SNETTISHAM PARISH COUNCIL

Internal Audit Report 2023-24

Prepared by Sarah Hunt

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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 – bank access has caused an issue. I would recommend Unity for business continuity reasons.
Standing orders/financial regulations/payment controls	Has the council formally adopted standing orders and financial regulations.	Yes – November 2021 and June 2023 respectively. Both need updating. See notes.
	Has an RFO been appointed with specific duties	No – see notes.
	Have items or services above the de minimum amount been competitively purchased	Yes – ensure that the price is detailed for contract awards.
	Are payments in the cashbook supported by purchase orders, invoices, authorised and minuted	yes
	Has VAT on payments been identified, recorded and claimed	The last claim was August 2023. I recommend a claim at year end
	Is S137 expenditure separately recorded and within statutory limits	Yes – limits should be advised to Councillors annually and recorded within the minutes.
	Have S137 payments been approved and recorded within the minutes as such	Yes – the Clerk must satisfy herself that the Council has powers for all purchases not recorded as S137.
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	Reviewed May 2023 - I have advised the clerk to review the risk assessments undertaken.

	Has the council considered a general reserves policy	No – this is a legal requirement, Council can decide it has no need of a general reserves policy, but it must minute the consideration.
	Is insurance cover adequate and appropriate	I have advised that the asset register should be checked and compared to the schedule on renewal.
	Are internal financial controls documented	An internal controls document should be adopted by the Council
Budgetary controls	Has the council prepared an annual budget in support of its precept and has this been minuted as being approved	Yes
	Has the precept been calculated from the budget and approved	Yes
	Does the budget include an actual completed year	Yes
	Is actual expenditure against budget regularly reported to council	This should be documented within the minutes when presented.
	Are there any significant unexplained budget variances	no
Income Controls	Is income property recorded and promptly banked	yes
	Does the precept recorded agree to the Council Tax authorities notification	yes
	Are security controls over cash and near cash adequate and effective	yes
Petty Cash	Is all petty cash invoiced/receipts. Reported to Council. Reimbursed regularly	n/a
Payroll controls	Do all employees have contracts of	No – The current clerk does not have a contract.

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	employment with clear terms and conditions	
	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)	Due for re-enrolment September 2025.
	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
	Are the assets and investment registers up to date? When were they last reviewed?	Yes – June 2023
	Do insurance valuations agree with those in the asset register	Values are adequate.
	Are all disposals minuted	None recorded during the year.
Bank Reconciliation	Is there a bank reconciliation for each account and is this reported to Council	Values should be minuted to evidence presentation.
	Is a bank reconciliation carried out regularly and in a timely fashion	See above regarding bank access.
	Are there any unexplained balancing entries in the reconciliation	no

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. There is no evidence of advise being taken over the relationship with the Pavilion Charity, it was advised last year so that Council can be informed on what basis it is making donations. Along with ensuring that the best outcomes are achieved with VAT etc.
Transparency – smaller councils only	Minutes for whole year on website	N/A
	Agendas for whole year on website	
	Payments over £100 detailed on website	
	Electors rights advertised on website	
	Councillors responsibilities advertised on website	
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	
	Were comparisons made with other	

	cemeteries prior to setting the fees	
	Have burial books been kept up to date and are they stored safely	
Councils with charities only	Have charities reported and accounted separately	yes
	Have the charity accounts been independently audited	N/A – zero return.
	Have the charity accounts and annual return been filed within the legal time limit	No – log in currently unavailable to clerk. Being rectified.

Thank you very much Roberta for providing all the documentation requested so completely.

I have checked through the year 2023-24 and I would mention the following:

The Clerk commenced employment in February and is still working with no contract at the time of this report (May). Council must appoint a Responsible Financial Officer to operate lawfully. The appointment has not been ratified in a Council meeting and evidenced.

I note that the council discusses charity businesses within the Parish Council meetings – I have discussed this with the Clerk. I would recommend membership of Community Action Norfolk for £20.00. They then will give advise on charity property ownership, conveyances, status of trusteeships etc as regards the Parish Council.

I have seen no evidence that the Council has considered an internal control document.

The standing orders must be reviewed at each annual meeting. The national procurement regulations have been updated and the sum for using contracts finder is now £30,000 not £25,000.

Confidential sessions can only be held for specific reasons. Council should be cognizant of the need to be as transparent as possible.

I would recommend that the Clerk have specific VAT training, Council VAT is particularly complex, charity donations and operations make it more so.

I would recommend that a formal agreement be in place with the allotment association. Any lease over 7 years must be registered with the Land Registry.

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