

Haddiscoe Parish Council

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| Proper Bookkeeping | Is the cash book maintained and up to date | Yes. |
| | Is the cashbook correct arithmetically | Yes |
| | Is the cashbook regularly balanced | Yes |
| Standing orders/financial regulations/payment controls | Has the council formally adopted standing orders and financial regulations. | Yes – these need updating, see point 1 Yes – recommend that these are based upon NALC model documents. Procurement Policy shows £25,000, this also needs updating to comply with public procurement regulations see point 2. |
| | Date Standing Orders last reviewed | 5 th September 2022 – point 11. |
| | Date Financial Regulations last Reviewed | *referred to as Financial Standing Orders. 5 th September 2022 – point 11. |
| | Has an RFO been appointed with specific duties | Contract approved 4.7.22 point 11. |
| | Have items or services above the de minimum amount been competitively purchased | N/A |
| | Are payments in the cashbook supported by purchase orders, | Yes. |

Haddiscoe Parish Council

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| | invoices, authorised and minuted | |
| | Has VAT on payments been identified, recorded and claimed | Yes – end of year VAT claim submitted. |
| | Is S137 expenditure separately recorded and within statutory limits | Cash book column available – the donation to Haddiscoe charity may be S137 dependent upon detail. |
| | Have S137 payments been approved and recorded within the minutes as such | N/A – no S137 payments recorded. |
| Risk Management arrangements | Does a review of the minutes identify any unusual activity | No |
| | Do minutes record the council carrying out an annual risk assessment or review of their risk management scheme | Annual Financial Risk Assessment 5 th September 2022. |
| | Has the council considered a general reserves policy | No record. This should be considered, point 1.13 of the Joint Panel on Accountability and Governance Practitioners Guide refers. |
| | Is insurance cover adequate and appropriate | Yes |

Haddiscoe Parish Council

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| | Are internal financial controls documented | Policy agreed 5th September 2022 |
| Budgetary controls | Has the council prepared an annual budget in support of its precept and has this been minuted as being approved | Budget provided – should be on website. Does not show previous years. Agreed and minuted 9 th January. |
| | Has the precept been calculated from the budget and approved | Yes. |
| | Does the budget include an actual completed year | No. The budget should show at least one full year. |
| | Is actual expenditure against budget regularly reported to council | No. The budget should be presented and spend against budget reviewed. |
| | Are there any significant unexplained budget variances | N/A |
| Income Controls | Is income property recorded and promptly banked | Yes |
| | Does the precept recorded agree to the Council Tax authorities notification | Yes |

Haddiscoe Parish Council

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| | Are security controls over cash and near cash adequate and effective | N/A |
| Petty Cash | Is all petty cash invoiced/receipts. Reported to Council. Reimbursed regularly | N/A |
| Payroll controls | Do all employees have contracts of employment with clear terms and conditions | Yes |
| | 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 council | Yes |
| | Have PAYE/NIC been properly employed by the Council as an employer | Yes |
| | Is re-enrolment up to date (Pension) | Yes |

Haddiscoe Parish Council

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| | Are pension payments correctly accounted for | N/a |
| Asset Controls | Does the council maintain a register of all material assets owned or in its care. Land register? | Yes – Clerk is investigating and updating. |
| | Are the assets and investment registers up to date? When were they last reviewed? | Reviewed 5 th September 2022 |
| | Do insurance valuations agree with those in the asset register | Yes |
| | Are all disposals minuted | Yes |
| Bank Reconciliation | Is there a bank reconciliation for each account and is this reported to Council | Bank balances are reported. |
| | Is a bank reconciliation carried out regularly and in a timely fashion | Bank balances are reported regularly. |
| | Are there any unexplained balancing entries in the reconciliation | No. |

Haddiscoe Parish Council

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| Year End Procedures | Are year end accounts R & P or I & E | R & P |
| | Do accounts agree with the cashbook | Yes |
| | Has a year end bank reconciliation been undertaken | Yes |
| | Is there an audit trail from underlying financial records to the accounts | Yes. |
| | Where appropriate have debtors and creditor been properly recorded | N/A |
| Procedural | Is eligibility for the Power of Competence properly evidenced. | N/A |
| | Have points on the last internal audit been considered by the council and actioned. | No points raised. |
| Transparency – smaller councils only | Minutes for whole year on website | yes |
| | Agendas for whole year on website | yes |

Haddiscoe Parish Council

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| | Payments over £100 detailed on website | In minutes |
| | Electors rights advertised on website | No. |
| | Councillors responsibilities advertised on website | N/A |
| | Land and building assets details on website – Description location owner/leaseholder date and cost of acquisition and present use | On asset register. |
| Burial Authorities only | Are fees levied in accordance with the councils approved scale of fees and charges | N/A |
| | Have fees for the cemetery been reviewed and agreed by Council | N/A |
| | Were comparisons made with other cemeteries prior to setting the fees | N/A |
| | Have burial books been kept up to date and are they stored safely | N/A |

Haddiscoe Parish Council

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| Councils with charities only | Have charities reported and accounted separately | N/a |
| | Have the charity accounts been independently audited | N/a |
| | Have the charity accounts and annual return been filed within the legal time limit | N/a |

Recommendations

I have provided the Clerk with a number of small items that they may wish to consider, the following is for Council:

1. Standing orders need updating to reflect the increase from £25,000 to £30,000 18.9.v. in the national procurement regulations.
2. Procurement policy also needs updating to £30,000 to agree.
3. The budget should show at least one complete year along with anticipated upcoming spend. Ear marked reserves and general reserves should be clearly shown and this should be published on the website. Consequently I have ticked no for Box D.

Haddiscoe Parish Council

4. Last year the audit forms were not on the website. Consequently I have ticked no for boxes M and N.

I would thank the Clerk for a really professional run Council, it is clear that a lot of work has gone into the running of the council this year and it is reflected in the internal audit.

NOTES FOR SECTION 1 – Annual Governance Statement.

BOX 4 – I would advise council to tick 'No' to this box and the exercise of electors' rights was not published in accordance with the requirements of the Accountancy and Audit regulations.

Haddiscoe Parish Council

Response from Haddiscoe Parish Council –

The Council appreciates the Clerk's handover was not sufficient with policies and procedures not being completed correctly in the previous years. The new Clerk has put a lot of work into the Council over the past year to bring it up to the correct standards. The Clerk and Council appreciate the recommendations by the Internal Auditor and will make sure all recommendations are carried out.

June 26 2023