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10<sup>th</sup> May 2022

The Chair  
Kimberley Town Council  
Parish Hall  
Newdigate Street  
KIMBERLEY  
Notts NG16 2NJ

Dear Councillor Rood & Councillors

**Council Annual Internal Audit, Year ended 31<sup>st</sup> March 2022**

I have attended the Office today, as a follow up to a similar day on 9<sup>th</sup> November, to complete the Annual Internal Audit of the Council for the Year ended 31<sup>st</sup> March 2022.

**Finding:** A review of the publication requirements for the 2020/21 Annual Governance and Accountability Return (AGAR) noted that whilst the Accounting Statements were posted on the Council's website, the following statements were not present:

1. Annual Governance Statement
2. External Auditor Report & Certificate
3. Sections 1 & 2 of AGAR

**Remedial Action:**

Input this information to the website.

Diarise to ensure that all the information listed in the paragraph "Publication Requirement" of AGAR is published by the two deadlines of 1<sup>st</sup> July & 30<sup>th</sup> September, in respect of the year 2021/22.

**Background:** The Stag Recreation Ground was conveyed to the Council in 1929 and is held on trust as a public recreation ground. For decades this was managed in all respects as if it were part of the Council's municipal estate, with the exception that Councillors were aware that they could not agree to requests from users of that part of the ground dedicated as a football ground, to lease it, as it would deny members of the public legitimate access to it if they so wished.

In 2017 the legal implications of the situation were investigated in depth by one Councillor, who concluded that in his personal opinion, the correct answer to this Report should be No, on the grounds that the Council is legally the sole trustee, but keeps no separate records or accounts, or charity records, of the Stag Ground; nor does it have defined meetings relating to its role as Trustee.

I am aware that the Council sought the advice of the Charity Commission in 2018 but is no further in obtaining an answer as to the way forward. In January 2022 I asked the Council to pursue this, but I have nothing further to report relating to the Year 2021/22.

This impasse cannot continue for the following reason as it affects the governance of the Council:

**Findings:** The part of the Ground dedicated as a football ground is solely at the disposal of one club. No payment is made for the benefit of these facilities but there is an “understanding” that the club pay bills associated with the maintenance & other running costs of the ground, to an approximate annual value of £8,000, with the Council paying anything above this.

The result is that, depending on definitive legal advice, the Council may be acting illegally and certainly there is no information available to the public or Council itself, relating to the true income and expenditure on this part of the ground.

**Remedial Action:**

The Council must obtain urgent, definitive legal advice as to the way forward and implement the result without delay.

At the time of writing, the current financial year is only six weeks old, and steps should be taken to record all costs (noting whether paid by the Council or the club) relating to this ground since 1<sup>st</sup> April so that the correct overall position can be publicly established.

**Stephen Arundel, ACIB**

Hon. Internal Auditor  
Kimberley Town Council  
10<sup>th</sup> May 2022