

TROWSE WITH NEWTON PARISH COUNCIL

FINANCE COMMITTEE

You are hereby summoned to attend the Trowse with newton parish Council Finance Committee meeting on Monday 19th June 2023 **at 6.30pm** in The Manor Rooms, Trowse. Members of the press and public are invited to attend. Any questions can be sent to the clerk in advance via email: trowsepc@outlook.com

Kate Leggett

Clerk to the Council.

001 Apologies

002 Declarations of Interest and Dispensations

You have a Disclosable Pecuniary Interest in a matter to be discussed if it relates to something on your Register of Interests Form. You must declare the interest and leave the room whilst the matter is under discussion.

You have a Personal Interest in a matter to be discussed if it affects:

- Your wellbeing or financial position.
- That of your family or close friends.
- That of a club or society in which you have a management role.

In these instances, members must declare a PERSONAL interest, but can speak and vote on the matter. Whenever you declare an interest, you must say why the interest arises so that it may be included in the minutes.

003 Minutes of the previous meeting

3.1 To approve the minutes of the meeting held on 17th April 2023.

004 Matter Arising from the previous minutes.

4.1 To discuss any matters arising from the previous minutes.

005 Public Forum

5.1 To receive any comments from members the public.

006 Financial Procedures

6.1 Payments and Bank Reconciliations

a) To agree bank reconciliation and monthly payments for May 2023

6.2 End of Year accounts 22/23

a - To receive Audit Report and consider recommendations to present to Full Council

b - To receive Bank Reconciliation to 31/03/2023 and present to Full Council

c - To receive end of year AGAR and present to Full Council

i) To consider and approve AGAR section 1 – Annul Governance Statement.

ii) To consider and approve AGAR section 2 – Accounting Statement

iii) To agree the notification of the commencement of the period of exercise of public rights as Monday 26th June 2023 to Friday 4th August 2023.

6.3 Budget monitoring. To review payments to date against budgeted figures. Information circulated ahead of the meeting.

007 Banking Issues

7.1 None for this meeting.

008 Date and Time of next meeting.

Monday 21st August 2023 at 6.30pm. **Please note there is no July meeting due to staff annual leave.**

Minutes of Trowse with Newton Parish Council – Finance Committee meeting held on 17th April 2023 at 6.30pm, in The Manor Rooms, Trowse.

Present

Cllr Haynes (Chair) Cllr Bowers, Cllr Owen, Cllr King and Kate Leggett (Clerk)

001 (001) Apologies

None

002 (002) Declarations of Interest and Dispensations

None for this meeting

003 (003) Minutes of the previous meeting

Minutes of the meeting held on the 20th March 2023 were **agreed and signed**.

004 (004) Matters Arising from the previous minutes

Ear Marked Reserves. Cllr Bowers took those present through EMR throughout the year. EMR are to be reviewed quarterly. Clerk to write EMR policy.

Cllr Owen entered the room.

Due to being given a sum of money for the green spaces on phase one of the White Horse Lane development it was thought that some of this needed to be EMR for future maintenance. To do this correctly we need to understand the water infrastructure that is below ground. It may be required to insure against damage/deterioration of that infrastructure. Clerk to investigate further.

005 (005) Public Forum

None

006 (006) Financial Procedures

6.1

a) **Payments and Bank reconciliations for March 2022 were agreed and signed.**

007 (007) Banking Issues

7.1 Clerk took members through details of how she will present budget versus actual spends going forward. This will be done monthly from now on to monitor spending.

008 (008) Any Other Business

Santander signatories. Still waiting to hear from Santander about the change of signatories. Clerk and Cllr Bowers to go in branch to try and rectify this.

009 (009) Date and time of next meeting

Next meeting Monday 22nd May 2023 at 6.30pm.

Meeting closed at 7.05pm

Sign:

Date:

Decisions/Actions	Delegated to
EMR Policy	Clerk
Scribe updates	Clerk and Cllr Bowers

DRAG

Sign:

Date:

TROWSE WITH NEWTON PARISH COUNCIL

Prepared by: Kate Leggett
Name and Role (Clerk/RFO etc)

Date: 19/5/2023

Approved by: _____
Name and Role (RFO/Chair of Finance etc)

Date: _____

Bank Reconciliation at 31/03/2023			
	Cash in Hand 01/04/2022		142,734.70
	ADD Receipts 01/04/2022 - 31/03/2023		94,146.86
			236,881.56
	SUBTRACT Payments 01/04/2022 - 31/03/2023		113,251.36
A	Cash in Hand 31/03/2023 (per Cash Book)		123,630.20
	Cash in hand per Bank Statements		
	Petty Cash 31/03/2023	0.00	
	Unity Bank 20435228 31/03/2023	4,108.22 /	
	Nationwide 90158225 31/03/2023	80,723.06 ✓	
	Santander Bus Reserve 43699240 31/03/2023	9,097.57 /	
	Lloyds Business 06378221 31/03/2023	0.00	
	Lloyds Treasurers 04058297 31/03/2023	29,701.35 ✓	
			123,630.20
	Less unrepresented payments		
			123,630.20
	Plus unrepresented receipts		
B	Adjusted Bank Balance		123,630.20
	A = B Checks out OK		

Annual Governance and Accountability Return 2022/23 Form 3PM

ONLY to be completed on behalf of PARISH MEETINGS OF PARISHES NOT HAVING PARISH COUNCILS:

- where the higher of gross income or gross expenditure exceeded £25,000 but did not exceed £6.5 million; or
- where the higher of gross income or gross expenditure was £25,000 or less but that:
 - are unable to certify themselves as exempt (fee payable); or
 - have requested a limited assurance review (fee payable)

Guidance notes for Parish Meetings on completing Form 3PM of the Annual Governance and Accountability Return 2022/23

1. Every Parish Meeting in England that either received gross income or incurred gross expenditure exceeding £25,000 **must** complete Form 3PM of the Annual Governance and Accountability Return at the end of each financial year in accordance with *Proper Practices*.
2. **The Annual Governance and Accountability Return is made up of three parts, pages 3 to 6:**
 - The **Annual Internal Audit Report** must be completed by the Parish Meeting's internal auditor.
 - **Sections 1 and 2** must be completed and approved by the Parish Meeting.
 - **Section 3** is completed by the external auditor and will be returned to the Parish Meeting.
3. The Parish Meeting **must** approve Section 1, Annual Governance Statement, before approving Section 2, Accounting Statements, and both **must** be approved and published **before 1 July 2023**.
4. A Parish Meeting with either gross income or gross expenditure exceeding £25,000 or a Parish Meeting with neither income nor expenditure exceeding £25,000, but which is unable to certify itself as exempt, or is requesting a limited assurance review, **must** return to the external auditor by email or post (not both) no later than 30 June 2023. Reminder letters incur a charge of £40 +VAT:
 - the Annual Governance and Accountability Return Sections 1 and 2, together with
 - a bank reconciliation as at 31 March 2023
 - an explanation of any significant year on year variances in the accounting statements
 - notification of the dates of the period for the exercise of public rights
 - Annual Internal Audit Report 2022/23

Unless requested, do not send any additional documents to your external auditor. Your external auditor will ask for any additional documents needed.

Once the external auditor has completed the review and is able to give an opinion on the limited assurance review, the Annual Governance and Accountability Return **Section 1, Section 2 and Section 3 – External Auditor Report and Certificate** will be returned to the Chairman of the Parish Meeting by email or post.

Publication Requirements

Under the Accounts and Audit Regulations 2015, a Parish Meeting must publish on a suitable website or be publicly displayed in the local area for a period of 14 days, the following information:

Before 1 July 2023:

- Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited;
- **Section 1 - Annual Governance Statement 2022/23**, approved and signed, page 4
- **Section 2 - Accounting Statements 2022/23**, approved and signed, page 5

Not later than 30 September 2023:

- Notice of conclusion of audit
- **Section 3 - External Auditor Report and Certificate**
- **Sections 1 & 2 of Annual Governance and Accountability Return** including any amendments as a result of the limited assurance review.

It is recommended as best practice, to avoid any potential confusion for local electors and interested parties, that you also publish or display the Annual Internal Audit Report, page 3.

The Annual Governance and Accountability Return constitutes the annual return referred to in the Accounts and Audit Regulations 2015. Throughout, the words 'external auditor' have the same meaning as the words 'local auditor' in the Accounts and Audit Regulations 2015.

Guidance notes for Parish Meetings on completing **Form 3PM** of the Annual Governance and Accountability Return (AGAR) 2022/23

- The Parish Meeting **must** comply with *Proper Practices* in completing Sections 1 and 2 of this AGAR. *Proper Practices* are found in the *Practitioners' Guide** which is updated from time to time and contains everything needed to prepare successfully for the financial year-end and the subsequent work by the external auditor.
- Make sure that the AGAR is complete (no highlighted boxes left empty), and is properly signed and dated. If the AGAR contains unapproved or unexplained amendments, it may be returned and additional costs may be incurred.
- The Parish Meeting **should** receive and note the Annual Internal Audit Report before approving the Annual Governance Statement and the accounts.
- Use the checklist provided below to review the AGAR for completeness before returning it to the external auditor by email or post (not both) no later than 30 June 2023. Reminder letters incur a charge of £40 +VAT.
- The Annual Governance Statement (Section 1) must be approved on the same day or before the accounts (Section 2) and evidenced by the agenda or minute references.
- The Chairman must certify the accounts (Section 2) before they are presented to the authority for approval. The authority must in this order; consider, approve and sign the accounts.
- The Chairman is required to commence the public rights period as soon as practical after the date of the AGAR approval.
- You must inform your external auditor about any change of Chairman, and provide a relevant email address and telephone numbers.**
- Make sure that the copy of the bank reconciliation to be sent to your external auditor with the AGAR covers all the bank accounts. If the Parish Meeting holds any short-term investments, note their value on the bank reconciliation. The external auditor must be able to agree the bank reconciliation to Box 8 on the accounting statements (**Section 2, page 5**). An explanation **must** be provided of any difference between Box 7 and Box 8. More help on bank reconciliation is available in the *Practitioners' Guide*.*
- Explain fully significant variances in the accounting statements on **page 5**. Do not just send a copy of the detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include complete numerical and narrative analysis to support your explanation.
- If the bank reconciliation is incomplete or variances not fully explained then additional costs may be incurred.
- Make sure that the accounting statements add up and that the balance carried forward from the previous year (Box 7 of 2022) equals the balance brought forward in the current year (Box 1 of 2023).
- The Chairman, on behalf of the Parish Meeting, **must** set the commencement date for the exercise of public rights of 30 consecutive working days which must include the first ten working days of July.
- The Parish Meeting **must** publish on a suitable website or publicly display in the local area the information required by Regulation 15 (2), Accounts and Audit Regulations 2015, including the period for the exercise of public rights and the name and address of the external auditor **before 1 July 2023**.

Completion checklist – 'No' answers mean you may not have met requirements		Yes	No
All sections	Have all highlighted boxes been completed?	✓	
	Has all additional information requested, including the dates set for the period for the exercise of public rights , been provided for the external auditor?	✓	
Internal Audit Report	Have all highlighted boxes been completed by the internal auditor and explanations provided?	✓	
Section 1	For any statement to which the response is 'no', has an explanation been published?	✓	
Section 2	Has the Parish Meeting's approval of the accounting statements been confirmed by the signature of the Chairman of the approval meeting?	✓	
	Has an explanation of significant variations been published where required?	✓	
	Has the bank reconciliation as at 31 March 2023 been reconciled to Box 8?	✓	
	Has an explanation of any difference between Box 7 and Box 8 been provided?	✓	

**Governance and Accountability for Smaller Authorities in England – a Practitioners' Guide to Proper Practices*, can be downloaded from www.nalc.gov.uk

Form 3PM Annual Internal Audit Report 2022/23

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During the financial year ended 31 March 2023 the Parish Meeting's internal auditor, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls to be in operation and obtained appropriate evidence from the authority.

The internal audit for 2022/23 has been carried out in accordance with this Parish Meeting'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 Parish Meeting.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This Parish Meeting complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This Parish Meeting assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept 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.	N/A		✓
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic and year-end bank account reconciliations were properly carried out.	✓		
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 Parish Meeting certified itself as exempt from a limited assurance review in 2021/22, it met the exemption criteria and correctly declared itself exempt. (If the Parish Meeting had a limited assurance review of its 2021/22 AGAR tick "not covered")			✓

	Yes	No	Not covered**
M. The Parish Meeting has demonstrated that during the previous year (2021-22) it correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations. (Evidenced by: confirmation by the Chairman that the notice has been published on a suitable website or publicly displayed in the local area.)		✓	✓
N. The Parish Meeting has complied with the publication requirements for 2021/22 AGAR. (See AGAR Page 1 Guidance Notes).	✓		

For any other risk areas identified by this Parish Meeting adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

3/6/23 5/6/23

Name of person who carried out the internal audit

S BULTHE

Signature of person who carried out the internal audit

[Signature]

Date

5/6/23

*If the response is 'no' you must include a note to 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).

Form 3PM Section 1 – Annual Governance Statement 2022/23

We acknowledge as the members of:

TROWSE WITH NEWTON 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 2023, that:

	Agreed		'Yes' means that this Parish Meeting:
	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 Parish Meeting 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 met the needs of this Parish Meeting.
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 Parish Meeting 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.

***Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the Parish Meeting will address the weaknesses identified. These sheets must be published or displayed with the Annual Governance Statement.**

This Annual Governance Statement was approved at a Parish Meeting on:

DD/MM/YYYY

and recorded as minute reference:

MINUTE REFERENCE

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

Chairman

SIGNATURE REQUIRED

Place where the Annual Governance Statement and Accounting Statements are published or displayed (e.g. Parish Notice Board, Newsletter, Village website, etc.).

PLACE WHERE PUBLISHED OR DISPLAYED

Section 2 – Accounting Statements 2022/23 for

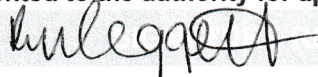
TROWSE WITH NEWTON PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2022 £	31 March 2023 £	
1. Balances brought forward	188,692.91	142,734.70	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	23,750.00	47,500.00	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	87,797.44	46,646.86	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	27,697.75	28,116.08	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	0.00	0.00	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	129,807.90	85,135.28	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	142,734.70	123,630.20	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	142,734.70	123,630.20	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	178,915.00	178,915.00	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	0.00	0.00	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


Date 25/05/2023

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



as recorded in minute reference:



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



Form 3PM Section 3 – External Auditor Report and Certificate 2022/23

In respect of

TROWSE WITH NEWTON PARISH COUNCIL

1 Respective responsibilities of the auditor and the authority

Our responsibility as auditors to complete a **limited assurance review** is set out by the National Audit Office (NAO). A limited assurance review is **not a full statutory audit**, it does not constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and hence it **does not** provide the same level of assurance that such an audit would. The UK Government has determined that a lower level of assurance than that provided by a full statutory audit is appropriate for those local public bodies with the lowest levels of spending.

Under a limited assurance review, the auditor is responsible for reviewing Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with NAO Auditor Guidance Note 02 (AGN 02) as issued by the NAO on behalf of the Comptroller and Auditor General. AGN 02 is available from the NAO website – <https://www.nao.org.uk/code-audit-practice/guidance-and-information-for-auditors/>.

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2023; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

2 External auditor's limited assurance opinion 2022/23

(Except for the matters reported below)* on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return, in our opinion the information in Sections 1 and 2 of the Annual Governance and Accountability Return is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met. (*delete as appropriate).

(continue on a separate sheet if required)

Other matters not affecting our opinion which we draw to the attention of the Parish Meeting:

(continue on a separate sheet if required)

3 External auditor certificate 2022/23

We certify/do not certify* that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2023.

*We do not certify completion because:

External Auditor Name

ENTER NAME OF EXTERNAL AUDITOR

External Auditor Signature

SIGNATURE REQUIRED

Date

DD/MM/YYYY

Trowse Parish Council

Internal Audit Report
Financial Year 2022/23

Prepared by Sonya Blythe
3 June 2023

I have completed an internal audit of the accounts for Trowse Parish Council for the year ending March 2023.

My findings are detailed below using the tests provided in the Governance and Accountability (England) guidance.

Internal control	Test	Observations
Proper bookkeeping	Is the cashbook maintained and up to date?	Yes
	Is the cashbook arithmetically correct?	Yes
	Is the cashbook regularly balanced?	Yes
Standing Orders, Financial Regulations and payment controls	Has the council formally adopted Standing Orders and Financial Regulations?	Yes
	Date Standing Orders last reviewed	September 22, per minutes
	Date Financial Regulations last reviewed	March 23, per minutes
	Has a Responsible finance officer been appointed with specific duties?	Clerk is RFO
	Are payments in the cashbook supported by purchase orders, invoices, authorised and minuted?	Yes, invoices for all purchases, reported on Scribe, attached to minutes, and matched on bank accounts.
	Has VAT on payments been identified, recorded and reclaimed?	Yes – VAT accounted for on Scribe accounts. Last reclaim made February and received from HMRC in March.
	Is S137 expenditure separately recorded and within statutory limits?	Not used
	Have S137 payments been approved and included in the minutes as such?	Not used
Risk management arrangements	Does a review of the minutes identify any unusual financial activity?	No
	Do minutes record the council carrying out an annual risk assessment or review of their risk management scheme?	Financial risk assessment carried out March 23. Policy confirms asset checks are also carried out.
	Is insurance cover appropriate and adequate?	Yes, Zurich policy seen
	Are internal financial controls documented and regularly reviewed?	Yes – November 22 minutes

Internal control	Test	Observations
Budgetary controls	Has the council prepared an annual budget in support of its precept and has this been minuted as being approved?	Feb 22 meeting for 22/23 budget year
	Has the precept been calculated from the budget and been approved?	Yes, minuted on 14 February 23 as £47500
	Does the budget include an actual completed year?	Yes
	Is actual expenditure against budget regularly reported to the council?	Reported to Finance Committee, report seen
	Are there any significant unexplained variances from budget?	No
Income controls Petty cash procedures	Is income properly recorded and promptly banked?	Yes – income sheet checked against bank statements
	Does the precept recorded agree to the Council Tax authority's notification?	Cashbook: £47500 Remittance: £47500
	Is all petty cash spent recorded and supported by VAT invoices/receipts?	N/A
	Is petty cash expenditure reported to each council meeting?	N/A
	Is petty cash reimbursement carried out regularly?	N/A
Payroll controls	Do all employees have contracts of employment with clear terms and conditions?	Yes, contract seen
	Do salaries paid agree with those approved by the council?	Yes
	Are salaries above the National Living Wage/Minimum Wage?	Yes
	Are other payments to employees reasonable and approved by the council?	Yes, expense claims seen
	Have PAYE/NIC been properly operated by the council as an employer?	Yes, HMRC deductions on payslips and payments made online to HMRC
Asset controls	Does the council maintain a register of all material assets owned or in its care?	Yes

Internal control	Test	Observations
	Are the assets and Investments registers up to date? When were these last reviewed?	21/22 and 22/23 version on website. Insurance valuation columns updated from last years audit.
	Do asset insurance valuations agree with those in the asset register?	Yes
Bank reconciliation	Is there a bank reconciliation for each account and is this reported to council?	Yes – reported at each Finance Committee, with minutes received at Council
	Is a bank reconciliation carried out regularly and in a timely fashion?	Yes
	Are there any unexplained balancing entries in any reconciliation?	No
Year-end procedures	Are year-end accounts prepared using the correct accounting basis (Receipts and Payments or Income and Expenditure)?	Yes, I&E
	Do accounts agree with the cash book?	Yes: AGAR £123630.20 Bank £123630.20
	Has a year-end bank reconciliation been undertaken?	Yes £123630.20
	Is there an audit trail from underlying financial records to the accounts?	Yes, invoices matched to Scribe and bank accounts
Procedural	Is eligibility for the General Power of Competence properly evidenced?	N/A
	Have points raised on the last Internal Audit report been considered by council and actioned?	Internal audit recommendations become a standing item until all have been completed. Yes, and action plan published. All Committee meeting minutes need to be published on your website. Yes. Produce a cashbook and regularly present it to Council or Finance Committee, at least quarterly. Yes – Scribe reports. Monthly reconciliations for bank accounts used for regular expenditure to be received by Council or Finance Committee. Yes.

Internal control	Test	Observations
		Council should be provided with spend against budget updates at each meeting. Report received – not recorded in minutes. Adopt the updated NALC Standing orders. Yes Create a specific Internal Controls document. Yes. Add payments to your meeting minutes and website from 1 April 2022. Yes. The risk assessment should be updated and then continue to be reviewed at least annually. Yes. A contract must be issued for the Clerk. Yes. Review your asset list to check that it is accurate and matches insurance. Yes. Identify and record all earmarked reserves. These should be updated by Council at least annually in future. EMR plan agreed March 23. To be taken forward in 23/24. Update your asset list and publish on your website to fulfill transparency requirements. Yes. Find and secure the burial records urgently. Yes. Upload your burial fees to the website for transparency. Yes. Ensure that allotment fees are reviewed annually. Yes.
Transparency: For smaller councils with turnover under £25,000	Minutes for whole year on website? Agendas for whole year on website?	Yes – all Committees and full Council Yes

Internal control	Test	Observations
	Payments over £100 detailed on website?	Yes – payments all with Finance papers
	Electors' rights advertised on website?	Yes – dates outside required period though
	Councillors' responsibilities detailed on website?	Yes
	Last financial year's AGAR on website?	Yes
	Land and building assets details on website? (Description, location, owner/leaseholder, date and cost of acquisition and present use)	Yes
Burial Authorities only	Are fees levied in accordance with the Council's approved scale of fees and charges?	Yes
	Have fees for the cemetery been reviewed and agreed by Council?	22-23 dates on website, with 2022 new management plan
	Have burial books been kept up to date and are they safely stored?	Held by Clerk
Allotments only	Has a list of allotment holders with amounts paid to Council been submitted?	Yes – allotment income with holders names on Scribe report
	Have fees for the allotments been reviewed and agreed by Council?	Yes – September minutes

Summary:

Thank you to Kate for providing information and answering questions so promptly.

- I have checked through your accounts and confirmed them against income and expenditure receipts, as well as against payments in your cashbook. Bank reconciliations are regularly carried out for the accounts.

- I have confirmed that your Financial Regulations and Standing Orders are up to date.

- I have noted that your VAT has been claimed within the past year and is accounted for within financial records

- I have verified that your insurance is adequate

- I confirm that your payroll management meets requirements
- I have reviewed your budget setting process and noted that you provide Council with regular spend against budget information
- I have reviewed the AGAR against your year-end bank reconciliations and your accounts

Recommendations / items to note:

1. I received the Spend against Budget report that Council / Finance Committee receive. I can't see this item recorded within the minutes on a regular basis – it would be a good idea to add this in to your minutes along with checking the bank reconciliation, just so that the external auditor is aware that Council has oversight of all aspects of the accounts.
2. Unfortunately I have had to (unwillingly to be frank) answer No to Box M, correctly providing for the exercise of public rights. Despite the fact you asked the external auditors for an extension, it seems that does not alter the dates of the public rights, which should include the first ten days of July. By default, even with an extension agreed, that control was not met I'm afraid.

I'm so pleased to see how far the Council has progressed since last year!

Sonya Blythe
Internal auditor