

Lydbrook Parish Council

Notice of conclusion of audit

Annual Governance & Accountability Return for the year ended 31 March 2024

Sections 20(2) and 25 of the Local Audit and Accountability Act 2014

Section 16 of the Accounts and Audit Regulations 2015 (SI 2015/234)

AGAR		Notes
1.	The audit of accounts for Lydbrook Parish Council for the year ended 31 March 2024 has been completed and the accounts have been published.	This notice and Sections 1, 2 & 3 of the AGAR must be published by 30 September. This must include publication on the smaller authority's website . The smaller authority must decide how long to publish the Notice for; the AGAR and external auditor report must be publicly available for 5 years.
2.	The Annual Governance & Accountability Return including the auditor's certificate and opinion is available for inspection by any local government elector of the area of Lydbrook Parish Council on application to:	
(a)	_ Louise Temblett – Clerk and RFO _____ _ clerk@lydbrookcouncil.co.uk _____ _ 07803 089528 _____ _ C/O Lydbrook Memorial hall _____	
(b)	_ Tuesday, Wednesday, Thursday between 10am and 2pm _____ _____ _____	(a) Insert the name, position and address of the person to whom local government electors should apply to inspect the AGAR
3.	Copies will be provided to any local government elector of the area on payment of £ <u> 1 </u> (c) for each copy of the Annual Governance & Accountability Return.	(b) Insert the hours during which inspection rights may be exercised
	Announcement made by: (d) _ Louise Temblett Clerk and RFO _	(c) Insert a reasonable sum for copying costs
	Date of announcement: (e) _ 02/04/2025 _____	(d) Insert the name and position of person placing the notice (e) Insert the date of placing of the notice

Final External Auditor Report and Certificate 2023/24 in respect of Lydbrook Parish Council GL0143

Respective responsibilities of the auditor and the authority

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

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

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

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

External auditor's limited assurance opinion 2023/24

On 19 September 2024, we issued a report detailing the results of our limited assurance review of Sections 1 and 2 of this authority's Annual Governance & Accountability Return for the year ended 31 March 2024. We explained that we were unable to certify completion of the review at that time. We are now in a position to certify completion of the review.

The external auditor report given in Section 3 of the Annual Governance & Accountability Return requires amendments as follows:

On the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return (AGAR), in our opinion the information in Sections 1 and 2 of the AGAR 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.

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

- 1) The smaller authority has confirmed that it has not complied with the governance Assertions in Section 1, Boxes 1-7, but it has provided the appointed auditor with an adequate explanation for non-compliance and details of the actions necessary to address weaknesses identified. The internal auditor has drawn attention to the same matters in the completion of the Annual Internal Audit Report where internal control objectives A, B, C, D, H, I, J, K, L and M have been answered 'No' with accompanying explanations indicating that there were significant weaknesses in internal controls. The internal auditor has also noted in the detailed explanations non-compliance with HMRC regulations in respect of payroll in the early part of the year. Significant weaknesses were also raised in the internal and external auditor's reports in the prior year which have not been addressed. The smaller authority must ensure that action is taken to address all of these areas of weakness as a matter of urgency.

- 2) In addition to the reasons stated for non-compliance with Assertion 1 the smaller authority failed to approve the AGAR in time to publish it before 1 July 2024, the date required by the Accounts and Audit Regulations 2015.
- 3) We note that the smaller authority did not comply with Regulation 15 of the Accounts and Audit Regulations 2015 as it failed to make proper provision during the year 2024/25 for the exercise of public rights, since the approval date was after the start of the period for the exercise of public rights. As a result, the smaller authority must answer 'No' to Assertion 4 of the Annual Governance Statement for 2024/25 and ensure that it makes proper provision for the exercise of public rights during 2025/26.
- 4) We received challenge correspondence in relation to the 2023/24 AGAR which we considered before completing our work. The authority will receive an invoice in relation to this additional work.
- 5) The AGAR was not accurately completed before submission for review. The AGAR has been amended.

External auditor certificate 2023/24

We certify that we have completed our review of Sections 1 and 2 of the Annual Governance & Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2024.

PKF Littlejohn LLP

PKF Littlejohn LLP

20/03/2025

Section 1 – Annual Governance Statement 2023/24

We acknowledge as the members of:

LYDBROOK 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	No	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:

08/07/2024

and recorded as minute reference:

59/12/e

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

Chair

Clerk

A Toose

L Temple

www.lydbrookcouncil.co.uk

Section 2 – Accounting Statements 2023/24 for

LYDBROOK PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2023 £	31 March 2024 £	
1. Balances brought forward <i>27/02/25</i>	<i>47347-02</i>	<i>Restated 42128-24</i> <i>42523-55</i>	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. 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	<i>22000-00</i>	<i>25,000-00</i>	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	<i>81-58</i>	<i>591-84</i>	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	<i>3013-14</i>	<i>753-36</i>	Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.
5. (-) Loan interest/capital repayments	<i>N/A</i>	<i>N/A</i>	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments <i>27/02/25</i>	<i>Restated 24287-52</i> <i>24205-52</i>	<i>Restated 12943-41</i> <i>13831-41</i>	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 <i>27/02/25</i>	<i>Restated 42128-24</i> <i>42128-24</i>	<i>Restated 53135-31</i> <i>53448-62</i>	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	<i>42128-24</i> <i>42523-55</i>	<i>53135-31</i> <i>53448-62</i>	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	<i>24871-00</i>	<i>24871-00</i>	The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.
10. Total borrowings	<i>N/A</i>	<i>N/A</i>	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

J. Temple

Date *04/07/2024*

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

08/07/2024

as recorded in minute reference:

59/12/2023

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

A. Tooe

Annual Internal Audit Report 2023/24

LYDBROOK PARISH COUNCIL
www.lydbrookcouncil.co.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)	Yes	No	Not applicable
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

02/07/24

Name of person who carried out the internal audit

JUST EUSTACE GAPTIC

Signature of person who carried out the internal audit

Just Eustace

Date

02/07/2024

*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).