

REPORT TO A MEETING OF KENILWORTH TOWN COUNCIL TO BE HELD ON 4th JUNE 2026

ANNUAL GOVERNANCE STATEMENT AND RETURN OF ACCOUNTS 2025/26

1. PURPOSE OF THE REPORT

To approve the completion of the Annual Governance Statement and Return of Accounts as required by the Accounts and Audit Regulations 2015.

2. RETURN OF ACCOUNTS

2.1 Local Councils in England with an annual turnover of £6.5 million or less must complete the Annual Governance and Accountability Return summarising their activities at the end of each financial year. Each Council must approve and submit the annual return no later than 30 June 2026.

2.2 The Annual Return is set out in a prescribed form and is included at **Enclosures 13-15**. Section 1 of the Return is the Statement of Annual Governance which seeks to ensure that the Council is able to certify and provide evidence that it has maintained a sound system of internal control, including the preparation of the relevant accounting statements. Section 2 of the Return summarises the financial information contained within the Council's Accounts. Section 3 of the Return consists of the External Auditor's report and statement to be completed at the close of the Audit. All three parts are preceded by the Report of the Internal Auditor which should be considered by the Council prior to consideration of the Annual Governance Statement and accounting statements. The Council must approve the Statement of Annual Governance before the Accounting statements.

2.3 The Council's accounting statements, from which the information in the Annual Return is prepared, are attached to this Report. The Town Council applies the practices set out in "Governance and Accountability for Smaller Authorities in England" drawn up by NALC and the Society of Local Council Clerk's in preparing accounts through the income and expenditure method. The Council is also bound by law and the provisions of the relevant Accounts and Audit Regulations and the Smaller Bodies Transparency Code 2014.

3. ANNUAL GOVERNANCE STATEMENT

3.1 Section 1 of the Return seeks to establish that the Council has in place appropriate measures to manage its financial assets and liabilities and ensure that it is protected against fraud and corruption. In addition, as with all public bodies, there is a requirement that electors for the area are afforded opportunity to examine and inspect the Council's accounts and financial records. Evidence of the Council's compliance with the various statements at Section 1 of the Return is provided in the following summary:

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

Evidence: The Income and Expenditure Report and Bank Reconciliation are attached and follow established accounting practice. For this Council the accounts are prepared in accordance with the income and expenditure method as specified in the Accounting Regulations. The Finance &

General Services Committee periodically received reconciliation statement and reports during the year for review.

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

Evidence: Measures to control fraud and corruption are included in the Council's Standing Orders and Financial Regulations. For small authorities, such as Kenilworth Town Council, Financial Regulations are the means by which fraud and corruption are most effectively controlled. In addition, the Finance & General Services Committee considered any recommendations from Council arising from the Report of the Internal Auditor and approves action as appropriate. The Council's Financial Regulations were reviewed and revised in October 2024, and financial policies including the Investment & Asset Policy, the Investment Strategy and Community Infrastructure Levy Policy have been regularly reviewed and updated during the last two financial years, as appropriate and in line with NALC guidance and the Council's schedule for review.

3. The Council takes all reasonable steps to be assured 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 the Council to conduct its business or finances.

Evidence: Research is conducted and submitted to Council on any matter involving the provision of a new service or expenditure not previously approved. These reports include reference to any statutory requirements and advisory codes where appropriate.

4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the Accounts and Audit regulations.

Evidence: A copy of the Public Notice published on 13 June 2025 is **attached** and covered the period 16 June 2025- 25 July 2025.

5. We carried out an assessment of the risks facing the Council and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover, where required.

Evidence: Internal Risk Assessments are conducted as appropriate whenever any new activity is commenced. Financial Regulations and Insurance are the two measures used by this Council to manage its exposure to risk and these are both reviewed periodically. The risks faced by the Council are limited in view of the relatively small number of services delivered directly but exposure to financial risks are assessed and appropriately weighted before undertaking any new activity.

An updated report identifying the risks faced by the Council and the measures in place to control and manage those risks is included at **Enclosure 10**.

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

Evidence: The Council confirmed the re-appointment of the Internal Auditor –Mr David Phillips of Phillips and Becker at the meeting on 12 June 2025. The Internal Auditor is given full access to all

accounting records, Minutes of Meetings and background papers, and is able to report to Councillors on any matter concerning governance and financial probity.

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

Evidence: The Internal Auditor's quarterly reports on their visits are shared with the Chair and Vice-Chair of Finance & General Services Committee once received. These are then placed as an agenda item on the next Finance & General Services Committee meeting and contents shared and discussed with Members. The External Auditor's report was considered by Council at the Finance & General Services meeting on 2 October 2025 and it was noted that it was certified without qualification or opinion.

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 the Council and where appropriate are included in the accounting statements.

Evidence: These aspects are dealt with as Agenda Items in Committees and Council Agendas and are reflected in the accounts and any additional evidence is submitted to the external auditor.

9. We discharged accounting responsibilities in relation to the funds and assets of Trust Funds where the Council is the sole managing Trustee.

Evidence: Not applicable.

10. We have put in place arrangements for the effective IT and data management in accordance with proper practices during the year under review.

Evidence: Email management – the council has a generic email account hosted on an authority owned domain, and all staff and councillors have email addresses @kenilworth-tc.gov.uk . The council meets our legal requirements for our websites <https://kenilworth-tc.gov.uk> and <https://kenilworth-tc.gov.uk/visit-kenilworth/> and meets the Web Content Accessibility Guidelines 2.2AA and the Public Sector Bodies (Website and mobile Applications) (No.2) Accessibility Regulations 2018.

Our websites include published documentation as specified in the Freedom of Information Act 2000 and the transparency code for smaller authorities. The Council follows the General Data Protection Regulation (GDPR) 2016 and the Data Protection Act (DPA) 2018. The council processes personal data with care and in line with the principles of data protection, and acknowledges our classification as both a Data Controller and a Data Processor.

The Council has an IT policy which explains how everyone (officers and Members) should conduct authority business in a secure and legal way when using IT equipment and software (both council owned and personal equipment).

3.2 The Council's Internal Auditor has undertaken and completed the audit of the Council's Accounts and supporting financial records and his Report is included at Enclosure 13.

4. RECOMMENDATION

The Council is recommended to:-

- (a) receive and consider the Report of the Internal Auditor and act upon his recommendations;
- (b) consider and approve the Annual Governance Statement 2025/26 (**Enclosure 14**)
- and
- (c) consider and approve the Accounting Statements 2025/26 (**Enclosure 15**)

Maggie Field
Town Clerk and Responsible Finance Officer
May 2026

Smaller authority name: **Kenilworth Town Council**

**NOTICE OF PUBLIC RIGHTS AND PUBLICATION
OF UNAUDITED ANNUAL GOVERNANCE &
ACCOUNTABILITY RETURN
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025**

**Local Audit and Accountability Act 2014 Sections 26 and 27
The Accounts and Audit Regulations 2015 (SI 2015/234)**

NOTICE	NOTES
1. Date of announcement 13 June 2025 2. Each year the smaller authority's Annual Governance and Accountability Return (AGAR) needs to be reviewed by an external auditor appointed by Smaller Authorities' Audit Appointments Ltd. The unaudited AGAR has been published with this notice. As it has yet to be reviewed by the appointed auditor, it is subject to change as a result of that review. Any person interested has the right to inspect and make copies of the accounting records for the financial year to which the audit relates and all books, deeds, contracts, bills, vouchers, receipts and other documents relating to those records must be made available for inspection by any person interested. For the year ended 31 March 2023, these documents will be available on reasonable notice by application to: (b) Maggie Field (Town Clerk) Kenilworth Town Council, Jubilee House Smalley Place, Kenilworth CV8 1QG 01926 859155 kentc@kenilworth-tc.gov.uk commencing on (c) Monday 16 June 2025 and ending on (d) Friday 25 July 2025 3. Local government electors and their representatives also have: - The opportunity to question the appointed auditor about the accounting records; and - The right to make an objection which concerns a matter in respect of which the appointed auditor could either make a public interest report or apply to the court for a declaration that an item of account is unlawful. Written notice of an objection must first be given to the auditor and a copy sent to the smaller authority. The appointed auditor can be contacted at the address in paragraph 4 below for this purpose between the above dates only. 4. The smaller authority's AGAR is subject to review by the appointed auditor under the provisions of the Local Audit and Accountability Act 2014, the Accounts and Audit Regulations 2015 and the NAO's Code of Audit Practice 2015. The appointed auditor is: Moore (Ref AP/HD) Rutland House Minerva Business Park Lynch Wood Peterborough PE2 6PZ  MOORE 5. This announcement is made by Maggie Field – Town Clerk and Responsible Finance Officer, Kenilworth Town Council	(a) Insert date of placing of the notice which must be not less than 1 day before the date in (c) below (b) Insert name, position and address/telephone number/ email address, as appropriate, of the Clerk or other person to which any person may apply to inspect the accounts (c) Insert date, which must be at least 1 day after the date of announcement in (a) above and at least 30 working days before the date appointed in (d) below (d) The inspection period between (c) and (d) must be 30 working days inclusive and must include the first 10 working days of July. (e) Insert name and position of person placing the notice – this person must be the responsible financial officer for the smaller authority

ANNUAL RETURN
FOR THE YEAR ENDED 31 MARCH 2026
Kenilworth Town Council

SECTION 2 - THE STATEMENT OF ACCOUNTS

I certify that the accounts contained in this return present fairly the financial position of the council, are consistent with the underlying financial records and have been prepared on the basis of Income and Expenditure.

Responsible Financial Officer

Maggie Field

Date

29/05/2026

I confirm that these accounts are approved by the Council and recorded as council minute reference

Dated

Signed on behalf of the above Council (Chair)

Date

		<u>Last Year £</u>	<u>This Year £</u>	<u>General Notes for Guidance</u>
1	Balances brought forward	510,610	505,504	Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of the previous year.
2	(+) Precept or Rates and Levies	249,555	291,815	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3	(+) Total other receipts	275,924	217,096	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	139,606	150,019	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	390,979	344,058	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	505,504	520,338	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	520,059	547,538	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	188,776	196,976	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).

The following documents should accompany the accounts when submitted to the auditor:

- * A brief explanation of significant variations from last year to this year in Section 2;
- * Bank Reconciliation as at 31 March

11/05/2026

Kenilworth Town Council

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Balance Sheet as at 31st March 2026

31st March 2025

31st March 2026

Current Assets

2,786	VAT Control	3,607
39,859	Current/Deposit Account	47,338
480,000	CCLA	500,000
200	Petty Cash	200

522,845**551,146****522,845 Total Assets****551,146**

Current Liabilities

17,341	Accruals	30,808
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17,341**30,808****505,504 Total Assets Less Current Liabilities****520,338**

Represented By

136,953	General Reserve	134,057
5,359	EMR Equipment Upgrades	1,315
288,186	EMR CIL	297,801
0	EMR WDC Event Support	14,151
15,000	EMR Election Fund	30,000
4,941	EMR Planting Trees	41
2,662	EMR Wayfinding	2,662
9,998	EMR KTC Events Projects	510
3,246	EMR Civic Insignia	3,246
7,140	EMR Castle Green	5,591
9,792	EMR Working Group Initiatives	8,709
1,948	EMR Grit Bins	1,948
4,396	EMR Staff & Training Costs	5,516
5,783	EMR Illuminations	7,651
1,500	EMR Kenilworth Revealed	1,539
7,526	EMR Legal fees	4,526
637	EMR Special Project Fund	637
437	EMR Adverse Weather Fund	437

505,504**520,338**

11/05/2026

Kenilworth Town Council

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Balance Sheet as at 31st March 2026**31st March 2025****31st March 2026**

The above statement represents fairly the financial position of the authority as at 31st March 2026 and reflects its Income and Expenditure during the year.

Signed :
Chairman

_____ Date : _____

Signed :
Responsible
Financial
Officer

_____ Date : _____

Date: 11/05/2026

Kenilworth Town Council

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Bank Reconciliation Statement as at 31/03/2026
for Cashbook 4 - CCLA

User: GEH

Bank Statement Account Name (s)	Statement Date	Page	Balances
CCLA	31/03/2026		500,000.00
			<u>500,000.00</u>
<u>Unpresented Payments (Minus)</u>		<u>Amount</u>	
		0.00	
			<u>0.00</u>
			500,000.00
<u>Unpresented Receipts (Plus)</u>			
		0.00	
			<u>0.00</u>
			500,000.00
		Balance per Cash Book is :-	500,000.00
		Difference is :-	0.00

Signatory 1:

Name Signed Date

Signatory 2:

Name Signed Date

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Kenilworth Town Council

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Earmarked Reserves

Account	Opening Balance	Net Transfers	Closing Balance
330 EMR Equipment Upgrades	5,358.59	-4,043.85	1,314.74
331 EMR CIL	288,185.65	9,615.73	297,801.38
333 EMR WDC Event Support	0.00	14,150.59	14,150.59
340 EMR Election Fund	15,000.00	15,000.00	30,000.00
341 EMR Planting Trees	4,940.79	-4,900.00	40.79
342 EMR Wayfinding	2,662.00		2,662.00
344 EMR KTC Events Projects	9,998.36	-9,487.88	510.48
345 EMR Civic Insignia	3,246.25		3,246.25
346 EMR Castle Green	7,139.50	-1,548.64	5,590.86
347 EMR Working Group Initiatives	9,792.00	-1,083.33	8,708.67
349 EMR Grit Bins	1,948.30		1,948.30
353 EMR Staff & Training Costs	4,396.09	1,120.00	5,516.09
356 EMR Illuminations	5,783.00	1,868.00	7,651.00
357 EMR Kenilworth Revealed	1,500.00	38.81	1,538.81
363 EMR Legal fees	7,525.70	-3,000.00	4,525.70
365 EMR Special Project Fund	637.47		637.47
371 EMR Adverse Weather Fund	437.20		437.20
	<u>368,550.90</u>	<u>17,729.43</u>	<u>386,280.33</u>

Kenilworth Town Council

Income and Expenditure Account for Year Ended 31st March 2025

31st March 2024		31st March 2025
Income Summary		
249,555	Precept	291,815
<u>249,555</u>	Sub Total	<u>291,815</u>
Operating Income		
30,983	ADMINISTRATION	29,695
172,692	COMMUNITY INFRASTRUCTURE LEVY	60,533
19,208	GRANTS & DONATIONS (incl S137)	16,082
45,917	TOWN PROJECTS	108,636
1,750	ALLOTMENTS	2,150
5,374	BRAYS BUNGALOW	0
<u>525,479</u>	Total Income	<u>508,911</u>
Running Costs		
188,488	ADMINISTRATION	204,618
12,472	CIVIC EXPENSES	13,620
176,513	COMMUNITY INFRASTRUCTURE LEVY	50,412
72,252	GRANTS & DONATIONS (incl S137)	114,274
79,324	TOWN PROJECTS	110,483
920	GATEHOUSE	670
617	BRAYS BUNGALOW	0
<u>530,585</u>	Total Expenditure	<u>494,077</u>
General Fund Analysis		
162,614	Opening Balance	136,953
525,479	Plus : Income for Year	508,911
<u>688,093</u>		<u>645,864</u>
530,585	Less : Expenditure for Year	494,077
<u>157,507</u>		<u>151,787</u>
20,555	Transfers TO / FROM Reserves	17,729
<u>136,953</u>	Closing Balance	<u>134,057</u>

Kenilworth Town Council

Supporting Reserves Reconciliation for ANNUAL RETURN 31 March 2026

Explains the difference between boxes 7 & 8 on the Annual Return

<u>Code</u>	<u>Description</u>	<u>Last Year £</u>	<u>This Year £</u>
	Total Reserves	505,503.81	520,337.52
105	VAT Control	2,785.62	3,607.44
	Less Total Debtors	2,785.62	3,607.44
510	Accruals	17,341.00	30,808.00
	Plus Total Creditors	17,341.00	30,808.00
	Equals Total Cash and Bank Accounts	520,059.19	547,538.08
200	Current/Deposit Account	39,859.19	47,338.08
225	CCLA	480,000.00	500,000.00
230	Petty Cash	200.00	200.00
	Total Cash and Bank Accounts	520,059.19	547,538.08