

ANNUAL RETURN for the year ended 31 March 2024

Section 1 - Annual Governance Statement 2023/2024

1. *We have put in place arrangements for effective financial management during the year and for the preparation of the accounting statements.*

Evidence:

- The accounting statements are prepared in accordance with the Accounts and Audit regulations. Copies have been circulated to all members. Hard copies are provided on request.
- Links to Governance and Accountability - a Practitioner's Guide (G & A) are circulated to all members, both new editions and updates. Hard copies are provided on request. Accounting documents are checked against G & A regulations and proper practice when changed or designed.
- The annual budget is discussed December /January in preparation for the setting of the precept.
- The budget is monitored against actual performance during the year and virements approved by the Parish Council prior to expenditure being made in excesses of the original budget code.
- Bank reconciliation is produced each month and is approved by two members of the council. All supporting records and documentation are available for councillors and public to view at each and every meeting or upon request.
- Regular discussions are undertaken to ensure that monies are invested appropriately.
- Account statements are prepared accurately and timely in compliance with statutory obligations and proper practices and are evidenced with the monthly reconciliations

2. *We maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.*

Evidence:

- The Parish Council have appointed the Parish Clerk as the RFO
- Income and Expenditure is shown in the minutes of every Parish Council meeting.
- Direct Debits and Standing Orders agreed annually.
- Two signatories, required for every cheque.
- Bank accounts only set up or closed after approval at meeting and minuted.
- Internet banking is managed in a controlled manner.
- The Standing Orders and Financial Regulations are reviewed at the Annual Parish Council Meeting each year and changes made as required. If changes are required in the interim due to an issue being identified this is done at the next available Parish Council meeting.
- A risk register has been produced and is reviewed at the Annual Parish Council Meeting. Actions to reduce risk are undertaken as appropriate through the year and the risk register updated accordingly.
- Agreement is sought for transferring amounts from one account to another.
- All bank mandates are agreed prior to being set up or amended and then reviewed annually
- The list of signatories is reviewed at each Annual Meeting. Whilst the section of the Local Government Act 1972 which requires two signatories has now been repealed, Harby Parish Council has and intends to retain 2 signatories for the foreseeable future.
- The annual appraisal of the Clerk/RFO is carried out in advance of the precept setting and agreed along with any salary increase by the full Parish Council, up to 5 months before being received by the employee.

- Salary and payroll are run through the HMRC website “Basic tools” to ensure that the Parish Council has complied with its statutory duties under employment legislation. In order to meet its pension obligations, the Parish Council has agreed its pension provider and will enrol any employee upon request or reaching the Auto Enrolment threshold
- The Parish Council submits a VAT claim to the HMRC (at least annually) using the .gov version of the “VAT126”
- The Parish Council maintains an asset register, listing all of the assets in its ownership and for which they are responsible for the maintenance/replacement. This is updated as new assets are acquired, or existing assets are sold or replaced.
- The Parish Council has no loans or long-term liabilities

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.*

Evidence:

- The Parish Council Copy of the “Arnold-Baker on Local Council Administration” is available at each and every meeting. Should a matter be discussed that is outside of the normal remit, the relevant pages will have been noted prior to the meeting and referred to during the meeting as required to ensure that all activities undertaken fall within the Parish Councils powers to act. This also ensures that the Parish Council has not taken any decisions during the year that exceeds its powers or contravenes any law, regulations or proper practices.
- Regular checks on budget; underspends and overspends checked and explained before transfers made.
- There is a review of the Parish Council’s Standing Orders and Financial Regulations, amongst other documents, at the Annual Parish Council Meeting each year.
- Each agenda requests declarations of personal or prejudicial interests.
- All Councillors have signed Codes of Conduct. Training is provided by NSDC on the Code. It is recommended to all new Councillors that they attend training when it is available.
- The Parish Council exercises the general power of competence.

4. *We provided proper opportunity during the year for the exercise of elector’s rights in accordance with the requirements of the Accounts and Audit Regulations.*

Evidence:

- Notices were displayed for examination of accounts.
- Agendas are displayed on the noticeboard in the Parish and on the website. Approved minutes are displayed on the noticeboard in the Parish and on the website. Where there is no meeting for the approval of the minutes within one month, draft minutes are displayed on the noticeboard in the Parish and on the website. All documents are produced so that they are compatible with assistive technology.

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.*

Evidence:

- Review of insurance documents before renewal. Regular phone/email contact with the insurers, for advice as may be required.
- Risk register reviewed at least annually and risks categorized accordingly.

6. *We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.*

Evidence:

- Regular meetings between the Chair of the Parish Council and Parish Clerk
- All policies and procedures circulated to all councillors and where relevant posted to the website.
- Monthly bank reconciliation signed by two Councillors and then circulated to all councillors and included on each agenda.
- Bank statements are available at each Parish Council meeting for Councillors to check against the reconciliation
- Cashbook available electronically to all Parish Councillors on demand. Parish Council laptop brought to every council meeting for examination by Councillors.
- All invoices initialled by two signatories, when approved at a meeting
- Budget monitoring undertaken on regular basis and transfers only made once agreed

7. *We took appropriate action on all matters raised in reports from internal and external audit.*

Evidence:

- External audit for the year 2022/2023 was not required as the authority completed the "certificate of exemption"
- The interim internal audit highlighted no areas for attention

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.*

Evidence:

- Accounting statements made regarding any liabilities/commitments. Reserves are clearly identified in each reconciliation for long term commitments e.g. reserves.