Annual Internal Audit Report 2022/23

ENTER NAME OF AUTHORITY: Leek Town Council

ENTER PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS: Leektowncouncil-gov.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.

KEY: IA = Internal Audit

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.		✓	see IA report.
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓	except for issue 4.) in IA report.	
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.		✓	see issue 5.) in IA report.
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.		✓	see issue 6.) in IA report.
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.	✓	except for issue 7.) in IA report.	
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.	✓	except for issue 8.) in IA report.	
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic bank account reconciliations were properly carried out during the year.		✓	see IA report.
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.	✓	subject to issues raised in item 3.) in IA report.	
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")*	N/A		✓
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)	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: 15/06/2023

Name of person who carried out the internal audit: JDH BUSINESS SERVICES LTD

Signature of person who carried out the internal audit: [signature]

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).

Leek Town Council

Internal Audit 2022/23

JDH BUSINESS SERVICES LTD

Registered to carry on audit work by the Institute of Chartered Accountants in England and Wales

The internal audit of Leek Town Council is carried out by undertaking the following tests as specified in the AGAR Annual Return for Local Councils in England:

- Checking that books of account have been properly kept throughout the year
- Checking a sample of payments to ensure that the Council's financial regulations have been met, payments are supported by invoices, expenditure is approved, and VAT is correctly accounted for
- Reviewing the Council's risk assessment and ensuring that adequate arrangements are in place to manage all identified risks
- Verifying that the annual precept request is the result of a proper budgetary process; that budget progress has been regularly monitored and that the council's reserves are appropriate
- Checking income records to ensure that the correct price has been charged, income has been received, recorded and promptly banked and VAT is correctly accounted for
- Reviewing petty cash records to ensure payments are supported by receipts, expenditure is approved and VAT is correctly accounted for
- Checking that salaries to employees have been paid in accordance with Council approvals and that PAYE and NI requirements have been properly applied
- Checking the accuracy of the asset and investments registers
- Testing the accuracy and timeliness of periodic and year-end bank account reconciliation(s)
- Year end testing on the accuracy and completeness of the financial statements

Conclusion

On the basis of the internal audit work carried out, which was limited to the tests indicated above, in our view the council's system of internal controls **is NOT in place**, adequate for the purpose intended and effective. The recommendations reported in the action plan overleaf should be implemented. As part of the internal audit work for the next financial year we will follow up all recommendations included in the action plan.

JDH Business Services Limited

	ISSUE	RECOMMENDATION	FOLLOW UP
1	Appropriate books of account were not maintained throughout the financial year as the Council adopted the SCRIBE accounting system but for the majority of the financial year this had not been completely and accurately updated with all the council transactions and the bank reconciliation balanced. Therefore, the council would not have received regular balanced bank reconciliations during the year for review and approval.	*The SCRIBE system must be maintained up to date on an ongoing basis and balanced monthly.*	**The data has now all been entered into Scribe and the Clerk will be now doing monthly reconciliation on all Bank Accounts.** **The Council in February 2022 lost a long term employee who retired as Clerk. The new Clerk started at the end of May 2022 and it was soon identified that an accounting software was required. It took several months to enter all the data required. The Council are aware that they did not receive quartlerly statements and regular monthly balances for review and approval until the beginning of 2023 when all the data was entered.**
2	Multiple attempts at balancing the year end bank reconciliation were made by staff during the internal audit process with eventually a 50p difference remaining which the clerk informed us had been written off. The final year end reconciliation used the end February bank statement for the Events Bank Account so any transactions in March 2023 would	*Complete and accurate bank reconciliations should be performed regularly within SCRIBE during the financial year and reported to council.* *Year end bank reconciliations must use year end bank statements for all bank accounts.*	**The Clerk has now had training in aspects of Scribe to be able to present reports accurately to the Council.** **The Events account is used infrequently. Nat West have recently updated their statement production and at the time of the Audit because the account had not**

	ISSUE	RECOMMENDATION	FOLLOW UP
	have been omitted from the annual accounts.		**been used a statement had not been generated for the Events account. In future if this situation arises the Clerk will go to the Bank to request one.**
3	Review of the draft year end accounts identified that year end procedures had not been correctly applied to produce income and expenditure accounts as no review had been carried out to identify whether any accruals, creditors, non-VAT debtors, prepayments or receipts in advance needed to be included in the trial balance and balance sheet. This was rectified to some extent for the final version provided to us as the accounts included creditors. However, there is still a SCRIBE year end debtor report that records £40 of allotment debtors which are not included in the council Balance Sheet as debtors.	*The council is an income and expenditure council and must apply year end procedures to completely and accurately capture all accruals, creditors, non VAT debtors, prepayments and receipts in advance for inclusion in the year end trial balance and balance sheet and income and expenditure accounts.* *Training is needed for staff in income and expenditure and Balance Sheet accounting.*	**The new Clerk has come from a smaller Parish Council using receipts and payments and the Council have recognised with the report from the internal auditor that this member of staff needs training in Income and Expenditure to enable her to complete the accounts to the standard required. A training program will be introduced to overcome this.**
4	No VAT reclaims were made during the year in respect of 2022/23 transactions, nor the final VAT reclaim needed for 2021/22 transactions. Therefore, the 2022/23	*VAT reclaims must be made on a timely basis.*	**The Clerk is aware and capapble of submitting the VAT 126 claim. This was an issue caused by the volume of data to be entered accurately into Scribe. Now this is complete the claim can be**

	ISSUE	RECOMMENDATION	FOLLOW UP
	year end Balance Sheet records a substantial VAT debtor of £24,660.		**submitted with all the correct numbers and VAT levels**
5	The council did not review, update and approve a risk assessment during the financial year.	*The risk assessment should be reviewed, updated and approved by council each financial year.*	**The Council have now approved the Risk assessment at the May 2023 meeting. The Annual meeting was slightly delayed this year due to the election in our area. This caused the policy reviews to be delayed until the new council took up office.**
6	As the SCRIBE system was not completely and accurately populated with transactions on a timely basis during 2022/23, regular budgetary control reports from the system were not provided to council, in breach of the Financial Regulations which require these reports to be provided to council at least quarterly.	*The Financial Regulations must be complied with by providing complete and accurate quarterly budgetary control reports to council for review.*	**The Council have resolved to form a Finance Committee to help the Clerk set budgets and to monitor the performance of their decisions. All standing orders and financial regulations will be reviewed by this new committee to make sure they are current and standardized across the councils' policies.**
7	The council has not complied with the Financial Regulations with regard to petty cash. Section 6.7b prohibits income being received being paid into the petty cash float. However, the petty cash analysis shows that Mayors	*The council must comply with the Financial Regulations with regard to the use of petty cash and income must not be paid into the petty cash float.*	**The Council has a Mayoral office and the Mayor fundraises sometimes with a collection bucket at events. This meant the Clerk was handling coins which could not be paid into the NatWest rapid**

	ISSUE	RECOMMENDATION	FOLLOW UP
	income and allotment income has been paid into petty cash.		**access pay in machine. The Clerk will queue up to pay in the coins from now on so no cash is left in petty cash.** **Some allotment tenants also paid cash which was not banked promptly. The clerk will bank all receipts from Allotments daily or at least weekly in the next financial year.**
8	The incorrect rates of pay were applied to two employees during the year. The error was identified and backdated calculations were applied to ensure the NALC 2022 scale rates were applied correctly.	*The council must ensure that rates of pay applied agree to those approved by council and the latest NALC scale rates.*	**The Clerk and Admin assistant jobs were advertised at previous NALC rates of pay. The Council joined the Staffordshire Parish Councils Association late in 2022 and the document that NALC had produced came in their newsletters regarding a backdated pay increase for council employees to April 2022. The Clerk took this information to full council and it was approved to adjust the salaries as set out in the guidance.**
9	The fixed asset value recorded in the AGAR of £1395525 did not agree to	*Council should review the fixed asset register and ensure the correct fixed asset value is recorded in the AGAR accounts.*	**The Clerk had deducted the sale of two Past Mayor Badges £60.00 which she had thought were assets.**

	ISSUE	RECOMMENDATION	FOLLOW UP
	the value recorded in the fixed assert register of £1395585.		
2021/22 internal audit			
1	The current year accounts are out of balance as the £583 clock debtor from the prior year was not brought forward in this year's extended trial balance.	*The year end accounts and extended trial balance need to be reworked so that the accounts are balanced.*	**NB The locum clerk amended and corrected the final 21/22 accounts.**
2	The locum clerk is paid gross and the payments are not included in staff costs. We could identify no evidence that the council had applied the HMRC Employment Indicator tool to ensure the engagement was administered correctly. The Practitioners Guide gives clear guidance with respect to this issue in sections 5.48 to 5.54. In particular section 5.49 reiterates the HMRC Employment Income Manual guidance that 'a parish clerk is an office holder and that all office holders are subject to PAYE. This means that parish clerks: • can never be considered as self-employed for tax or NIC purposes;	*The council must apply the HMRC requirements with respect to all individuals occupying officer roles at the council.* *The council should always apply HMRC's Employment Status Indicator Tool and the employment guidance in the Practitioner's guide (paras 5.48 to 5.54) when locum staff are utilised. Evidence should be retained when applying the HMRC Employment Status tool.*	**No feedback received from council in respect of action taken in response to this recomemdnation.** **Feedback 2022/23** **The Locum Clerk was the previous person who had served the Council for 18 years before her retirement. She kindly helped the Council over a period of uncertainty while a new Clerk was recruited.**

	ISSUE	RECOMMENDATION	FOLLOW UP
	• cannot be paid 'gross'; and • fall to be taxed under PAYE.		
3	The fidelity insurance cover is currently £170k. Fidelity insurance should cover the maximum projected cash and bank balances which is calculated as the year end cash and bank balances plus the next precept instalment (50% of the annual precept is received in April of each year) which is an estimated total cash and bank balances of over £200k.	*The council should estimate maximum projected cash and bank balances as part of annual risk assessment and set the level of fidelity insurance cover accordingly*	**Recommendation Outstanding** **The new Clerk reviewed the insurance with the Broker and as the £200,000 had fallen below that amount so at that time it was decided to renew at the new rate of Fidelity at renewal in 2023.**
4	Cheque 7467 is now out of date.	*The out of date cheque should be removed from the next bank reconciliation and written back into the accounts.*	**Noted**
2020/21 internal audit			
1	The fidelity insurance cover is currently £135k. Fidelity insurance should cover the maximum projected cash and bank balances which is calculated as the year end cash and bank balances (£78291) plus the next precept instalment (50% of the annual	*The council should estimate maximum projected cash and bank balances as part of annual risk assessment and set the level of fidelity insurance cover accordingly*	**Implemented, however, see 2021/22 recommendation re fidelity cover due to increasing levels of reserves.**

	ISSUE	RECOMMENDATION	FOLLOW UP
	precept is received in April of each year) which is an estimated total cash and bank balances of over £168k.		
2	Cheque 0118 dated 17th December 2019 to Trevor George Entertainments for £1194 is included in the bank reconciliation as an unpresented item. However, this cheque is now out of date	*The out of date cheque need to be removed from the bank reconciliation and written back into the accounts.*	**Implemented, however, see 2021/22 recommendation re. further out of date cheque**
3	The risk assessment does not address the risks of supplier fraud. Most standard local council policies do not cover supplier fraud. The supplier fraud risks can be managed via appropriately robust policies and procedures. Examples of prevention actions include: - training for staff to alert them to the potential risks of providing sensitive company information, by phone or other means, especially contract and account information. - establish a rigorous change of supplier details procedure - where a supplier has purported to have changed their bank details always	*The risk assessment should be updated to include supplier fraud including the adequacy of supplier onboarding controls.*	**Implemented**

	ISSUE	RECOMMENDATION	FOLLOW UP
	call the supplier to check the veracity of a request, using details in your system, rather than those on any associated letter or email. A person should be authorised to approve a supplier bank account change after having reviewed the process undertaken to verify the supplier details change - periodic review of supplier accounts should also be undertaken to remove any dormant accounts. This reduces the likelihood of any old supplier information being used to secure fraudulent payments. - checking address and financial health details with Companies House - checking samples of online payments to supplier invoices to ensure the payment has been made to the supplier bank account		
2019/20 internal audit			
1	The year end general reserves of £36678 are 24.3% of the precept level. Sector guidance is that general	*The level of general reserves should be reviewed annually for reasonableness with reference to the sector guidance*	**Implemented**

	ISSUE	RECOMMENDATION	FOLLOW UP
	reserves should be between 25% and 100% of the precept.		
2	Contracts Two contracts that were marginally in excess of the £1000 threshold for securing quotations in the Financial Regulations (FRs) were not subject to the procurement requirements of the FRs. Where contracts are established there is not always an end date written into the agreement.	*Contracts should be procured in accordance with the requirements of Financial Regulations. Council should note that the £1000 threshold set in the FRs for securing three quotations is significantly below the £3000 level set in the NALC model Financial Regulations.* *A register of contracts should be established. The register should be used to identify those contracts where an upcoming end date signifies that a tender process, quotation process, or optional extension (if the written contract clauses permit this) is required. Where an extension to a contract is authorised this should be recorded in the council minutes.* *All contracts should include an end date.*	**Implemented**
3	General Purposes Committee minutes record that payments are approved but there is no link with the schedule of payments that supports the approval. The schedule of payments is not signed by the Chair of the GP	*The total of payments approved in the payment schedule should be recorded in the minutes to improve the audit trail.* *All payments schedules should be signed by the Chair of the GP committee to evidence*	**Implemented**

	ISSUE	RECOMMENDATION	FOLLOW UP
	committee to evidence they were the payments approved at the meetings	*these were the payments approved at the meeting.*	
4	Gazebo hire and stall hire are standard rated VAT supplies.	*The council should monitor the level of income from standard related supplies and if the level exceeds £5000 net in a financial year should contact HMRC to clarify whether VAT registration is required.*	**Noted, however. There was no gazebo and staff hire income in 2020/21 due to the pandemic.**
5	The fidelity insurance cover is currently £100k. Fidelity insurance should cover the maximum projected cash and bank balances which is calculated as the year end cash and bank balances (£55678) plus the next precept instalment (50% of the annual precept is received in April of each year) which is an estimated total cash and bank balances of £131k.	*The council should estimate maximum projected cash and bank balances as part of annual risk assessment and set the level of fidelity insurance cover accordingly*	**Implemented, however, see 2020/21 issues**
6	The updated model Financial Regulations refer in section 10.) to a Purchase Order (PO) system (which would also clearly evidence the authority to spend). However, no PO system is currently in place.	*If the Purchase Order section of the FRs is an accepted requirement by council, then the council should establish a sequential Purchase Order system as required by the updated model Financial Regulations.*	**Implemented**

Section 1 – Annual Governance Statement 2022/23

We acknowledge as the members of:

LEEK TOWN 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	No*	*'Yes' means that this authority:*
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.*

	Yes	No	N/A	
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.			✓	*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:

20/06/2023

and recorded as minute reference:

2023/06/20-7c) ii

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

Chairman [signature]

Clerk D. Wheat

www.leektowncouncil.gov.uk

Section 2 – Accounting Statements 2022/23 for

LEEK TOWN COUNCIL

	Year ending		Notes and guidance
	31 March 2022 £	31 March 2023 £	*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.*
1. Balances brought forward	78,391	99,688	*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	181,312	172,588	*Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.*
3. (+) Total other receipts	53,602	35,742	*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	45,785	32,477	*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	167,832	182,481	*Total expenditure or payments as recorded in the cash-book less staff costs (line 4) and loan interest/capital repayments (line 5).*
7. (=) Balances carried forward	99,688	93,060	*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	108,586	70,902	*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	1,395,585	1,395,525	*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

D. Wheat

Date 19/06/2023

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

20/06/2023

as recorded in minute reference:

2023/06/20 – 17c)iii

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

Prepared by: D. Wheat Date: 20/6/2023

Name and Role (Clerk/RFO etc)

Approved by: ____________ Date: ________

Name and Role (RFO/Chair of Finance etc)

	Bank Reconciliation at 31/03/2023			
	Cash in Hand 01/04/2022			108,585.55
	ADD Receipts 01/04/2022 - 31/03/2023			208,479.80
				317,065.35
	SUBTRACT Payments 01/04/2022 - 31/03/2023			246,162.94
A	**Cash in Hand 31/03/2023** (per Cash Book)			**70,902.41**
	Cash in hand per Bank Statements			
	Petty Cash	31/03/2023	5.66	
	Friends Nicholson War Memorial	31/03/2023	0.00	
	Events Account	31/03/2023	7,608.92	
	Reserve Account	31/03/2023	67,396.28	
	Current Account	31/03/2023	0.00	
				75,010.86
	Less unpresented payments			4,108.45
				70,902.41
	Plus unpresented receipts			
B	**Adjusted Bank Balance**			**70,902.41**
	A = B Checks out OK			

Leek Town Council

ANNUAL RETURN - Section 2 : Statement of Accounts

Explanation of variances

This is prepared based on information in "Governance and Accountability for Local Councils : a Practitioner's Guide"

Important note: These figures have been prepared on an INCOME and EXPENDITURE basis.

Box No.	Description	Last Year £	31/03/2023 £	Variance £	Variance %	Explanation Required?	Notes
1	Balances brought fwd	78391.00	99688.30				BALANCE B/F AGREES
2	Annual precept	181312.00	172588.00	-8724.00	5%	No	
3	Total other receipts	53602.00	35741.80	-17860.20	33%	Yes	The Council received a Welcome Back funding Grant in the previous year to support the Town in Recovering from Covid. Also in 2021 the Council received £12,000 from Support Staffordshire for the decoration of Bank House. The new Clerk has not claimed back any VAT in the 2022-23 financial year and also the last quarter of 2021-2022. The total to be reclaimed in the current financial year is £19,937.74 and with the quarter from the previous year a total of £24,660.49
4	Staff Costs	45785.00	32477.41	-13307.59	29%	Yes	The Council were without any staff for 3 months Recruitment proved difficult Denise Wheat the new Clerk did not start until 23rd May 2022 Admin assistant Victoria Johnson started on 3rd October 2022
5	Loan interest/capital repayments	0.00	0.00	0.00	0%	No	
6	Total other payments	167832.00	182481.12	14649.12	9%	No	
7	Balances carried forward	99688.30	93059.57	-6628.73	7%	No	
8	Total Cash and Short Term Investments	108585.55	70902.41	-37683.14	35%	Yes	
9	Total Fixed Assets and Long Term Investments	1395585.00	1395525.00	-60.00	0%	No	
10	Total Borrowings	0.00	0.00	0.00	0%	No	

Leek Town Council
Reconciliation between Box 7 and Box 8

31/03/2023

This report explains the difference between the total balance in Box 7 and the cash balance in Box 8 by showing the totals for each type of adjustment, the details of which can be listed using the Adjustments report. It deducts the additional assets which have been included on the balance sheet and adds back in the liabilities to arrive at the balance for actual cash and short term investments. This only applies to Annual Returns prepared on Income and Expenditure basis

	Amount	*Amount*
Box 7 - Balances carried forward		**93,059.57**
Debtors		
Prepayments		
Stocks and Stores		
VAT Recoverable	24,660.49	
TOTAL DEDUCTIONS		**24,660.49**
Creditors	2,503.33	
Receipts in Advance		
Doubtful Debts		
TOTAL ADDITIONS		**2,503.33**
Box 8 - Total cash and short term investments		**70,902.41**

Attachment 3

Confirmation regarding the exercise of public rights

Parish Council name: LEEK TOWN COUNCIL

The Parish Council must inform the electorate of an exact 30 working day period during which public rights may be exercised. This is inclusive of the start and finish dates.

The inspection period **must** commence no later than 3 July 2023 and must **include the first 10 working days of July.**

The elector's rights must start **exactly** one day after the annual return has been published on your website (or other free to access website used by the Council) with the statutory notice at Attachment 3.2. Publication of the annual return must be as soon as practical after the unaudited annual return has been approved by the Parish Council, and in line with the regulatory inspection period.

Working days are defined as Monday – Friday. They do not include Saturdays, Sundays and Bank Holidays.

(See calendar guide overleaf, noting that because the earliest date to start a compliant public rights period is 5 June 2023 the definition of *'as soon as practical'* excludes any earlier dates than this.)

The inspection period commences on: 28/6/2023
And ends on: 8/08/2023

Signed: D. Wheat Date: 20/6/2023

Position held: TOWN CLERK

Attachment 3.2

Local council name: LEEK TOWN COUNCIL

Notice of appointment of date for the exercise of public rights

Accounts for the year ended 31st March 2023

The Local Audit and Accountability Act 2014, and

The Accounts and Audit (England) Regulations 2015 (SI 234)

1. Date of announcement: 27/6/2023 (a)	(a) Insert date of placing of this notice on your website.
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 2023 these documents will be available on reasonable notice on application to: (b) LEEK TOWN CLERK - DENISE WHEAT 15 STOCKWELL STREET LEEK ST13 6DH commencing on (c) 28/6/2023 and ending on (d) 8/8/2023	(b) Insert name, position and contact details of the Clerk or other person to whom any person may apply to inspect the accounts. (c)And (d)The inspection period must be 30 working days in total and commence no later than 3 July 2023.
3. Local Government Electors and their representatives also have: • 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). The auditor can be contacted at the address in paragraph 4 below for this purpose during the inspection period at 2 above.	
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: Mazars LLP, The Corner, Bank Chambers, 26 Mosley Street, Newcastle upon Tyne, NE1 1DF Email: local.councils@mazars.co.uk	
5. This announcement is made by (e)) D. Wheat CLERK	(e) Insert name and position of person placing the notice

Attachment 3.3

Councils' Accounts: A Summary of Public Rights

The basic position

By law any interested person has the right to inspect a council's/meeting's accounts. If you are entitled and registered to vote in local council elections then you (or your representative) have additional rights to ask the appointed auditor questions about the Council's accounts or object to an item of account contained within them.

The right to inspect the accounts

When your council has finalised its accounts for the previous financial year it must advertise that they are available for people to inspect. Having given the Council reasonable notice of your intentions, you then have 30 working days to look through the accounting statements in the Annual Return and any supporting documents. By arrangement, you will be able to inspect and make copies of the accounts and the relevant documents. You may have to pay a copying charge.

The right to ask the auditor questions about the accounts

You can only ask the appointed auditor questions about the accounts. The auditor does not have to answer questions about the council's policies, finances, procedures or anything else not related to the accounts. Your questions must be about the accounts for the financial year just ended. The auditor does not have to say whether they think something the Council has done, or an item in its accounts, is lawful or reasonable.

The right to object to the accounts

If you think that the council has spent money that it should not have, or that someone has caused a loss to the council deliberately or by behaving irresponsibly, you can request the auditor to apply to the courts for a declaration that an item of account is contrary to law. You do this by sending a formal '*notice of objection*' to the auditor at the address below. **The notice must be in writing and copied to the council.** In it, you must tell the auditor why you are objecting and what you want the auditor to do about it. The auditor must reach a decision on your objection. If you are not happy with that decision, you can appeal to the courts.

You may also object if you think that there is something in the accounts that the auditor should discuss with the Council or tell the public about in a '*public interest report*'. You must follow the same procedure as outlined in the previous paragraph. The auditor must then decide whether to take any action. The auditor does not have to, but usually will, give reasons for his/her decision and you cannot appeal to the courts. More information is available on the National Audit Office website (see contact details below).

You may not use this '*right to object*' to make a personal complaint or claim against your council. You should take such complaints to your local Citizens' Advice Bureau, local Law Centre or your solicitor. You may also be able to approach the Standards Committee of your local principal authority if you believe that a member of the council has broken the Code of Conduct for Members.

What else you can do

Instead of objecting, you can give the auditor information that is relevant to his/her responsibilities. For example, you can simply tell the auditor if you think that something is wrong with the accounts or about waste and inefficiency in the way the Council runs its services. You should make it clear that you are providing information rather than making a formal objection. You do not have to follow any set time limits or procedures. The auditor does not have to give you a detailed report of any subsequent investigation, but will usually tell you the outcome.

A final word

Councils, and so local taxpayers, must meet the costs of dealing with questions and objections. In deciding whether to take your objection forward, one of a series of factors the auditor must take into account is the cost that will be involved. The auditor will only continue with the objection if it is in the public interest to do so. If you appeal to the courts, you might have to pay for the action yourself.

Who should you contact?

For more detailed guidance on electors' rights and the special powers of auditors, copies of the publication Council Accounts – a guide to your rights are available by calling the National Audit Office on 020 7798 7000 or downloading from the website https://www.nao.org.uk/	If you wish to contact your Council's appointed external auditor please write to: Cameron Waddell, Partner, Mazars LLP, local.councils@mazars.co.uk