

Section 1 – Annual Governance Statement 2023/24

We acknowledge as the members of:

LEYSDOWN 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 SIGNED ON INCORRECT DATE
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	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:

19/06/2024

and recorded as minute reference:

24/108

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

Chair



Clerk



www.leysdownparishcouncil.org

Section 2 – Accounting Statements 2023/24 for

LEYSDOWN PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2023 £	31 March 2024 £	
1. Balances brought forward	22831	6276	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	35890	30000	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	0	10512	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	2101	4135	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	N/A	N/A	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	50344	18595	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	6276	24527	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	6276	24527	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	102,000	102,000	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	N/A	N/A	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)		<input checked="" type="checkbox"/>		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)			<input checked="" type="checkbox"/>	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



Date

19/06/2024

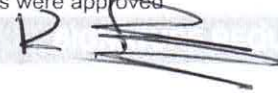
I confirm that these Accounting Statements were approved by this authority on this date:

19/06/2024

as recorded in minute reference:

24 / 108

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



Attachment 1.1

Bank reconciliation – Example.

This reconciliation must include **all** bank and building society accounts and other short-term investments*. It **must** agree to Box 8 in the column headed "Year ending 31 March 2024" in Section 2 of the Annual Return. It will also agree to Box 7 where the accounts are prepared on a receipts and payments (cash) basis, but not when an income and expenditure basis is used.

Parish Council Name LEYSDOWN PARISH

Financial year ending 31 March 2024

Prepared by RICHENDA GARRARD (Name and Position) Date 08/05/24
CLERK

	£	£
Balance per bank statements as at 31 March 2024:		
e.g. Current account		
High interest account		£24,527
Building society premium a/c		
Petty cash float (if applicable)		N/A
Less: any un-presented cheques at 31 March 2024 (normally only current account)		N/A
Cheque number		
Add: any un-banked cash at 31 March 2024		N/A
e.g. Allotment rents banked 31 March 2024 (but not credited until 1 April 2024)		N/A
Net balances as at 31 March 2024		£24,527
<i>The net balances reconcile to the Cash Book (a receipts and payments account, which should be maintained even if your authority uses income and expenditure accounting) for the year, as follows:</i>		
CASH BOOK		
Opening Balance 1 April 2023		
Add: Receipts in the year		
Less: Payments in the year		
Closing balance per cash book [receipts and payments book] as at 31 March 2024 (must equal net balances above)		£24,527

Attachment 1.2

Explanation of significant variances in the accounting statements – AGAR Section 2

Parish Council name: LEYSDOWN PARISH

Please explain any variances of more than 15% between the totals for individual boxes in Section 2. We do not require explanations for variances of less than £200; however, in some cases there may be 'compensating' variances which leave the overall total for a box relatively unchanged – e.g. where there was a major one-off project in one year (e.g. contribution to village hall extension of £30,000), but a totally different expense of a similar size in the next (e.g. purchase of playground equipment of £28,000). In such cases, it would be helpful to provide an explanation of movements within each box. We also ask you to explain any change where there is a movement to or from zero. Please either use the proforma below, or complete a separate schedule if more space is required.

Section 2	2022/23 £	2023/24 £	Variance (+/-) £	Detailed explanation of variance (for each reason noted please include monetary values (to nearest £100))
Box 2 Precept	35890	30000	£ 0.00 -5890	Precept took into account the current balance
Box 3 Other income	0	10512	£ 0.00 +10512	VAT claimed from 2019 onwards
Box 4 Staff costs	2101	4135	£ 0.00 +2034	Clerks hours and rate per hour increased
Box 5 Loan interest/ capital	N/A	N/A	£ 0.00 -	
Box 6 Other payments	50344	18595	£ 0.00 -31749	Previous year included repairs and extra jubilee expenditure

mazars

Box 7 <i>Balances carried forward</i>	6276	24527	£ 0.00 +18251	If some of the year-end balances are earmarked for specific purposes rather than as a general reserve, please provide a breakdown. You do not need to explain the year-on-year variance for this box.
Box 9 <i>Fixed assets & long-term assets</i>	102000	102000	—	Explain <u>all</u> movements in this category and not just those above 15%
Box 10 <i>Total borrowing</i>	N/A	N/A	£ 0.00 —	

Attachment 1.3

Reconciliation between Box 7 and Box 8 in Section 2 (31/03/2024). Note – this form is only required for authorities preparing their accounts on an income and expenditure basis.

Parish Council name: LEYSDOWN PARISH

There should only be a difference between Box 7 and Box 8 where the accounts are prepared on an Income & Expenditure basis and where there are year-end adjustments for debtors/prepayments and creditors/receipts in advance. Please provide details of the year-end adjustments, showing how the net difference between them is equal to the difference between Boxes 7 and 8.

	£	£
Total of Box 7: Balances carried forward (31/3/2024)		24527
Deduct: Debtors	0	
Deduct: Payments made in advance (prepayments)	0	
Total deductions		
Add: Creditors	0	
Add: Receipts in advance	0	
Total additions		
Total of Box 8: Total cash and short-term investments (31/3/2024) (must agree to the net balances on bank reconciliation)		24527

Attachment 2

Local Council name: LEYSDOWN PARISH

Confirmation of contact details

Please confirm the contact details for the Clerk, RFO (if not the clerk) and Chair, to assist us in ensuring that our records are kept up to date:

Clerk's name: *	RFO's name (if not clerk):	Chair's name:
<u>RICHENDA GARRARD</u>	<u>KIRSTIE MARTIN</u>
Clerk working hours (e.g. Mon-Fri 9-5pm):	RFO working hours (e.g. Mon-Fri 9-5pm):	
<u>10 HOURS WEEKLY</u>	
Parish Council registered address:	Parish Council registered address:	Chair contact postal and email address:
<u>LEYSDOWN VILLAGE HALL, WING ROAD, LEYSDOWN, KENT, ME12 4RS</u>	<u>14 MUSTARDS ROAD, LEYSDOWN, KENT, ME12 4AG</u>
		Email: <u>councillor.martin@leysdownpc.co.uk</u>
Telephone:	Telephone:	Telephone:
Primary contact number: <u>07377 511306</u>	Primary contact number:	Primary contact number: <u>07445 956215</u>
Mobile/Alternative number:	Mobile/Alternative number:	Mobile/Alternative number:
E-mail address for the Council/Meeting (please do not provide a personal e-mail address unless the clerk / RFO does not have a Council/Meeting e-mail address). <u>leysdownpc@btconnect.com</u>		

Please return this form via email together with the

Annual Governance & Accountability Return and other information requested.

* Richenda has handed in resignation and last day will be 30/06/24
A new clerk is yet to be appointed¹⁴

Attachment 3.1

Local council name: LEYS DOWN PARISH COUNCIL

Notice of appointment of date for the exercise of public rights Accounts for the year ended 31st March 2024

The Local Audit and Accountability Act 2014, and
The Accounts and Audit (England) Regulations 2015 (SI 234)

<p>1. Date of announcement: <u>19th JUNE 2024</u></p> <p>2. Any person interested has the right to inspect and make copies of the accounts to be audited and all books, deeds, contracts, bills, vouchers and receipts relating to them. For the year ended 31 March 2024 these documents will be available on reasonable notice on application to:</p> <p>(b) <u>UNTIL 30/6 - R GARRARD (CLERK).</u> <u>AFTER 01/07- CHAIR OR NEW CLERK</u> <u>EMAIL LEYSDOWNPC @ BT CONNECT.COM</u></p> <p>commencing on (c) <u>20th JUNE 2024</u></p> <p>and ending on (d) <u>31st JULY 2024</u></p> <p>3. Local Government Electors and their representatives also have:</p> <ul style="list-style-type: none"> • the opportunity to question the auditor about the accounts; and • the right to make objections to the accounts or any item in them. Written notice of an objection must first be given to the auditor and a copy sent to the Authority (f). <p>The auditor can be contacted at the address in paragraph 4 below for this purpose during the inspection period at 2 above.</p> <p>4. The auditor's limited assurance review is being conducted under the provisions of the Local Audit and Accountability Act 2014, the Accounts and Audit (England) Regulations 2015 and the National Audit Office' Code of Audit Practice. Your review is being carried out by:</p> <p>Mazars LLP, The Corner, Bank Chambers, 26 Mosley Street, Newcastle upon Tyne, NE1 1DF Email: local.councils@mazars.co.uk</p> <p>5. This announcement is made by (e) <u>R. GARRARD - CLERK</u></p>	<p>(a) Insert date of placing of this notice on your website.</p> <p>(b) Insert name, position and contact details of the Clerk or other person to whom any person may apply to inspect the accounts.</p> <p>(c) And</p> <p>(d) The inspection period must be 30 working days in total and commence no later than 1 July 2024.</p> <p>(e) Insert name and position of person placing the notice</p>
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Annual Internal Audit Report 2023/24

LEYSDOWN PARISH COUNCIL

www.leysdownparishcouncil.org WEBSITE ADDRESS

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.			✓ NONE
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.			✓

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

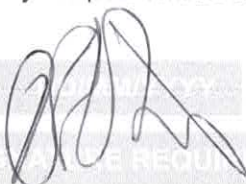
Date(s) internal audit undertaken

09/04/2024

Name of person who carried out the internal audit

LIONEL ROBBINS

Signature of person who carried out the internal audit



Date

09/04/2024

*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).

LEYSDOWN PARISH COUNCIL

INTERNAL AUDIT REPORT 2023-24

I am pleased to report to Members of the Parish Council that I have completed my internal audit of the Parish Council's records for 202-243 and have been able to complete the Annual Internal Audit Report (AIAR) for the 2023-24 Annual Governance and Accountability Return.

Members should be aware that the audit tests that I undertook during the audit cannot be relied on to identify the occasional omission or insignificant error, nor to disclose breaches of trust or statute, neglect or fraud which may have taken place and which it is the responsibility of the Members of the Council to guard against through the Parish Council's internal control procedures.

As a result of my audit and my discussions with your Clerk I was able to answer "Yes" to most of the relevant questions contained in the AIAR. I have answered "No" to questions F, G, K, M and N.

I would like to take this opportunity to thank your Clerk for the assistance given to me in the conduct of the audit that took place on 9 April 2024.

PREVIOUS AUDITS:

External Audit 2022-23:

Mazars issued their certificate for 2022-23 on 1 November 2023 qualified for issues raised in the previous year not addressed. The Council is obliged by statute to consider the auditor's report, and this should be done before completing the 2023-24 Governance Statement given Assertion 7 on the Governance Statement refers to taking action on all matters raised by the auditor.

Internal Audit 2022-23:

I have seen the 2022-23 AIAR and noted that all boxes were marked "Yes".

FINDINGS THIS VISIT:

During the visit I carried out sufficient work to enable me to complete the Annual Internal Audit Report which included reading the minutes, checking the accounting records including the cashbook, payroll, VAT records, bank statements and bank reconciliations with the cashbook.

I found the financial records to be accurate and up to date.

The public rights period for the summer 2023 was stated to be 3 July to 11 August – the latest possible dates. The notice of this period was itself dated 3 July 2023. This is incorrect and has led to a technical breach of law which in turn will lead to the Council being obliged to answer "No" to Assertion 4 on the 2023-24 Governance Statement. This is because in law the public rights period begins the day after the notice is posted and thus that period did not include 3rd July.

Leysdown Parish Council operates a councillors' basic allowance scheme. I have noted that amounts paid in April 2023 were paid gross and not through PAYE. The basic allowance is treated as taxable employment income and must be made through PAYE. Refer HMRC Employment Information Manual EIM65970.

Minutes for the meeting on 12 December 2022 refer to "precept for 2023-24 £30,000 all agreed." Those for 11 January 2024 read. "Figures and quotes for next financial year discussed. Proposed precept £38,306 all agreed." In my view the Council is failing to comply with S49A Local Government Finance Act 1992 in respect of its budget. Three elements are required: spending plans, income apart from precept and intended contributions to or use of reserves. The budget for 2024-25 has only the first element. It should be noted that the sum of the three elements becomes the precept (s41 Local Government Finance Act 1992).

LEYSDOWN PARISH COUNCIL

INTERNAL AUDIT REPORT 2023-24

The Accounts & Audit Regulations require that the Governance Statement is approved before the Accounting Statement. At the meeting on 29 June 2023 approval of the Accounting Statement is not mentioned. Both need to be shown and in the correct order to show that the Accounts & Audit Regulations have been met.

Explanations for “No” answers to questions on the Annual Internal Audit Report are shown in the Supplementary Report.

I have nothing further to add.

Lionel Robbins
Independent Internal Auditor
21 April 2024

LEYSDOWN PARISH COUNCIL

Supplementary report to accompany AIAR 2023-24

My answers to the questions A-N on the AIAR include “No” responses and the explanations for these answers are set out in this report

F Petty cash - No

None held.

G Salaries and Allowances – No

Members Allowances paid during 2023-24 were paid gross and not via PAYE

K Exempt – No

The Council was not exempt for 2021-22, thus question K is not applicable

M Public Rights – No

The notice for the public rights relating to the 2022-23 AGAR was dated 3 July 2023. This means that 3rd July itself was not included although this was mandatory. The Council did not meet all the requirements.

N Publication of 2022-23 AGAR – No

I have found the certified 2022-23 AGAR on the Council’s website but have not found a publication notice for the completed audit.

Lionel Robbins
Independent Internal Auditor
21 April 2024