

## Section 1 – Annual Governance Statement 2022/23

We acknowledge as the members of:

### Croptorne Parish Council

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2023, that:

	Agreed			'Yes' means that this authority
	Yes	No*		
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	✓			prepared its accounting statements in accordance with the Accounts and Audit Regulations.
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	✓			made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	✓			has only done what it has the legal power to do and has complied with Proper Practices in doing so.
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	✓			during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓			considered and documented the financial and other risks it faces and dealt with them properly.
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	✓			arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.
7. We took appropriate action on all matters raised in reports from internal and external audit.	✓			responded to matters brought to its attention by internal and external audit.
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.	✓			disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A	has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.
			✓	

\*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:

26/06/2023

and recorded as minute reference:

Minute 4(b) 26/6/2023

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

Chairman

Clerk

SIGNATURE REQUIRED  
  
 SIGNATURE REQUIRED  


<https://croptorneparishcouncil.co.uk/> AVAILABLE WEBSITE/WEBPAGE ADDRESS

## Section 2 – Accounting Statements 2022/23 for

### Crothorne Parish Council

	Year ending		Notes and guidance
	31 March 2022 £	31 March 2023 £	
1. Balances brought forward	34,657	30,222	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	7,425	7,902	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	20,120	22,335	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	4,374	4,588	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	27,606	32,446	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	30,222	23,425	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	30,222	23,425	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	18,323	16,529	The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.
10. Total borrowings	0	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

For Local Councils Only	Yes	No	N/A	
11a. Disclosure note re Trust funds (including charitable)		✓		The Council, as a body corporate, acts as sole trustee and is responsible for managing Trust funds or assets.
11b. Disclosure note re Trust funds (including charitable)			✓	The figures in the accounting statements above do not include any Trust transactions.

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

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

 SIGNATURE REQUIRED

Date

19/06/2023

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

26/06/2023

as recorded in minute reference:

Minute 4 (C) 26/06/2023 REFERENCE

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

 SIGNATURE REQUIRED

# Annual Internal Audit Report 2022/23

Crothorne Parish Council

<https://crothorneparishcouncil.co.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

15/06/2023

Name of person who carried out the internal audit

Lynne Yapp

Signature of person who carried out the internal audit



Date

15/06/2023

\*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 3 – External Auditor’s Report and Certificate 2022/23

In respect of

Crothorne Parish Council

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

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

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

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

- summarises the accounting records for the year ended 31 March 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

ENTER NAME OF EXTERNAL AUDITOR

External Auditor Signature

SIGNATURE REQUIRED

Date

DD/MM/YYYY

## Bank reconciliation – pro forma

This reconciliation should include **all** bank and building society accounts, including short term investment accounts. It **must** column headed "Year ending 31 March 20xx" in Section 2 of the AGAR – and will also agree to Box 7 where the accounts are on a receipts and payments basis. Please complete the highlighted boxes, remembering that unpresented cheques should be entered on a

Name of smaller authority:

Crothorne Parish Council

County area (local councils and parish meetings only):

Worcestershire

Financial year ending 31 March 2023

Prepared by (Name and Role):

Richard Timney clerk and RFO

Date:

08/06/2023

	£	£
<b>Balance per bank statements as at 31/3/2023</b>		
Treasurers Account *** 8331	18,922.7	
Business Instant Access Acc ***6564	5,032.3	
		23,955
Petty cash float (if applicable)		-
		NA
Less: any unpresented cheques as at 31/3/23 (enter these as negative numbers)		
1136	-70.00	
1139	-36.00	
1142	-423.60	
		(529.60)
Add: any un-banked cash as at 31/3/23		
N/A		
		-
<b>Net balances as at 31/3/23 (Box 8)</b>		<b>23,425.4</b>

**Explanation of variances +A1:N26– pro forma**

Name of smaller authority: **Cropton Parish Council**  
 County area (local councils and parish meetings only):

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

Next, please provide full explanations, including numerical values, for the following that will be flagged in the green boxes where relevant:

- variances of more than 15% between totals for individual boxes (except variances of less than £200);
- **New from 2020/21 onwards:** variances of £100,000 or more require explanation regardless of the % variation year on year;
- a breakdown of approved reserves on the next tab if the total reserves (Box 7) figure is more than twice the annual precept/rates & levies value (Box 2).

	2020/21 £	2021/22 £	Variance £	Variance %	Explanation Required?	Automatic responses trigger below based on figures input. <b>DO NOT OVERWRITE THESE BOXES</b>
1 Balances Brought Forward	34,657	30,222				Explanation of % variance from PY opening balance not required - Balance brought forward agrees
2 Precept or Rates and Levies	7,425	7,902	477	6.42%	NO	
3 Total Other Receipts	20,120	22,335	2,215	11.01%	NO	
4 Staff Costs	4,374	4,588	214	4.89%	NO	
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO	
6 All Other Payments	27,806	32,446	4,640	17.53%	YES	2021/22: additional payments Playground Barrier (Using S106) = £12,549 + Corran Dean Project £5,764. Total Extra Expenditure 2021/22: £19,313. 2022/23: Additional payments: Corran Dean Project £20,291 / Extra VAT Element £720 / New Notice Board £1,354 / Jubilee & Coronation £699 / Defib. Batteries £388 / Extra Clerks Salary due to new Clerk and overlap £215 = Total Additional Expenditure £23,667. Difference £4,354
7 Balances Carried Forward	30,222	23,425			YES	VARIANCE EXPLANATION NOT REQUIRED EXPLANATION REQUIRED ON RESERVES TAB AS TO WHY CARRY FORWARD RESERVES ARE GREATER THAN TWICE INCOME FROM LOCAL TAXATION/LEVIES
8 Total Cash and Short Term Investments	30,222	23,425				VARIANCE EXPLANATION NOT REQUIRED
9 Total Fixed Assets plus Other Long Term Investments and	18,323	16,529	-1,794	9.79%	NO	
10 Total Borrowings	0	0	0	0.00%	NO	

Rounding errors of up to £2 are tolerable

Variances of £200 or less are tolerable

**BOX 10 VARIANCE EXPLANATION NOT REQUIRED IF CHANGE CAN BE EXPLAINED BY BOX 5 (CAPITAL PLUS INTEREST PAYMENT)**

## Explanation for 'high' reserves

(Please complete the highlighted boxes.)

Box 7 is more than twice Box 2 because the authority held the following breakdown of reserves at the year end:

	£	£	£
<b>Earmarked reserves:</b>			
Elections	2000		
Legal Reserve	5000		
General Maintenance	1000		
Tree / Baldwins Bank Mtce	2000		
CIL Fund	8223		
Total earmarked reserves		<u>18223</u>	
Remaining General reserve	5202	<u>5202</u>	
Total reserves (must agree to Box 7)			<u><u>23425</u></u>

**CROPTHORNE PARISH COUNCIL**

**FIXED ASSET SCHEDULE      31ST MARCH 2023**

<b>ITEM</b>	<b>VALUE £</b>
Baldwins Bank	1000
2 x defibrillators & housing units	1898
Bus shelter	676
Mobile VAS sign	0 Broken and written off
2 x Fixed Solar VAS signs	8010
Village Speed Gates	1245
1 x dog waste bins	300
2 x waste bins	700
Notice Board at vh	1500
2 x bench seating	1200
<b>Assets Total</b>	<b><u>£16,529</u></b>



**CROPTHORNE PARISH COUNCIL**  
**RISK REVIEW ASSESSMENT APRIL 2023**

<b><u>ITEM</u></b>	<b><u>FREQUENCY</u></b>	<b><u>LAST REVIEWED</u></b>	<b><u>COMMENTS</u></b>
<b>Insurance</b>			
Public/Employers Liability	Annual	May 2023	
Money/Fidelity Guarantee	Annual	May 2023	
Personal Accident	Annual	May 2023	
Assets as per Asset Register	Annual	May 2023	
Lengthsmans Insurance	Annual	February 2023	(Lengthsman's own arrangement)
<b>Safety Inspections :</b>			
Trees on Baldwins Bank		March 2023	Tree inspection being booked June 2023
<b>Financial Matters :</b>			
Banking Arrangements	Annual	Nov 2022	
VAT Return submitted	Annual	Sept 2022	
Budget Agreed and Monitored	½ yearly	January 2023	
Precept Requested	Annual	January 2023	
Payments Approval Procedure		April 2022	Any 2 councillors
Review of Bank Reconciliations	Monthly	April 2023	Every month
Review of Clerks Salary	Annual	Sept 2022	
Chairmans Allowance	Annual		Not applicable at present
Internal Audit	Annual	July 2022	
External Audit	Annual	August 2022	
Internal Check of Financial Records	½ yearly	Jan 2023	
<b>Record Keeping :</b>			
Minutes properly numbered	On-going		
Asset Register updated	On-going	April 2023	
Financial Regulations	Annual	November 2022	
Standing Orders	Annual	July 2022	
<b>Members Responsibilities :</b>			
New Code of Conduct adopted	On-going	July 2022	
Register of Interests	On-going		
Register of Gift/Hospitality	On-going		