accounting Statements 2023/24 for

Castle Bromwich Parish Council

	Year ending		Notes and guidance
	31 March 2023 £	31 March 2024 £	*Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to underlying financial records.*
1. Balances brought forward	310,203	390,166	*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	359,219	373,229	*Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.*
3. (+) Total other receipts	143,692	192,219	*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	248,702	267,937	*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	174,246	299,149	*Total expenditure or payments as recorded in the cash-book less staff costs (line 4) and loan interest/capital repayments (line 5).*
7. (=) Balances carried forward	390,166	388,528	*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	409,442	406,757	*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	3,285,968	3,370,179	*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

G M Burgess

Date 29/05/2024

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

29/05/2024

as recorded in minute reference:

C24-069b.

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

P.S. Clee

Section 3 - External Auditor Report and Certificate 2023/24

In respect of **Castle Bromwich Parish Council**

1 Respective responsibilities of the body and the auditor

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 report 2023/24

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 the 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.

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

The Internal Auditor does not appear to have included the final internal audit review date within the Box for 'Date(s) internal audit undertaken' on the Annual Internal Audit Report 2023/24. It appears that the date currently entered is the main review performed by the internal auditor but we would expect the date of the cursory review post year end to also have been entered in this box for completeness.

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 MOORE

External Auditor Signature MOORE Date 04/09/2024

Section 2 - Statement of accounts - English version

Castle Bromwich Parish Council

	Annual return last year	Year ending 31 March 2024 £	Variance
1. Balances brought forward	310,203.19	390,166.13	
2. (+) Annual precept	359,219.00	373,229.00	3.90%
3. (+) Total other receipts	143,692.17	192,218.79	33.77%
4. (-) Staff costs	248,702.04	267,936.98	7.73%
5. (-) Loan interest / capital repayments	0.00	0.00	0.00%
6. (-) Total other payments	174,246.19	299,149.22	71.68%
7. (=) Balances carried forward	390,166.13	388,527.72	
8. Total cash and investments	409,442.39	406,756.85	
9. Total fixed assets and long term assets	3,285,968.00	3,370,179.00	2.56%
10. Total borrowings		0.00	

Signed P.S. Allen

Chair

Clerk / Responsible Financial Officer

Bank Reconciliation

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" 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: Castle Bromwich Parish Council

County area (local Councils and Parish meetings only):

Financial year ending 31/03/24

Prepared by (Name and role): Gemma Burgess

Date: 03/04/24

Balance per bank statements as at 31/03/24	£	£
Bar Float	£1,058.00	
CCLA	£251,000.00	
Chairman's Charity Fund	£1,372.00	
Lloyds disbursements	£15,693.28	
Lloyds General	£103,579.56	
Petty Cash	£516.52	
UTB Disbursements	£33,537.49	
		£406,756.85
Petty cash (no balance)		£0.00
Less: any unpresented cheques		£0.00
Add: any uncleared effects		£0.00
Net balances as at 31/03/24 (Box 8)		£406,756.85

rounded to £406757

Bank reconciliation template

This reconciliation should include all bank and building society accounts, including short term investment

	£	£
Balance per bank statements at 31 March 2024:		
Bar Float	1,058.00	
CCLA	251,000.00	
Chairman's Charity Fund	1,372.00	
Lloyds Disbursements	15,693.28	
Lloyds General	103,579.56	
UTB Disbursements	33,537.49	
		406,240.33
Petty cash (if applicable)		516.52
Add: outstanding receipts (enter these as positive numbers)		
		-
Less: outstanding payments (enter these as negative numbers)		
		-
Balance per cashbook at 31 March 2024 (should agree to Box 8 on Section 2)		£406,757

Outstanding receipts

This should include any amounts received which have been recorded in the cashbook as being received in the period to 31 March 2024 but which appear on the bank statement after 31 March 2024.

Outstanding payments

This should include any amounts paid which have been recorded in the cashbook as being paid in the period to 31 March 2024 but which appear on the bank statement after 31 March 2024.

Explanation of variances 2023/24 – pro forma

Name of smaller authority: Castle Bromwich Parish Council

Insert figures from Section 2 of the AGAR in all Blue highlighted boxes

Now, 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 £500);
- variances of more than £100,000 must be explained even where this constitutes less than 15%;

Please ensure variance explanations are quantified to reduce the variance excluding stated items below the 15% / £500 / £100,000 threshold

	2024 £	2023 £	Variance £	Variance %	Explanation Required? Is > 15%	Is > £100,000	DO NOT OVERWRITE THE BOXES HIGHLIGHTED IN RED/GREEN	Explanation (must include narrative and supporting figures)
1 Balances Brought Forward	390,166	310,205					Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	373,229	359,219	14,010	3.90%	NO	NO		
3 Total Other Receipts	192,219	143,692	48,527	33.77%	YES	NO		Increased interest rates brought in an additional £8236 in CCLA dividends and £842 in bank interest. £2250 was received as a grant for providing a Warm Welcome Hub. £1442 was received as CIL funding. We welcomed a new youth football club and adults team which raised an additional £3888 in pitch fees. The Sports Pavilion has been hired out more widely with an increase of £9435 in rental income. Bar functions have continued to grow, with an increase of £11,952 in bar sales. These variances account for £38,045, which when removed brings the variance to 7.29%.
4 Staff Costs	267,937	248,702	19,235	7.73%	NO	NO		
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO	NO		
6 All Other Payments	299,149	174,246	124,903	71.68%	YES	YES		Phase I Toddler Playground was completed in June 2023 at a cost of £97,500 plus £4000 in consultant/project managements fees. Phase II will be completed in June 2024 but these are one-off capital projects financed from reserves. Increases in gas & electricity prices accounted for an additional £13 512 spend in 23-24 compared to the previous year. These variances account for £115, 012, which when removed brings the variance to 5.68%
7 Balances Carried Forward	388,528	390,166	-1,638	0.42%	NO	NO		
8 Total Cash and Short Term Investments	406,757	409,442	-2,685	0.66%	NO	NO		
9 Total Fixed Assets plus Other Long Term Investments and Assets	3,370,170	3,285,959	84,211	2.56%	NO	NO		
10 Total Borrowings	0	0	0	0.00%	NO	NO		

P.S. [signature]
29.5.2024.

Reconciliation between Box 7 and Box 8 in Section 2

(applies to Accounting Statements prepared on an income and expenditure basis only)

Name of smaller authority: Castle Bromwich Parish Council

County area (local Councils and Parish meetings only):

There should only be a difference between Box 7 and Box 8 where the Accounting Statements (Section 2 of the AGAR) have been prepared on an income and expenditure basis and there have been adjustments for debtors/prepayments and creditors/receipts in advance at the year end. Please provide details of the year end adjustments, showing how the net diffference between them is equal to the difference between Boxes 7 and 8.

		£	£
Box 7: Balances carried forward			£388,527.72
Deduct:	Debtors	£3,762.23	
	Vat	-£4,469.06	
	Payments in advance	£0.00	
	Stock opening value	£0.00	
	Stock change	£0.00	
	Total deductions	-£706.83	£387,820.89
Add:	Creditors	£17,445.96	
	Vat Payable	£0.00	
	Receipts in advance	£1,490.00	
	Total additions	£18,935.96	£406,756.85
Box 8: Total cash and short term investments			£406,756.85

This explains the difference between box 7 and box 8

P.S. 29.5.2024.

Closing Debtors

Start of year 01/04/23

Tn no	Gross	Vat	Net	Accrued	Closing adjustment	Inv. date	Invoice no	Details
CBTG								
3778	£15.00	£0.00	£15.00	£15.00	£15.00	05/02/24	6914	YR-END DEBTOR Facili
3779	£42.00	£0.00	£42.00	£42.00	£42.00	29/02/24	6948	YR-END DEBTOR Facili
Total	£57.00	£0.00	£57.00	£57.00	£57.00			
Hirer								
3777	£105.00	£0.00	£105.00	£105.00	£105.00	29/02/24	6960	YR-END DEBTOR Facili
3771	£0.20	-£0.57	£0.77	£0.00	£0.77	27/03/24	Bar 20.03	Balance due, tn 3765 -
3780	-£3,925.00	£0.00	-£3,925.00	-£3,925.00	-£3,925.00	31/03/24	2324 bonds	YR-END CREDITOR Re
Total	-£3,819.80	-£0.57	-£3,819.23	-£3,820.00	-£3,819.23			
HMRC VAT								
3781	£4,469.06	£0.00	£4,469.06	£0.00	£4,469.06	31/03/24		VAT refund 01/01/24 - 3
Total	£4,469.06	£0.00	£4,469.06	£0.00	£4,469.06			
Total	**£706.26**	**-£0.57**	**£706.83**	**-£3,763.00**	**£706.83**			

Refundable bonds received in 23-24 but due to be returned 24-25

VAT Debtor	**£4,469.06**
All Other Debtors	**-£3,762.23**

Reconciliation between Box 7 and Box 8 in Section 2 - pro forma

(applies to Accounting Statements prepared on an income and expenditure basis only)
Please complete the highlighted boxes.
Name of smaller authority: Castle Bromwich Parish Council

There should only be a difference between Box 7 and Box 8 where the Accounting Statements (Section 2 of the AGAR) have been prepared on an income and expenditure basis and there have been adjustments for debtors/prepayments and creditors/receipts in advance at the year end. Please provide details of the year end adjustments, showing how the net differnece between them is equal to the difference between Boxes 7 and 8.

		£	£
Box 7: Balances carried forward			**388,528**
Deduct:	Debtors **(enter these as negative numbers)**		
	Debtors	3,762	
	Refundable Bonds accrued	-4,469	
		-707	
Deduct:	Payments made in advance (prepayments) **(enter these as negative numbers)**		
	1		
	2		
		0	
Total deductions			-707
Add:			
	Creditors (must not include community infrastructure levy (CIL) receipts)		
	Creditors	17,446	
		17,446	
Add:			
	Receipts in advance (must not include deferred grants/loans received)		
	Receipts in advance	1,490	
		1,490	
Total additions			18,936
Box 8: Total cash and short term investments			**406,757**

Breakdown of reserves held

Please complete or update the highlighted boxes to help provide a breakdown of the types of reserves held by the authority at the year end:

	£	£	£
Earmarked reserves*:			
Tree Maintenance	15030		
OS/Pavilion	59709.68		
Capital Projects	30000		
Playgrounds	100000		
Youth Council	565.75		
War Memorial	9000		
Election Costs	1000		
CIL Funds	1441.99		
Defibrillators	3000		
Chairman's Charity Fur	972		
Warm Hub Funding	1948.08		
		222667.5	
Restricted (ring-fenced) reserves:			
Reserve 1			
Reserve 2			
Reserve 3			
Reserve 4			
Reserve 5			
		0	
General reserves	165860.2		
		165860.2	
Total reserves			**388527.7**
Box 7 per Annual Return			388,528
Difference			0

PLEASE PROVIDE AN EXPLANATION FOR THIS DIFFERENCE

Explanation of difference (if applicable):

Column B - Reserves should be renamed to show the specific purpose / name given by this authority.

Column D - Earmarked items - a value for the amount earmarked for each specific reserve should be entered. There maybe fewer than 5 reserves or more and the number can be reduced or extended as appropriate.

Column D - Ring-fenced items - a value for the amount restricted (ring-fenced) for each specific reserve should be entered. There maybe fewer than 5 reserves or more and the number can be reduced or extended as appropriate.

Column D - General reserves - this should relate to normal operating funds and should be the difference between the total of all Earmarked reserves and Restricted (ring-fenced) reserves, and the value of Box 7 on Section 2 of the AGAR.

Reserve Movements

Start of year 01/04/23

General Fund

	£151,886.45	Start of year value
01/04/23	£113,000.00	: From Playgrounds, Put in Yr spend for playground
27/03/24	-£3,000.00	: To Defibrillators, C24-038c
27/03/24	-£972.00	: To Chairman's Charity Fund, C24-038c CCF income not granted in 23-24
31/03/24	-£120.00	: To OS/Pavilion, C24-038c
31/03/24	-£100,000.00	: To Playgrounds, C24-038c for Junior Playground 24-25 spend
	£165,860.22	Value as at 31/03/24

This value is calculated and not just a sum of reserve movements plus starting balance.

Tree Maintenance

	£15,030.00	Start of year value
	£15,030.00	Current value

OS/Pavilion

	£69,999.68	Start of year value
30/08/23	-£2,220.00	: Expenditure transaction 2758, L23-035i
04/12/23	-£1,100.00	: Expenditure transaction 2934, L23-035i
04/12/23	-£5,990.00	: Expenditure transaction 2944, L23-035i
04/12/23	-£1,100.00	: Expenditure transaction 2945, L23-035i
31/03/24	£120.00	: From General Fund, C24-038c
	£59,709.68	Current value

Capital Projects

	£30,000.00	Start of year value
	£30,000.00	Current value

Playgrounds

	£113,000.00	Start of year value
01/04/23	-£113,000.00	: To General Fund, Put in Yr spend for playground
31/03/24	£100,000.00	: From General Fund, C24-038c for Junior Playground 24-25 spend
	£100,000.00	Current value

Youth Council

	£250.00	Start of year value
04/07/23	£50.00	: Income transaction 2667, C24-038c CCF Donation
12/10/23	£7.95	: Income transaction 3062, C24-038c Table top income
08/11/23	£157.80	: Income transaction 3145, C24-038c Halloween fair income
21/03/24	£100.00	: Income transaction 3729, C24-038c CCF Donation
	£565.75	Current value

War Memorial		
	£9,000.00	Start of year value
	£9,000.00	Current value
Election Costs		
	£1,000.00	Start of year value
	£1,000.00	Current value
CIL Funds		
	£0.00	Start of year value
29/11/23	£1,441.99	: Income transaction 3210, CIL Funding received for 18 Blandford Ave
	£1,441.99	Current value
Defibrillators		
	£0.00	Start of year value
27/03/24	£3,000.00	: From General Fund, C24-038c
	£3,000.00	Current value
Chairman's Charity Fund		
	£0.00	Start of year value
27/03/24	£972.00	: From General Fund, C24-038c CCF income not granted in 23-24
	£972.00	Current value
Warm Hub Funding		
	£0.00	Start of year value
27/03/24	£1,948.08	: Income transaction 3739, C24-038c unspent grant reserved
	£1,948.08	Current value
	£222,667.50	Current Reserves total excluding the General Fund
	£388,527.72	Current Reserves total including the General Fund

CCLA

GOOD INVESTMENT

Key Investor Information
The Public Sector Deposit Fund

This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

The Public Sector Deposit Fund (the fund) Income Share Class 4 ISIN: GB00B3LDFH01
A sub-fund of CCLA Public Sector Investment Fund (the company).
An open-ended investment company (OEIC) that is managed by CCLA Investment Management Limited, the authorised corporate director (the ACD or CCLA).

Objectives and Investment Policy

The investment objective of the fund is to maximise the current income consistent with the preservation of principal and liquidity by investing in a diversified portfolio of high-quality sterling denominated deposits and instruments. The primary objective is to maintain the net asset value (NAV) per share of the fund at par (net of earnings).

The investment policy of the fund is to only invest in sterling denominated investments and deposits. The principal investments will comprise certificates of deposit, call accounts, and term deposits with banks and building societies. The fund may also invest in other securities such as commercial paper, floating rate notes and bonds which may be issued or guaranteed as to principal or interest by sovereign governments and their agencies, supranational entities, corporations and financial institutions. All investments at the time of purchase will be considered by the ACD to be of high quality, meaning that the ACD has performed its own documented assessment of the credit quality of money market instruments taking into account ratings awarded by a credit rating agency registered and supervised by the Financial Conduct Authority (FCA) or European Securities and Markets Authority.

The fund is a low volatility net asset value short-term money market fund under the UK Money Market Funds Regulation (MMFR). The weighted average maturity of the fund's investments will not exceed 60 days and the initial or remaining maturity of each investment will not exceed 397 days at the time of purchase.

The weighted average life of the fund's investments will not exceed 120 days.

Investment style: The fund is actively managed which means the ACD, as investment manager, uses their discretion to pick investments to seek to achieve the fund's investment objective.

Comparator benchmark: For comparison purposes only, the fund measures its performance against the Sterling Overnight Index Average (SONIA).

Target market: The fund is marketable to professional and retail investors but is principally targeted at public sector investors. The fund is suitable for investors who are looking for security, liquidity and yield in that order.

The shares that you will hold in the fund are income shares. This means income from the fund's investments will be paid out to you as a dividend on a monthly basis.

You can buy or sell shares daily (on each business day of the fund). Instructions (and for purchases, cleared funds) must be received by the registrar before 11.30 am London time on the relevant dealing day.

Risk and Reward Profile

Lower risk **Typically lower rewards** — **Higher risk** **Typically higher rewards**

1	2	3	4	5	6	7

The risk and reward rating is based on historical data and may not be a reliable indicator of future risks or rewards. The risk category shown is not guaranteed and may shift over time. The lowest category does not mean 'risk free'.

A low-risk fund is not a risk-free investment. Low-risk funds target investments with low volatility and aim to maintain a constant net asset value at par. This means the risk of losing your money is small, but the chance of making gains is also limited. **Shareholders and potential shareholders should note that, in certain circumstances, the fund will not accept redemptions or subscriptions at a constant NAV per share.**

The ACD applies a liquidity management process for ensuring compliance with weekly liquidity thresholds applicable to the fund under the MMFR. Measures and various tools are at the ACD's disposal for maintaining compliance with the prescribed limits and include the imposition of liquidity fees on redemptions, redemption gates and temporary suspension of redemptions.

The risk and reward rating does not cover the following additional risks:

- **The value of the fund's shares is not guaranteed, and buying shares is not the same as making a deposit with a bank or other deposit taking body. Please see the additional information section below.**
- Investment is at your own risk. The fund has no capital guarantees and the value of your investment may go up or down. Any loss of principal is to be borne by the investor.
- The fund aims to maintain a stable NAV per share, however there is no guarantee that a stable NAV per share will be maintained.
- The fund does not rely on external support for guaranteeing the liquidity of the fund or stabilising the NAV per share.
- The value of the fund may be affected by movements in interest rates (which may include interest rates turning negative) and the creditworthiness of the issuers of the debt instruments the fund invests in.
- **Counterparty risk** – The fund could lose money if an entity with which it does business becomes unwilling or is unable to meet its obligations to the fund.
- **Operational risk** – Operational risks arising from errors in processing transactions, preparing valuations, accounting and financial reporting, among other things, may also affect the value of your investments.
- **Credit risk** – The fund is exposed to the issuers of the securities it invests in. If these financial institutions experience financial difficulty, they may be unable to pay back some or all of the interest, original investment or other payments that they owe. If this happens, the value of the fund may fall.

Please refer to the prospectus for full details about the risks associated with this fund.

Charges for this Fund

The charges you pay are used to pay the costs of running the fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

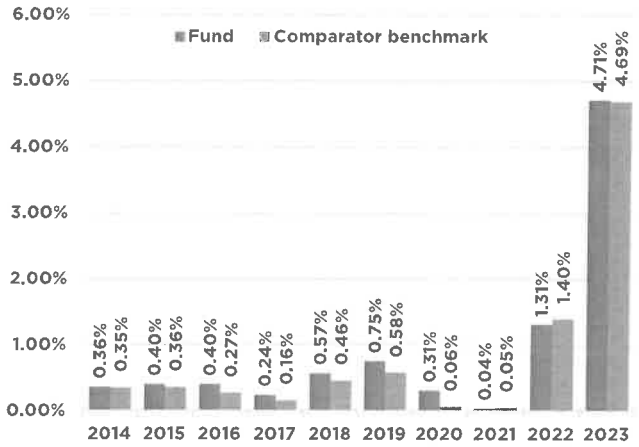
The **ongoing charges** figure is based on the annual management charge. The annual management charge is currently 0.08% per annum (having been reduced from 0.10% per annum until further notice) and is inclusive of all other ongoing charges. This figure may vary from year to year. It excludes portfolio transaction costs.

Although unlikely (reflecting the liquid nature of qualifying investments to be held), a dilution levy, which will change the prices for buying or selling shares in the fund with the aim of mitigating the effects of dealing and other charges the fund incurs, may be made on a purchase or sale of shares in the fund.

For more information about charges, please see the section titled "Charges and Expenses" of the company's prospectus, which is available at **www.ccla.co.uk**.

One-off charges taken before or after you invest	
Entry charge	0.00%
Exit charge	0.00%
The one-off charges are indicative charges that might be taken out of your money before it is invested and before the proceeds of your investment are paid out.	
Charges taken from the fund over a year	
Ongoing charges (currently)	0.08%
Charges taken from the fund under specific conditions	
Performance fee	None

Past Performance



The fund launched on 25 May 2011. This share class started to issue shares on the 25 May 2011.

Past performance is not a reliable indicator of future results. The performance shown is net of charges and has been calculated in pounds sterling.

Comparator benchmark: SONIA. Prior to 1 January 2021, the comparator benchmark was 7 Day Sterling London Interbank Bid Rate (LIBID).

Practical Information

Depositary
HSBC Bank plc, 8 Canada Square, London E14 5HQ.

Documents and share prices
Copies of the prospectus and the latest annual and half yearly report and accounts (which are available in English only), along with the latest published share prices can be obtained free of charge at **www.ccla.co.uk** or alternatively call our client services team on **0800 022 3505**. The shares are not listed on any stock exchange.

Share classes
More share classes may be available to you. Please refer to the prospectus for the company for further details.

This document is prepared for income share class 4. Income share class 4 is also representative of income share class 3, therefore a separate key investor information has not been prepared for income share class 3. Income share class 3 is available for investment.

Segregated liability
The company is an umbrella fund with segregated liability between sub-funds. It does not currently offer any other sub-funds in addition to the fund.

Switching
Shares in one sub-fund or share class may be exchanged for shares in another sub-fund or share class (currently, however, as the fund is the only sub-fund available for investment there is no facility to switch between sub-funds).

Tax
UK tax legislation may have an impact on your tax position. For further details you should consult your professional tax adviser.

Remuneration
The up-to-date remuneration policy including a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits, and the composition of CCLA's remuneration committee, may be obtained free of charge by contacting the client services team or visiting **www.ccla.co.uk.**

Additional information
Please refer to the *glossary* on our website for explanations of terms used in this communication. If you would like the information in an alternative format or have any queries, please call us on 0800 022 3505 or email us at clientservices@ccla.co.uk.

The fund is not a bank account and is not covered by the Financial Services Compensation Scheme's (FSCS) deposit protection. The fund is recognised as a money-market fund under the MMFR. Therefore, under the rules of the FSCS it is an investment and is covered under the 'Investments' section of the FSCS. The maximum amount that can be claimed under the FSCS is £85,000. For further information about the FSCS please refer to www.fscs.org.uk or phone 0800 678 1100.

The fund is a sub-fund of CCLA Public Sector Investment Fund, an umbrella OEIC. The prospectus and annual/half yearly report and accounts contain information about the sub-fund in CCLA Public Sector Investment Fund.

CCLA Investment Management Limited may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus for the company.

CCLA
One Angel Lane
London EC4R 3AB

Freephone **0800 022 3505**
clientservices@ccla.co.uk
www.ccla.co.uk

This fund is authorised in the UK and regulated by the Financial Conduct Authority.

CCLA Investment Management Limited is authorised in the UK and regulated by the Financial Conduct Authority.

This key investor information is accurate as at 16 February 2024.

CCLA

GOOD INVESTMENT

Statement of Account

Miss Burgess
Castle Bromwich Parish Council
Arden Hall Water Orton Road
BIRMINGHAM
B36 9PB

5 April 2024

Account name: **CASTLE BROMWICH PARISH COUNCIL-CASTLE BROMWICH PARISH COUNCIL**
Account number: **PS3079007-001**
Statement period: **29/02/2024 to 31/03/2024**

Account summary

Total valuation as at 31 March 2024	**£251,000.00**
Total valuation as at last statement at 29 February 2024	**£251,000.00**

Holdings as at 31 March 2024

Fund name	Unit/share holdings	Price per unit/share	Value
The Public Sector Deposit Fund SC4 GB00B3LDFH01	251,000.0000	£1.00	£251,000.00

Total value
£251,000.00

The average Fund yield for this period was 5.23% p.a.

Income for the period is as follows:

Month	Date paid	Method	Amount (£)	Destination
Feb 2024	04/03/2024	Paid to Nominated Bank Details	£1,046.20	

Fund documentation is available at www.ccla.co.uk/investments, or may be requested from our Client Services team. Telephone calls are recorded.
CCLA Investment Management Limited (registered in England & Wales, No. 2183088) is authorised and regulated by the Financial Conduct Authority.
Registered address: One Angel Lane, London EC4R 3AB.

Smaller authority name:

Castle Bromwich Parish Council

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

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

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

NOTICE	NOTES
1. Date of announcement Friday 31st May 2024 (a)	(a) Insert date of placing of the notice which must be not less than 1 day before the date in (c) below
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. **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 2024, these documents will be available on reasonable notice by application to:**	
(b) Gemma Burgess, Clerk & RFO Council Office, Arden Hall, Water Orton Rd, Castle Bromwich B36 9PB clerk@castlebromwichpc.gov.uk 0121 747 6503	(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
commencing on (c) Monday 3 June 2024	(c) Insert date, which must be at least 1 day after the date of announcement in (a) above and extends for a single period of 30 working days (inclusive) ending on the date appointed in (d) below
and ending on (d) Friday 12 July 2024	(d) The inspection period between (c) and (d) must also include the first 10 working days of July.
3. Local government electors and their representatives also have: • 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. The appointed auditor can be contacted at the address in paragraph 4 below for this purpose between the above dates only.	
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: MOORE **Moore (Ref AP/HD)** **Rutland House** **Minerva Business Park** **Lynch Wood** **Peterborough** **PE2 6PZ**	
5. This announcement is made by (e) Gemma Burgess, Clerk & RFO	(e) Insert name and position of person placing the notice – this person must be the responsible financial officer for the smaller authority

Additional information to be submitted with Part 3 AGAR

Basic and Intermediate levels

Item required.		
1.	State the basis of accounts – Income and Expenditure (I&E) **or** Receipts and Payments (R&P).	I+E
2.	Bank reconciliation (N.B. a pro-forma document is available online). *Where you have **income or expenditure of £2m or above** then we will also require copy bank statements supporting the reconciliations.*	✓
3.	Explanations of significant variances – with numerical support: For boxes 2 – 10 in the Accounting Statements, where the 2024 figure is 15% greater than, or 15% less than, the 2023 figure **unless** the variance is less than £500. Please also provide an explanation if the variance is greater than £100,000 regardless of whether this is less than 15%. (N.B. a pro-forma document is available online).	✓
4.	*Where you have **income or expenditure of £2m or above** then we will also require a copy of the full independent report of your internal auditor(IA). Supporting evidence of the council's assessment that the IA is:* *a. independent of the council.* *b. competent to undertake the role.* *c. has a current and appropriate letter of engagement* *d. the authority has considered and agreed the IA programme of work against its identified risks.* *e. Copies of the minutes of the meetings considering the IA's findings together with evidence that any recommendations have been addressed.*	N/A
5.	A reconciliation between boxes 7 and 8 – this must be quantified (N.B. a pro-forma document is available online).	✓
6.	An explanation of any 'No' answers in Section 1 (Annual Governance Statement).	N/A
7.	An explanation of any 'No' answers in the Annual Internal Audit Report.	N/A
8.	A breakdown of the types of reserves held between general reserves, earmarked reserves and restricted (ring-fenced) reserves (N.B. a pro-forma document is available online).	✓
9.	Where any investments are included as part of the Box 9 figure, please provide a summary of these amounts.	CCLA fact sheet + statement
10.	Whether you use the general power of competence.	NO
11.	The dates for the period for the exercise of public rights (N.B. a pro-forma document is available online).	✓
12.	Explanation for any delay between approval of Section 2 (accounts) and the commencement of the period for the exercise of public rights, other than to satisfy Regulation 12 of The Accounts and Audit Regulations 2015.	N/A
13.	This sheet must be completed and a copy provided with your AGAR submission.	✓

Castle Bromwich Parish Council
Council Office, Arden Hall, Water Orton Road,
Castle Bromwich, Solihull, B36 9PB
0121 747 6503
counciloffice@castlebromwichpc.gov.uk
www.castlebromwichpc.gov.uk

2023-24 Intermediate Review Additional Information

a) Conclusion of Audit publication

i. The Clerk confirms that the notice of completion of the prior year's audit was properly displayed.

ii. The notices were displayed in noticeboards at Arden Hall and on the website.

iii. There is no evidence that can be given, other than the word of the Clerk, that the notices went up on the noticeboards in paper format. They have since been removed due to the amount of activity of the Council which needs promoting.

The Council was notified of the conclusion of External Audit on 25/09/23 at 4.22pm when the office was closed. The "Notice of Conclusion of Annual Audit" was published online 26/09/23 at 11:55am which is evidenced below:
https://castlebromwichpc.gov.uk/wp-content/uploads/2023/09/2022-23-Conclusion-of-Audit.pdf

Title	Category	Date	Published Date
External Auditor's Certificate — Classic Editor	Finance	Published 2023/09/26 at 11:56	31-03-2023
Conclusion of Audit 22-23 — Classic Editor	Finance	Published 2023/09/26 at 11:55	31-03-2023
Exercise of Public Rights — Classic Editor	Finance	Published 2023/06/02 at 15:06	31-03-2023
2022-23 AGAR — Classic Editor	Finance	Published 2023/06/02 at 15:02	31-03-2023
Approved Budget 2023-24 — Classic Editor	Finance	Published 2023/03/07 at 15:17	01-04-2023
Interim Auditors Certificate — Classic Editor	Finance	Published 2022/09/29 at 17:05	31-03-2022
Right to Inspect Audit not concluded — Classic Editor	Finance	Published 2022/09/29 at 17:02	31-03-2022
Working budget 2022-23 — Classic Editor	Finance	Published 2022/09/15 at 13:48	31-03-2023
Expenditure over £500 to 31.03.24 — Classic Editor	Finance	Published 2022/09/15 at 13:37	31-03-2024
Audited AGAR 21-22 — Classic Editor	Finance	Published 2022/08/05 at 10:13	31-03-2022

Date

Published
2023/09/26 at 11:56

Published
2023/09/26 at 11:55

Published
2023/06/02 at 15:06

P.S.C
25.5.2024

b) Internal Auditor

i. Duncan Edwards, of DKE Internal Audit Services, is only known to the Council as an independent internal auditor and has no other connection whatsoever. In the Internal Audit report for 2023-24 p1 he states "As the Councils appointed internal auditor, I confirm that I am independent of the Council.".

ii. The Internal Auditor was appointed at the annual Parish Council meeting held on 17th May 2023, the relevant extract is below but the full minutes can be found here:
https://castlebromwichpc.gov.uk/wp-content/uploads/2023/06/2023-05-17-CBPC-OM-Minutes.pdf

C23-092x **Appointments:**

a. **Internal Auditor for 23-24:** The appointment of an Internal Auditor was considered. **RESOLVED:** That DKE Audit Services be re-appointed for the financial year 2023-24 at a base cost of £710 +mileage.

c) Action on Internal and External Reports

Internal Auditors assessment for the completion of the AGAR Part 3 – Financial Year 2022-23

Received: 19/04/2023 by email
Noted by Full Council 26/04/24 (C23-078d)

Recommendation 1: Internal Control Checks

Recommendations from 2021-22 followed-up in 2022-23
2021-22 Recommendation 1 – Internal Control Checks
The scope of the internal control check needs to be established. The checks undertaken should be supported by documentation that identifies; the checks to be undertaken, confirms that each check has occurred, records the findings and details the actions needed (if any). A template to aid the internal control check is to be produced. There is a tendency to focus on financial control but the internal control check should cover other control areas and should be linked to the controls stated in the risk register. The initial internal control check undertaken in July was reported in writing, for the second check a verbal update was given. For each internal control check a formalised reporting arrangement should be introduced and this should confirm that actions identified in the previous checks have been actioned and effective control operates.
2022-23 Recommendation 1 – Internal Control Checks – follow-up
The template for internal control checks remains in development, advice was given last year to aid the development of the internal control review process, showing how control arrangements are wider than financial activity. During the current financial year, no internal control checks by Members had been undertaken at the time of the internal audit visit. However, there was a commitment to introduce these in the last quarter of the financial year. The outcome would be used to support and inform the development of the annual AGAR. The guidance stipulates; • 1.20 Review of effectiveness — Regulation 6 of the Accounts and Audit Regulations 2015 requires the authority to conduct a financial year review of the effectiveness of the system of internal control. The review needs to inform the authority's preparation of its annual governance statement, and • 1.15.6 Risk assessment and internal controls need to focus on the safety of the authority's assets, particularly money. Periodic internal control checks are an important part of the governance and risk management assurance process and should be undertaken with the outcome being reported to Council.

A template was produced for Internal Control checks which follows the areas considered by the Internal Auditor (attached at pp7-9). The quarterly schedule of Internal Control checks was produced so that all councillors would be involved. This was minuted 17/05/23 C23-093 as below:

g. **Internal Control Checks:** The schedule of checks (as below) was noted.

Q1	Cllrs. Beechey & Temperton	Mid July
Q2	Cllrs. Strong, Ward & Wheeldon	Mid Oct – evening
Q3	Cllrs. MacDonald, Haywood	Wk beg 22nd Jan
Q4	Cllrs. Riordan & Allen	Mid April

The Statement of Internal Controls was revised by the Finance and General Purposes Committee and approved at Full Council 26/07/23. (attached at pp10-13)

C23-117d. The revised Statement of Internal Controls was considered.
***RESOLVED:** That the Statement of Internal Controls be approved.*

The Internal Control Checks were reported to Full Council with an action plan where necessary. The checks were published online as appendices to the minutes.

Q1 26/07/23

C23-117e. *The Internal Control Check, conducted by Cllrs. S Beechey And S Temperton was noted with no action necessary.*

Q2 15/11/23

F23-055 *The Q2 internal control check, carried out by Cllr. M Strong and Cllr. J Ward on November 1st was noted.*

Q3 27/03/24

C24-038g. *The Q3 Internal Control Check (attached at pp8-10) was noted. The recommendations are that the petty cash limit is increased to £50, that all of the Council's events should be on the website and that the Staff Handbook be prioritised by the Staffing Committee. The Clerk reported that all events are now on the website.*

C24-040c. *The revised Petty Cash policy was considered, with an increased limit of £50 per transaction.* ***RESOLVED:*** *That the Petty Cash Policy be approved. (attached at pp35-36)*

The Finance and General Purposes (FGP) Committee reviewed progress on the recommendation on 15/11/23.

F23-056 *1. Internal Control Checks: The template is now in use and quarterly checks are being completed and reported to FGP Committee and attached to minutes.*

Recommendation 2: Risk Management

Recommendations from 2021-22 followed-up in 2022-23
2021-22 Recommendation 2 – Risk Management
The previous internal audit recommendation referred to; '*focus should be placed on assurances that mitigating controls are appropriate, maintained and continue to be effective*', it is not evident from the minutes that such assurances were gained from the risk register review process. The review of the risk register by the Council should provide and record this assurance, being based on evidenced assessment. It is recommended that the Council develops its risk management process to provide better links to for example, asset management, internal control checks, Health and Safety and safe systems of work, and any projects it undertakes.
2022-23 Recommendation 2 – Risk management – follow-up
The Council has evaluated its risk and reviewed them within the year. However, there remains the opportunity to enhance this process further in line with the comments made above, particularly the Member assurance process; that the control of risks is to the desired levels. When responding to the AGAR Assertion 5 — Risk management the Council should be able to confirm; *'We carried out an assessment of the risks facing this smaller authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required. In order to warrant a positive response to this assertion, the authority needs to have the following arrangements in place:* • *Identifying and assessing risks — The authority needs to identify, assess and record risks associated with actions and decisions it has taken or considered taking during the year that could have financial or reputational consequences.* • *Addressing risks — Having identified, assessed and recorded the risks, the authority needs to address them by ensuring that appropriate measures are in place to mitigate and manage risk. This might include the introduction of internal controls and/or appropriate use of insurance cover'.*

The FGP Committee began to review the Risk Management Policy on 12/07/23.

F23-033a. *Risk Management Policy: A working party meeting was organised for Friday 8th September at the Council*

The working party spent several hours completely reviewing the policy and considering amendments. This progress was reported back to the FGP committee on 13/09/23.

F23-043 *Risk Management Policy: The working party held on 8th September had been through the policy in detail and the revised policy will be presented to Full Council.*

This was done on 27/09/23 as below:

C23-131 *The risk management recommendations from the working party were considered.*

RESOLVED: That the 2023-09 Risk Management Policy be approved. (attached to minutes pp5-12).

The Finance and General Purposes (FGP) Committee reviewed progress on the recommendation on 15/11/23.

F23-056 *2. Risk Management: The risk management policy has been regularly reviewed by FGP with a working party recently undertaking a detailed review which was approved by Council C23-131e. on 27th September.*

Recommendation 3: Budget Management (profiling)

Recommendations from 2021-22 followed-up in 2022-23
2021-22 Recommendation 3 – Budget Management (profiling)
As services recover from the impact of Covid-19 the Council should develop more sensitive budget monitoring processes. There are significant income sources and costs associated with these that fluctuate throughout the year. Therefore, the position at each budget review should seek to present the anticipated position for coming periods based on historic information, advanced payments, and estimated income and costs from known secured future activities.
2022-23 Recommendation 3 – Budget Management (profiling) – follow-up
Budget profiling remains under development. The profile of receipts and spend for the current year will inform the budget monitoring process for the coming year. The aim is to produce budget monitoring reports that presents the anticipated income and expenditure position in-line with the 2021-22 recommendation. As the Council has significant services which generate income and incur costs, the profiling of its budget should enhance control in this key governance area.

The Clerk has been profiling the budget by annotating the budget performance yr-to-date at each meeting of the FGP committee, which is attached to the minutes and noted by Full Council.

03/05/23 F23-018e.
12/07/23 F23-029f.
13/09/23 F23-041f.
15/11/23 F23-053f.
13/03/24 F24-006e.

Preparations for compiling the 24-25 budget began 13/09/24 F23-044 culminating in a working party meeting on 12/01/24 ready to sign off the budget on 24/01/24. The Clerk presented projections to each meeting.

The Finance and General Purposes (FGP) Committee reviewed progress on the recommendation on 15/11/23.

F23-056 *3. Budget Management (Profiling): The Clerk reported that this I still a work in progress. Budget reports are made but more years of post-COVID trading will be needed to paint an accurate picture. Inflation also needs to be accounted for.*

Recommendation 4: Budget Management (bar activity)

Recommendations from 2021-22 followed-up in 2022-23
2021-22 Recommendation 4 - Budget Management (bar activity)
The Council should consider the monitoring arrangements for its bar activity and how these fit within the budget management process. The Council should introduce overview processes that ensures it obtains the expected returns from its bar service, to include, gross trading profit, net trading profit and sales return based on mark-up. The Clerk should ensure the operational control arrangements secure receipts, control costs and manage stock.
2022-23 Recommendation 4 – Budget Management (bar activity) – follow-up
The control over income due and received from the bar has improved, there are now comprehensive records for till control information and for takings (cash and card) which then feed through to banking. An external independent bar stocktake has been engaged (December 2022) to provide an independent opening stock statement with a planned second stocktake due in March. Accurate stock opening and closing figures should enable the generation of a 'trading account' which should confirm gross profit is in accordance with that forecast. It has been confirmed that ongoing performance monitoring and reporting will follow. The overall monitoring of the bar activities could be further developed to enhance control. The performance management information should support and ensure the Council operates appropriate overview of the performance of the bar service. For example, the Council should consider setting gross profit targets for the bar service based on its mark-up policy and wastage management, and then monitor performance against its targets.

The tills were re-programmed in March 2022 ready to start the financial year 2022-23. This software allowed the Council to control each stock item in the units sold and the reporting functions were a significant enhancement. Information on expected to actual takings was compiled for each function, reported to the Leisure Services Committee at each meeting and attached to the minutes.

14/06/23	L23-019a
06/09/23	L23-033a
11/10/23	L23-046a
13/12/23	L23-058a
07/02/24	L24-008a
10/04/24	L24-020a

An external stock checker was instructed on a quarterly basis to confirm stock levels and produce reports on gross profit. This was reported to the Leisure Services Committee at each meeting and attached to the minutes. The variance net loss was approved by the committee.

Q1	06/09/23	L23-033c
Q2	11/10/23	L23-046c
Q3	07/02/24	L24-008d
Q4	10/04/24	L24-020e

The Finance and General Purposes (FGP) Committee reviewed progress on the recommendation on 15/11/23.

F23-056 *4. Budget Management (Bar Activity): Quarterly external stock checks are taking place. Waste is monitored by LSC which has been high recently but problems with pressure in the lines and other wastage have been corrected. More trading experience is needed before targeting gross profit annually and it was agreed that this could not be done on a monthly or function basis as functions vary depending on the demographic, bookings vary and staff do not have the ability to market and increase bar sales due to the nature of the business.*

Recommendation 5: Income Control

Recommendations from 2021-22 followed-up in 2022-23
2021-22 Recommendation 5 – Income Control
5a Bar control – The Clerk has confirmed there is an on-going improvement programme to include staff training, reprogramming of the till system and stocktakes. These arrangements should be designed to provide assurance that the income received and accounted for reconciles to that expected from sales. 5b Cash handling and safe control – A review of cash handling, cash security and safe control should be undertaken. 5c Income audit trail - There is opportunity to enhance control by undertaking periodic reconciliation between the customer receipt book and the summary takings form. For all income sources the control process and audit trail should provide control assurance - between the source (each receipt, till register entry), the collective income summary (e.g., till 'z' reads), the banking summary, the accounting record, and the bank statement.
2022-23 Recommendation 5 – Income Control – follow-up
5a Explanations and supporting evidence showed much stronger arrangements for the management and control of the bar and for the use and control of the till system. There are records that provide a cash and card payment audit trail for each bar function – also see comments earlier. 5b Cash handling arrangements demonstrates better control over the movement, access and accountability for cash. Effective arrangement for controlling and reconciling card payments is present. 5c The income audit trail has been further enhanced through the information held on the source manual records and the facilities and accounting software modules.

The Internal Auditor was satisfied with the progress made from 2021-22 therefore this recommendation was not re-raised in the 2022-23 report.

Recommendation 6: Asset Management / Asset Register

Recommendations from 2021-22 followed-up in 2022-23
2021-22 Recommendation 6 – Asset management / Asset Register
The Council ensures that the planned development of the Asset Register is completed by year-end. The Asset Register should have, where appropriate, links to Risk Management, the reserves provision and funding options, and revenue and capital budgets. The most recent version of the Joint Panel on Accountability and Governance guidance offers information of asset registers.
2022-23 Recommendation 6 – Asset management / Asset Register – follow-up
At the time of the internal audit visit the development of the asset register had been progressed but remained a 'work in progress', the software asset management module is being developed. The asset values have been reviewed in line with the guidance. However, there remains the opportunity to link the asset management process to risk management, the reserves provision and funding options, and revenue and capital budgets (current and future year forecasts). The most recent version of the Joint Panel on Accountability and Governance guidance 2022, particularly section 5.56 and 5.57, offers the following information on asset registers. *5.56. An asset register is the starting point for any system of financial control over tangible assets as it:* • *facilitates the effective physical control over assets* • *provides the information that enables the authority to make the most cost-effective use of its capital resources* • *supports the AGAR entry for fixed assets by collecting the information on the cost or value of assets held* • *forms a record of assets held for insurance purposes.* *5.57. The key information needed in the asset register is: date of acquisition, cost of acquisition, useful life estimate and location along with value held for investments.*

Work on the Asset Register has continued to progress. Items have been presented to Council to dispose or add.

28/06/23	C23-105b
29/11/23	C23-160d.
31/01/24	C24-013e (with the lists attached as appendices)
27/03/24	C24-038d

Due to the lack of a historic asset register being kept up-to-date, items which are of unknown purchase date or cost have been estimated (with replacement values for insurance) and will be updated as items are replaced with new purchases. The Council is now integrating these needs into forward planning.

External Auditor Report and Certificate 2022/23

2. Other matters not affecting our opinion which we draw to the attention of the authority:
Incomplete information was provided with the initial supporting data submitted for review with regards to significant variances, which was later provided on request. The parish council should in future ensure that all the necessary supporting information is provided with their annual submission.
Noted by Full Council 25/10/23 (C23-145a)

Castle Bromwich Parish Council
Council Office, Arden Hall, Water Orton Road,
Castle Bromwich, Solihull, B36 9PB
0121 747 6503
counciloffice@castlebromwichpc.gov.uk
www.castlebromwichpc.gov.uk

Quarterly Internal Control Check List

Councillors 1_____ 2_____ 3 _____

Date _____

Documents	YES	NO	N/A	Actions/Issues/Comments
Arden Hall Finance Controls				
Hall Record of Income sheets checked against receipt books				
Aged Debtors report up to date with relevant details e.g dates of future events or emails of correspondence.				
Petty Cash transactions – receipts & report in line with Council Policy				
Refundable Deposits – clear audit trail and up-to-date				
Bar Finance Controls				
Bar Record of Income sheets checked against till receipts/bar trading analyse				
Stock take				
Council Office Finance Controls				
Precept received and receipted				
Appropriate Accounting records TEST EXAMPLE 1				

Appropriate Accounting records TEST EXAMPLE 2				
Cashbook up-to-date				
VAT reclaimed				
Working within budget				
Review of Council Policies, are they up to date				
Website – Agendas, Minutes & Expenditure over £500 up to date				
Staff wages, HMRC, Pensions transactions,				
Bank Reconciliations with Bank Statements – Signed/Approved for Quarter				
Asset register- Updated/Amended				
Risk Register available to be checked				
Reserves in line with Policy				
Insurance documents up to date and on display in relevant places				
Grants awarded – Minute number and bank transfer evidence				
Staffing				
Staff employment contracts (new staff) Seen and signed				
Staff payment supporting documents e.g timesheets				
Staff performance management process Appraisals taken place and recorded				
Staffing Policies inc Health and Safety up to date and relevant				

Staff training- records seen				
Auditing				
Copy of previous Quarterly internal Audit				
Previous actions/issues/comments actioned – Evidence supplied				
Last years internal and external audit actions being actioned- evidence supplied				

Castle Bromwich Parish Council

STATEMENT OF INTERNAL FINANCIAL CONTROLS 2023

Status	**Adopted**
Date adopted	24/06/2020
Date of review	July 2024
Revised version adopted:	26/07/2023

Proper Officer
The parish council's Clerk to the Council is employed to carry out the functions of the Proper Officer and is also the designated Responsible Financial Officer (RFO), as required by the Local Government Act 1972, s151.
The Clerk is expected to be qualified to at least CiLCA or equivalent sector standard and is required to maintain a record of continuous professional development.
As Head of Paid Services, the Clerk is line manager to all other members of staff, other duties are detailed in the Clerk's job description subject to amendment.

Cash Book / Bank reconciliations	• The council uses sector-specific finance management software via EdgeIT. Accounts are prepared on an Income and Expenditure basis and the cash book is kept electronically, maintained up-to-date from original documents (cash received, invoices, payments made including standing orders and direct debits) as they are prepared. Cheques are rarely used. • The cash book is reconciled to the bank statement at least monthly. • Reconciled accounts are prepared in advance of each meeting of the finance committee along with the bank reconciliation. This is reported to the following council meeting and minuted. • On a quarterly basis, the cash book, income and expenditure reports, and bank reconciliations are reviewed and approved by a member of the Parish Council nominated as 'internal control' for that quarter, regarding the underlying records (bank statements and minutes plus invoices, purchase orders etc). The visits are reported to the next meeting of the parish council and minuted. • The latest financial position and movements on the Parish Council's cash balances are reported at each council meeting and can be traced back to the expenditure approved in the previous meeting via the minutes.

Financial Regulations
The Parish Council has adopted financial regulations, based on the model version prepared by NALC. The regulations are reviewed for continued relevance and amended where necessary by the RFO with any proposed amendments subject to annual approval by the Parish Council.

Order/Tender controls	• The Financial Regulations list the number of estimates, quotes or full tenders that must be invited depending on the value and nature of the work. • Purchase orders are sent to suppliers for all goods and services ordered. • Purchasing authority is delegated in accordance with the council's Financial Regulations. • The purchase orders are created within the finance system and automatically sequentially numbered. Payments are linked directly to purchase orders.

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Payment controls	• Delivery notes for purchases must be submitted to the RFO, the delivery date is recorded in the finance software and written on the invoice in preparation for payment. When no delivery note is available, the RFO investigates as to whether goods/services have been satisfactorily received and records this on the invoice. • Purchase orders for the goods or services provided are matched to purchase invoices where applicable. • Payments will be listed in cheque or voucher number order in the cash book. • All invoices for payment are listed on the meeting agenda, or agenda appendix, where the payment is to be minuted. • Payments made are listed in the minutes of the meeting. Original invoices are available to the Councillors for review at that meeting and subsequently if requested. • **If using cheques**: *cheques will be signed by any two of the three councillors on the bank mandate, who are authorised to sign as shown on the council's bank mandate, having had sight of all relevant invoices.* • *The RFO maintains control of the cheque book at all times, cheques will only be issued and signed for payments approved in Council meetings. The RFO will prepare cheques but is not authorised to sign them.* • **If using the BACS system:** the RFO is authorised to set up BACS payments online but as the RFO is not an authorised signatory, does not authorise payments. • Four members of the council are authorised to approve online bank payments from the Unity Trust Bank account. Four members are also authorised to approve online bank payments from the Lloyds accounts. All users are full power signatories governed by the Council's Financial Regulations. A copy of every invoice on the payments list is emailed to signatories along with the list of payments to be authorised. Payment is made by any two of the four authorised members. • The RFO is authorised to transfer funds internally ie from one of the council's accounts to another, but not to make payments. • Every payment is identified by a sequential voucher number. This number relates to the invoice and is used to identify the transaction in the payments cashbook, and cross referenced on the bank statement downloaded spreadsheet. • When invoices are paid by cheque, they are identified by the cheque number and referenced in the cashbook by the cheque number, as well as by the voucher number. This is cross checked with the bank statements. • When invoices are paid by BACS, they are identified by the voucher number which is cross checked with the bank statements. • The payment run authorisation reports are signed by the RFO and the Chair/committee Chair or have the minute reference recorded on them.
Legal Powers The Council will only do what the law allows it to do. All decisions made by the Council will be undertaken in accordance with the powers available and will be recorded in the minute book.	
Local Government Act 1972, s137 The Council is allowed to spend a certain amount of money per elector on doing something for which there is no specific law that allows it to act. The amount per elector as at May 2023 is £9.93. The Council will consider adoption of the General Power of Competence at least once a year at the Annual Council meeting.	

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VAT repayment claims	• RFO ensures compliance with VAT notice 749 • RFO ensures that all invoices are addressed to the Parish Council. • RFO ensures that proper VAT invoices are received where VAT is payable. • RFO maintains a VAT account to show the correct amount of VAT is reclaimed in the year and submits a claim for repayment quarterly.
Income controls	• RFO ensures the amount of the precept received is in accordance with the precept request sent to Solihull Metropolitan Borough Council. • RFO ensures the precept instalments are received when due. • RFO ensures that all other receipts e.g. hall hire, are received when due and correctly calculated. • Individually numbered receipts are issued for cash received and a copy kept. • Hall receipts are recorded via the EdgeIT finance programme and stored within the software. Hard copy receipts are available for inspection. • Cash and cheque income to the hall is banked promptly and a copy of the paying-in slip and Record of Income sheet is shared with the council office. • Cash and cheque income to the parish council office eg for photocopying services or Chairman's charities, is banked promptly and a note of the paying-in slip reference number is retained with the copy of receipt. • A record of all receipts and payments for the month is provided to each meeting of the finance and general purposes committee.
Financial reporting A Budget control sheet, comparing actual receipts and payments to the budget is prepared and presented to the finance and general purposes committee meetings and minuted.	
Budgetary controls	• The budget is approved by the Parish Council before the end of the financial year preceding the year to which it relates. • The precept amount is identified following approval of the budget; the precept demand is issued to the billing authority by the date stipulated by the billing authority.
Payroll controls	• The council makes use of an external payroll provider. • The Council is registered with HMRC online and the payroll provider is responsible for reporting monthly PAYE & NI due. • The RFO is responsible for making payments to HMRC every month and retains evidence this has been done; a record of each payment is retained and listed on the relevant payment report to the council and/or finance committee. • The Clerk's salary is set by the council and a minute is prepared to show the agreed salary level on the nationally agreed NJC scale. • All other staff salaries are set by the Staffing Committee and ratified by the next meeting of the council. • The monthly salaries are paid on the 28th day of each month by BACS and listed as a block payment on the relevant payment report to the council. • The RFO acts for the Parish Council regarding pension duties and works as the employer's contact, in conjunction with the payroll contractor. • The council's pension provider is the West Midlands Pension Fund. • The payroll provider submits monthly information to the pension provider. • The RFO authorises monthly payment to the pension provider by BACS; a record of each payment is retained and listed on the relevant payment report to the council.

Office and employee expenses	• The Clerk and the Community & Leisure Officer (DPS) retain credit cards for their sole use for making properly authorised purchases. All payments made on this card must be supported by a purchase order, an invoice and/or receipt for the goods ordered. The credit card statement and supporting invoices are presented to every Finance and General Purposes Committee. • If the above cards are unavailable, staff should use monies held in petty cash. Purchases made in emergencies above the £30 limit can be authorised by any one councillor. • In exceptional circumstances, staff may be given authority to make a purchase and request reimbursement which will be by BACS provided full receipt/invoice is submitted.
Asset Control	• The RFO maintains a full asset register. • The adequacy of insurance of the Parish Council's assets is considered annually in advance of the insurance renewal. • The adequacy of the council's risk management scheme and risk assessments are reviewed at least annually by the Finance and General Purposes Committee or relevant committee.