


NEW FRANKLEY IN BIRMINGHAM PARISH COUNCIL

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

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

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

NOTICE	NOTES
<p>1. Date of announcement <u>Monday 22 May 2023</u> (a)</p> <p>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.</p> <p>Any person interested has the right to inspect and make copies of the accounting records for the financial year to which the audit relates and all books, deeds, contracts, bills, vouchers, receipts and other documents relating to those records must be made available for inspection by any person interested. For the year ended 31 March 2023, these documents will be available on reasonable notice by application to:</p> <p>(b) Margarita Fackrell Tel. 0121 4579410; email: newfrankleyparishcouncil@gmail.com</p> <hr/> <p>commencing on (c) <u>Monday 5 June 2023</u></p> <p>and ending on (d) <u>Friday 14 July 2023</u></p> <p>3. Local government electors and their representatives also have:</p> <ul style="list-style-type: none"> The opportunity to question the appointed auditor about the accounting records; and The right to make an objection which concerns a matter in respect of which the appointed auditor could either make a public interest report or apply to the court for a declaration that an item of account is unlawful. Written notice of an objection must first be given to the auditor and a copy sent to the smaller authority. <p>The appointed auditor can be contacted at the address in paragraph 4 below for this purpose between the above dates only.</p> <p>4. The smaller authority's AGAR is 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:</p> <div style="display: flex; align-items: center; justify-content: center;"> <div style="flex: 1;"> <p>Moore (Ref AP/HD) Rutland House Minerva Business Park Lynch Wood Peterborough PE2 6PZ</p> </div> <div style="flex: 1; text-align: center;">  <p>MOORE</p> </div> </div> <p>5. This announcement is made by (e) Margarita Fackrell</p>	<p>(a) Insert date of placing of the notice which must be not less than 1 day before the date in (c) below</p> <p>(b) Insert name, position and address/telephone number/ email address, as appropriate, of the Clerk or other person to which any person may apply to inspect the accounts</p> <p>(c) Insert date, which must be at least 1 day after the date of announcement in (a) above and extends for a single period of 30 working days (inclusive) ending on the date appointed in (d) below</p> <p>(d) The inspection period between (c) and (d) must also include the first 10 working days of July.</p> <p>(e) Insert name and position of person placing the notice – this person must be the responsible financial officer for the smaller authority</p>

LOCAL AUTHORITY ACCOUNTS: A SUMMARY OF YOUR RIGHTS

Please note that this summary applies to all relevant smaller authorities, including local councils, internal drainage boards and 'other' smaller authorities.

The basic position

By law, any interested person has the right to inspect the accounting records of smaller authorities. If you are a local government elector or registered to vote in the local councils' elections, then you are able to ask questions about the accounts and object to them.

The right to inspect the accounting records

When your council has finalised its accounts for the previous financial year, they must advertise that they are available for people to inspect. You must then provide the council with reasonable notice of your intentions. Following this, by arrangement you will then have 30 working days to inspect and make copies of the accounting records and supporting documents. You may be required to pay a copying charge.

The right to ask the auditor questions about the accounting records

If you have any questions regarding the accounting records, you should first ask your smaller authority. This must be done during the 30-day period for the exercise of public rights. You may also ask the appointed auditor questions about an item in the accounting records. However, the auditor can only answer 'what' questions, not 'why' questions so is limited with their response. To avoid any confusion, it is advised that you put your questions in writing.

The right to make objections

Should you view something as unlawful or believe there are matters of wider concern in the accounts, you may wish to object. If you are a local government elector, you have the right to ask the external auditor to apply to the courts for a declaration that an item is contrary to the law and should be reported as a matter of public interest. This must be done by telling the appointed auditor which specific item in the accounts you object to and why you believe it to be unlawful or think a public interest report should be made about it. You must provide clear evidence to support your objection, and this should be done in writing and the copied to the council.

You should not use the 'right to object' to make a personal complaint or claim against your smaller authority. Complaints of this nature should be taken to your local Citizens' Advice Bureau, local Law Centre or to your solicitor.

A final word

Smaller authorities, and so local taxpayers, meet the costs of dealing with questions and objections. In deciding whether to take your objection forward, the auditor must consider the cost that will be involved. They will only continue with the objection if it is in the public interest to do so. If you appeal to the courts against an auditor's decision, you may have to pay for the action yourself.

Annual Governance and Accountability Return 2022/23 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 2022/23

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 2023**.
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 2023**. 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 2023
 - 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 2022/23

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 2023 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 2022/23**, approved and signed, page 4
- **Section 2 - Accounting Statements 2022/23**, approved and signed, page 5

Not later than 30 September 2023 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) 2022/23

- 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 2023.
- 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 Chairman, 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 2022) equals the balance brought forward in the current year (Box 1 of 2023).
- 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 2023**.

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?	✓	
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 Chairman of the approval meeting?	✓	
	Has an explanation of significant variations been published where required?	✓	
	Has the bank reconciliation as at 31 March 2023 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.		

***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 2022/23

NEW FRANKLEY IN BIRMINGHAM PARISH COUNCIL

www.newfrankleyinbirminghamparishcouncil.gov.uk

During the financial year ended 31 March 2023, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2022/23 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
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 2021/22, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2021/22 AGAR tick "not covered")			✓
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 2022-23 AGAR period, were public rights in relation to the 2021-22 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).	✓		
N. The authority has complied with the publication requirements for 2021/22 AGAR (see AGAR Page 1 Guidance Notes).	✓		
O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	✓		

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

18/05/2023

Name of person who carried out the internal audit

ELEANOR CHOUARY

Signature of person who carried out the internal audit

EChoudry

Date

18/05/2023

*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

Section 1 – Annual Governance Statement 2022/23

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 2023, that:

	Answer		Yes, I am satisfied that the 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:

17/04/2023

and recorded as minute reference:

6426/1976

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

Chairman

A. Loates

Clerk

M. Farrell, RFO

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NEW FRANKLEY IN BIRMINGHAM PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2022 £	31 March 2023 £	
1. Balances brought forward	60,521	48,411	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	35,991	43,520	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	48,198	41,351	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	23,050	32,184	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	73,249	46,010	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	48,411	55,088	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	48,411	55,088	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	47,242	47,459	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).

RESTATED

For Local Councils Only			
	Yes	No	N/A
11a. Disclosure note re Trust funds (including charitable)			✓
11b. 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.
The figures in the accounting statements above do not include any Trust transactions.

I certify that for the year ended 31 March 2023 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval

M. Farrell

Date

19/05/2023

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

17/04/2023

as recorded in minute reference:

G547/1990

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

A. Coates

Section 3 – External Auditor's Report and Certificate 2022/23

In respect of

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 2023; 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 2022/23

(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 2022/23

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 2023.

*We do not certify completion because:

External Auditor Name

External Auditor Signature

Date

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	Last Year £	31/03/2023 £	Variance £	Variance %	Explanation Required?	Notes
1	Balances brought fwd	60520.58	48410.58				BALANCE B/F AGREES
2	Annual precept	35991.00	43520.00	7529.00	21%	Yes	Increase in Precept is due to the Cost of Living Crisis the Council pays more for the services that provides for the residents
3	Total other receipts	48198.00	41350.89	-6847.11	14%	No	
4	Staff Costs	23050.00	32184.14	9134.14	40%	Yes	Staff received appraisal and was leveled up in SPC after completing the start trial periods. Backpays happened due to wrong calculations of Payroll and the increment in NALC awards
5	Loan interest/capital repayments	0.00	0.00	0.00	0%	No	
6	Total other payments	73249.00	46009.62	-27239.38	37%	Yes	In 2021 £31,600 was paid to install CCTV equipment around Frankley shops and library in Ballaam school
7	Balances carried forward	48410.58	55087.71	6677.13	14%	No	Balances carried forward differ between the years because in 2022-2023 the approach was changed to Receipts&Payments from previously Income&Expenditure
8	Total Cash and Short Term Investments	48410.58	55087.71	6677.13	14%	No	Balances carried forward differ between the years because in 2022-2023 the approach was changed to Receipts&Payments from previously Income&Expenditure
9	Total Fixed Assets and Long Term Investments	47242.00	47458.68	216.68	0%	No	
10	Total Borrowings	0.00	0.00	0.00	0%	No	

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	Last Year £	31/03/2023 £	Variance £	Variance %	Explanation Required?	Notes
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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
	BOX 2 2021/22	2022-23	difference	remaining difference
Reason for variance BOX 2 ANNUAL PRECEPT	35991	43520	7529	
Acomodation Expenses	13030	11596	-1434	8963
Administration Expenses	3385	5815	2430	6533
Section 137 Grants	29601	27000	-2601	9134
Staffing and Allowances	23050	32184	9134	0
	BOX 4			
Reason for variance BOX 4 STAFF COSTS	23050	32184	9134	
Late paid salaries	0	1925	1925	7209
Salaries backdating	0	2728	2728	4481
Underrpaid NI and PAYE	0	1274	1274	3207
NEST Pension Contributions	0	1747	1747	1460
NIC and PAYE	410	1870	1460	0
	BOX 6			
Reason for variance BOX 6 ALL OTHER PAYMENTS	73249	46010	-27239	
CCTV Community Shops Installation Charges	31601	3414	-28187	948
Community Grants	3810	5815	2005	-1057
Frankley Truck Running Costs	12500	13557	1057	0

Frankley Parish Council

Internal Audit Report for the Financial Year ending 31st March 2023

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 2022/23.

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 18th May 2023.

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 from the publicised AGAR as at 31 March 2022 have been RESTATED due to a change in accounting basis from I&E to R&P carried out with support from the Scribe Accountant.
- The cashbook is up to date.
- The calculations are correct.
- VAT is evidenced and the RFO advised that a claim will be made in 2023/24.
- The payments have been checked, all were supported by invoices, authorised or minuted. (see page 4).
- 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 is paid to Frankley Carnival of £1,949.

Due Process

- Standing Orders were reviewed at the meeting held on 21/11/22.
- Financial Regulations have been customised and reviewed at the Annual Meeting on 16/5/22.
- There is no evidence of investments or loans.
- A Localising Council Tax Support Grant is received of £40,899.

Frankley Parish Council

- An Internal Controls Policy was agreed in September 2022 and is available on the website.
 - The Risk Assessment was reviewed in March 2023 and is available on the website.
 - A Risk Review Log was reviewed in March 2023 and is available on the website.
 - Annual insurance is renewed and is adequate. The policy agreed is a long term agreement until 31/5/25 three-year and includes £10 million Public and Employers Liability.
-
- **Recommendation:**
 - **I recommend that:**
 - Financial payments and receipts are added to the agenda/minutes and are available on the website.

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 requested.
 - There is evidence of budget setting.
-
- **Recommendation:**
 - **I recommend that:**
 - Reserves are earmarked and a contingency indicated.

Payroll – Clerk/RFO and Caretaker

- There is evidence of a RFO contract of Employment that is customised and the RFO advised that all signed staff contracts are kept in a locker by the Chair of the PC.
 - Payroll was outsourced to DCK Payroll Solutions in 12/22.
 - 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.
 - There is evidence of a Staff Grievance Procedure which was approved in 11/2004.
 - There is evidence of a Staff Disciplinary Procedure which was approved in 11/2004
-
- **Recommendation:**
 - **I recommend that:**
 - Both the Staff Grievance and Disciplinary Procedures are reviewed.

Frankley Parish Council

For the year 2022/2023 an audit trail of the following cheques was carried out:-

BACS	PAYEE	AMOUNT £
06/04/2022	JRB Enterprise	688.80
28/04/2022	New Start Charity	2500.00
17/08/2022	Opus energy	13.12
17/11/2022	Tree Fix UK	150.00
30/01/2023	Birmingham City Council	2000.00
22/03/2023	Everflow Ltd	15.59

Conclusion

It is my opinion that the various records and procedures in place for the Council provide an adequate standard of control. 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.

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

Eleanor Choudry, CILCA, AAT

Internal Auditor

18th May 2023.

New Frankley in Birmingham Parish Council

Prepared by: Facereil
Name and Role (Clerk/RFO etc)

Date: 14/04/23

Approved by: [Signature] mpc
Name and Role (RFO/Chair of Finance etc)

Date: 17/4/2023

Bank Reconciliation at 31/03/2023			
	Cash in Hand 01/04/2022		47,497.76
	ADD		
	Receipts 01/04/2022 - 31/03/2023		86,840.69
			134,338.45
	SUBTRACT		
	Payments 01/04/2022 - 31/03/2023		79,250.74
A	Cash in Hand 31/03/2023 (per Cash Book)		55,087.71
	Cash in hand per Bank Statements		
	Petty Cash	31/03/2023	32.98
	Multipay Credit card	31/03/2023	0.00
	Deposit Account - New Frankley in	31/03/2023	44,133.80
	Current Account - New Frankley in	31/03/2023	10,920.93
			55,087.71
	Less unrepresented payments		
			55,087.71
	Plus unrepresented receipts		
B	Adjusted Bank Balance		55,087.71
A = B Checks out OK			

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: 31/03/2023

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

Fraud Reminder

Unity Trust Bank will NEVER ask you to share passwords or PINs. If you receive a suspicious call, please hang up and contact our dedicated fraud number, freephone 0808 196 8420 or email fraud@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](https://www.fscs.org.uk) or refer to our FSCS Information Sheet and Exclusions List at unity.co.uk/fscs

Contact Us



Call us: **0345 140 1000**



Email us: us@unity.co.uk



Visit us: unity.co.uk

Your Current T1 account transactions:

Date	Type	Details	Payments Out	Payments In	Balance
04/03/2023		Balance brought forward	£0.00	£0.00	£14,012.90
06/03/2023	Direct Debit	Direct Debit (NEST)	£156.59	£0.00	£13,856.31
06/03/2023	Faster Payment Debit	B/P to: Starboard Systems	£414.72	£0.00	£13,441.59
06/03/2023	Faster Payment Debit	B/P to: DCK PAYROLL	£36.00	£0.00	£13,405.59

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Statement number 157

**For Businesses.
For Communities.
For Good.**

Unity Trust Bank plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.
Unity Trust Bank is entered in the Financial Services Register under number 204570.
Registered Office: Four Brindleyplace, Birmingham, B1 2JB.
Registered in England and Wales no. 1713124.
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INVESTORS IN PEOPLE
We invest in people Gold



Your Current T1 account transactions:					
Date	Type	Details	Payments Out	Payments In	Balance
13/03/2023	Direct Debit	Direct Debit (LLOYDS BANK PLC)	£3.00	£0.00	£13,402.59
17/03/2023	Direct Debit	Direct Debit (OPUS ENERGY GAS SU)	£98.02	£0.00	£13,304.57
21/03/2023	Cheque Debit	Cheque 301205	£60.00	£0.00	£13,244.57
22/03/2023	Direct Debit	Direct Debit (EVERFLOW LIMITED)	£15.59	£0.00	£13,228.98
27/03/2023	Faster Payment Debit	B/P to: E T Collier	£832.83	£0.00	£12,396.15
27/03/2023	Faster Payment Debit	B/P to: Rachael Anstey	£718.42	£0.00	£11,677.73
27/03/2023	Faster Payment Debit	B/P to: Starboard Systems	£46.80	£0.00	£11,630.93
27/03/2023	Faster Payment Debit	B/P to: Margarita Fackrell	£552.00	£0.00	£11,078.93
27/03/2023	Faster Payment Debit	B/P to: Daphne Seymour	£140.00	£0.00	£10,938.93
31/03/2023	Fee	Service Charge	£18.00	£0.00	£10,920.93

Your Account Statement



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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: 31/03/2023

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

Swift Code (BIC): NWBKGB2L

IBAN Number: GB93NWBK60023571418024

Sort Code: 608301

Account Number: 20370901

The credit interest rate is 2.15% AER as of your statement date.

Contact Us



Call us: **0345 140 1000**



Email us: **us@unity.co.uk**



Visit us: **unity.co.uk**

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Your Instant Access account transactions:

Date	Type	Details	Payments Out	Payments In	Balance
28/02/2023		Balance brought forward	£0.00	£0.00	£43,927.64
31/03/2023	Credit Interest	Credit Interest	£0.00	£206.16	£44,133.80

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Statement number 082

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