

**EXTRA ORDINARY MEETING**  
**7.30pm 26<sup>th</sup> JUNE 2024**  
**STOKE PRIOR VILLAGE HALL**

**MEETING PAPERS**

## Contents

|  |    |
|--|----|
| <b>AGENDA</b> .....  | 3  |
| <b>Agenda item 65/24 Annual Governance &amp; Accountability Return (AGAR) 2023-24</b> .... | 4  |
| <i>To consider &amp; approve:</i> Banking reconciliation for 2023-24 .....                 | 4  |
| <i>To receive:</i> report from the Council’s Internal Auditor .....                        | 5  |
| <i>To consider &amp; complete:</i> the Annual Governance review 2023-24 .....              | 6  |
| <i>To approve:</i> The updated Accounting Statement for 2023-24.....                       | 7  |
| <b>Note from the Clerk</b> .....   | 8  |
| <b>Appendix 1 INTERNAL AUDIT REPORT</b> .....  | 9  |
| <b>Findings of the Audit</b> .....   | 9  |
| <b>Recommendations</b> .....   | 11 |
| <b>Annual Return- Internal Control Objective</b> .....                                     | 11 |


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# Humber, Ford & Stoke Prior Group Parish Council

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Councillors are summoned to an extra ordinary meeting of the Group Parish Council to be held on

**Wednesday 26 June 2024 at 7.30pm  
in Stoke Prior Village Hall**

which will consider the business set out in the agenda below.

21<sup>st</sup> June 2024

Allan Drew, Clerk to the Council

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## AGENDA

### **61/24 Apologies for absence**

*To receive:* any apologies for absence.

*To consider, if necessary:* excusing absence of members to the following meeting.

### **62/24 Declaration of interests and dispensations**

*To receive and record:* any declarations of interest in agenda items in accordance with the Code of Conduct adopted in July 2021.

*To consider:* any applications for dispensations in accordance with Standing Order 25.

### **63/24 Chairman's announcements**

*To note:* any announcements from the Chairman.

### **64/24 Public participation**

*Under Standing Order 8, any member of the public may make a statement or give evidence to the meeting on any business to be transacted or any other business, and ask or answer questions. At the discretion of the Chairman such participation may be permitted under the relevant agenda item.*

### **65/24 Annual Governance & Accountability Return (AGAR) 2023-24**

*To receive:* report from the Council's Internal Auditor

*To consider:* preparation of the Annual Governance statement

*To agree:* Accounting Statement for 2023-24

*To agree:* re-stated asset register

### **Date of next meeting**

*To note:* the next scheduled meeting will be on Wednesday 17<sup>th</sup> July 2024 at 7.30pm in Stoke Prior village hall

The Chairman will close the meeting



## Annual Internal Audit Report 2023/24

Humber Ford and Stoke Prior Group Parish Council

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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).   | ✓   |    |             |
| <b>O. (For local councils only)</b><br>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

05/06/2024 20/06/2024 24/06/2024

Name of person who carried out the internal audit

HALC Internal Audit Services AUDITOR

Signature of person who carried out the internal audit

*HALC Internal Audit Services*

Date

24/06/2024

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).

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 2023/24

We acknowledge as the members of:

**HUMBER, FORD & STOKE PRIOR GROUP 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:

DD/MM/YYYY

and recorded as minute reference:

MINUTE REFERENCE

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

Chair

SIGNATURE REQUIRED

Clerk

SIGNATURE REQUIRED

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To approve: The updated Accounting Statement for 2023-24

The following report has been received from HALC's Internal Audit service

## Section 2 – Accounting Statements 2023/24 for

### HUMBER, FORD & STOKE PRIOR GROUP PARISH COUNCIL

|   | Year ending        |                    | Notes and guidance  |
|---|--------------------|--------------------|---|
|   | 31 March 2023<br>£ | 31 March 2024<br>£ |   |
| 1. Balances brought forward                                 | 14,887             | 3,827              | 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                          | 12,289             | 15,000             | Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.   |
| 3. (+) Total other receipts                                 | 4,880              | 10,740             | 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  | 5,137              | 5,448              | 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                                   | 23,092             | 22,498             | 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                             | 3,827              | 1,621              | 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           | 3,827              | 1,621              | The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – <b>To agree with bank reconciliation.</b>  |
| 9. Total fixed assets plus long term investments and assets | 17,663             | 18,945             | 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 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

SIGNATURE REQUIRED

Date 19/04/2024

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

DD/MM/YYYY

as recorded in minute reference:

MINUTE REFERENCE

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

SIGNATURE REQUIRED

## Note from the Clerk

The internal auditor has made the following recommendations. A draft of Council responses follows-

| Rec. No. | Recommendation  | Draft Corrective Action   |
|----------|---|---|
| 4.1      | Change insurance provider to allow cover to be in line with the asset register. | The Clerk has tried on three occasions to have the insurance cover increased. On each occasion Zurich has given only an automatic response. One more attempt will be made, after which new providers will be approached.  |
| 4.2      | Ensure the gas BBQ is serviced annually   | BBQs are not really "serviced". It is accepted that they should be checked annually and any necessary corrective action taken (e.g. check hose, regulator, valve closures for leaks).   |
| 4.3 .    | Set the budget before the precept   | Council does in fact agree the outline budget before actually agreeing the precept. In discussion with the auditor this point was accepted but the minutes were not specific enough to make this situation clear. More emphasis will given to future minutes to avoid this pitfall in future. |
| 4.4      | Adopt a Reserves Policy   | Council has a set of reserve headings but no policy as to levels of reserves and no strategic reasoning supporting why the reserves held are sensible.<br>A draft reserves policy will be brought to a future meeting for amendment/approval.   |

## Findings of the Audit

|     | Scope   | Observation  | Pass | Rec                        |
|-----|---|--|------|----------------------------|
| 3.A | Appropriate accounting records have been properly kept throughout the financial year  |  | Yes  |                            |
| 3.B | This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for. |  | Yes  |                            |
| 3.C | This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.                                | It is noted that several attempts have been made to align the assets with the cover provided by the insurance company – but no response has ever been received. It may be prudent to switch provider.<br>The gas BBQ needs an annual service – this is being checked by the clerk. | Yes  | <b>R1</b><br><br><b>R2</b> |
| 3.D | The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.   | The precept is set in January while the budget is set in March. The budget needs to be set first.<br><br>There is no Reserves Policy   | No   | <b>R3</b><br><br><b>R4</b> |
| 3.E | Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.                        |  | Yes  |                            |
| 3.F | Petty cash payments were properly supported by receipts, all petty cash expenditure was approved, and VAT appropriately accounted for.                              |  | N/A  |                            |
| 3.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         |  | Yes  |                            |

|     | Scope   | Observation | Pass | Rec |
|-----|---|-------------|------|-----|
| 3.H | Asset and investments registers were complete and accurate and properly maintained.   |             | Yes  |     |
| 3.I | Periodic and year-end bank account reconciliations were properly carried out.   |             | Yes  |     |
| 3.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. |             | Yes  |     |
| 3.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. <i>(If the authority had a limited assurance review of its 2022/23 AGAR tick "not covered")</i>  |             | N/A  |     |
| 3.L | The Authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with legislation   |             | Yes  |     |

| Scope | Observation   | Pass | Rec |  |
|-------|---|------|-----|--|
| 3.M   | In the year covered by the AGAR the authority correctly provided 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) |      | Yes |  |
| 3.N   | The authority has complied with the publication requirements for 2022/23 AGAR   |      | Yes |  |
| 3.O   | Trust funds(including charitable) The council met its responsibility as a trustee   |      | N/A |  |
| 3.P   | Annual Return Complete  |      | Yes |  |

### Recommendations

- 4.1 Change insurance provider to allow cover to be in line with the asset register.
- 4.2 Ensure the gas BBQ is serviced annually
- 4.3 Set the budget before the precept.
- 4.4 Adopt a Reserves Policy

### Annual Return- Internal Control Objective

|          | Objective   | Yes | No | Not Covered | Rec No           |
|----------|---|-----|----|-------------|------------------|
| <b>A</b> | Appropriate accounting records have been properly kept throughout the financial year  | √   |    |             |                  |
| <b>B</b> | This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for. | √   |    |             |                  |
| <b>C</b> | This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.                                | √   |    |             | <b>R1<br/>R2</b> |
| <b>D</b> | The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.   |     | √  |             | <b>R3<br/>R4</b> |

|          |   |     |  |   |  |
|----------|---|-----|--|---|--|
| <b>E</b> | Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.  | √   |  |   |  |
| <b>F</b> | Petty cash payments were properly supported by receipts, all petty cash expenditure was approved, and VAT appropriately accounted for.  |     |  | √ |  |
| <b>G</b> | Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.  | √   |  |   |  |
| <b>H</b> | Asset and investments registers were complete and accurate and properly maintained.   | √   |  |   |  |
| <b>I</b> | Periodic and year-end bank account reconciliations were properly carried out.   | √   |  |   |  |
| <b>J</b> | 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.                                 | √   |  |   |  |
| <b>K</b> | 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. <i>(If the authority had a limited assurance review of its 2022/23 AGAR tick "not covered")</i>  |     |  | √ |  |
| <b>L</b> | The Authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with legislation   | √   |  |   |  |
| <b>M</b> | In the year covered by the AGAR the authority correctly provided 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) | √   |  |   |  |
| <b>N</b> | The authority has complied with the publication requirements for 2022/23 AGAR   | √   |  |   |  |
| <b>O</b> | Trust funds (including charitable) The council met its responsibility as a trustee  | N/a |  |   |  |

**HALC Internal Audit Services 24<sup>th</sup> June 2024**