

C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	YES
<p>Does a review of the minutes identify any unusual financial activity? no</p> <p>Do minutes record the council carrying out an annual risk assessment? yes</p> <p>Is Insurance cover appropriate and adequate? yes*</p> <p>Are internal financial controls documented and regularly reviewed? yes*</p> <p>The council holds a comprehensive, tailored insurance policy, however, as the council does not hold an asset register, it cannot be verified that insurance levels are adequate.</p> <p>Financial regulations are in place and periodically reviewed (last update being 2018), however, due to the departure of key staff and the remote audit it was not possible to fully verify what controls have actually been in place. Financial Regulations (and other policy documents) should be reviewed at least annually.</p>	<p>NOTE</p> <p>NOTE</p>

D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	YES
<p>Has the council prepared an annual budget in support of its precept? yes</p> <p>Is actual expenditure against the budget regularly reported to the council? yes*</p> <p>Are there any significant unexplained variances from budget? no</p> <p>Financial Regulations 4.8 states that a comparison of actual v budgeted receipts and payments should be reported quarterly to the council. This has not been done consistently throughout the year. It is important that the council is aware of the financial "performance" of the council to ensure that significant over (or under) spends do not occur without proper and timely consideration.</p> <p>The council has reserves of £192679 - including £69504 Community Infrastructure Levy reserve. This leaves general reserves around 50% of annual expenditure (a council should typically hold between 3 and 12 months expenditure as a general reserve.)</p>	REC

E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	YES
<p>Is income properly recorded and promptly banked? yes*</p> <p>Does the precept recorded agree to the Council Tax? yes</p> <p>Are security controls over cash and near-cash adequate and effective? yes*</p> <p>Is the council VAT registered? Are returns submitted in a timely manner. yes, yes</p> <p>Due to the remote audit and staff departures it was not possible to fully interrogate the income records and procedures. The various reports were not obviously referenced in terms of following an audit trail, though with the assistance of the Acting RFO it was possible to track items back to source records. (This would presumably have been much easier in person with staff present.)</p> <p>It appears that cash received is kept in a cash tin in a locked filing cabinet, with cash being banked up to 2 weeks after receipt. It was not possible to verify whether this was a typical timeframe and Financial Regulations do not state what a reasonable time would be.</p> <p>The move to a (non-excel) accounting system should remedy some of these difficulties as it will be possible to track cash received, and will also provide other control reports regarding overdue debts etc.</p>	NOTE

F. Petty cash payments were properly supported by receipts, all petty cash expenditure was	N/a
<p>Is all petty cash spent recorded and supported by VAT? n/a</p> <p>Is petty cash expenditure reported to each council meeting? n/a</p> <p>Is petty cash reimbursement carried out regularly? n/a</p> <p>The council does not hold petty cash, miscellaneous expenditure is incurred by staff and reclaimed via expenses.</p>	

G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	YES
<p>Do all employees have contracts or employment with clear terms and conditions? no</p> <p>Do salaries paid agree with those approved by the council? yes</p> <p>Are other payments to employees reasonable and approved by the council? yes</p> <p>Have PAYE/NIC been properly operated by the council as an employer? yes</p> <p>Payroll is outsourced. PAYE/NIC appear to have been properly operated by the council as an employer. However, some employees do not have up to date contracts.</p> <p>There is no procedure in place to identify off-payroll workers in line with recent legislation (IR35) that makes this the responsibility of the council and not the "worker". It is important that council assesses "suppliers" in regards to the criteria for "off payroll workers" and ensure that the council then meets any statutory duties (to issue a determination and/or report and pay appropriate payroll taxes.)</p>	REC REC

H. Asset and investments registers were complete and accurate and properly maintained.	NO
<p>Does the council maintain a register of all material assets owned or in its care? no</p> <p>Are the assets and investments registers up to date? no</p> <p>Do asset insurance valuations agree with those in the asset register? no</p> <p>An asset register should be prepared, kept up to date, reviewed in regards to risk assessments in regards to security or public safety and compared to insurance valuations. It also provides a record of continuous ownership, and a check that any additions or disposals during the year have been properly accounted for.</p>	REC

I. Periodic and year-end bank account reconciliations were properly carried out.	YES
<p>Is there a bank reconciliation for each account? yes</p> <p>Is a bank reconciliation carried out regularly and in a timely fashion? yes</p> <p>Are there any unexplained balancing entries in any? no</p> <p>Is the value of investments held summarised on the? yes</p> <p>Bank reconciliations have been prepared monthly by the deputy clerk and reviewed and signed off by the clerk. No errors or unexplained reconciling items were noted.</p> <p><i>Financial Regulations - 2.2. On a regular basis, at least once in each quarter, and at each financial year end, the RFO shall submit a report to the Council to verify bank reconciliations (for all accounts). Bank Reconciliations should be periodically reviewed by councillors, and minuted as such.</i></p>	REC

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.	YES
<p>Are year end accounts prepared on the correct accounting basis (receipts and payments or income and expenditure) ? receipts and payments</p> <p>Do accounts agree with the cashbook? yes</p> <p>Is there an audit trail from underlying financial records to the accounts? yes*</p> <p>The council prepares receipts and payments accounts, however various transactions had been "netted off" (shown as negative receipts or payments) meaning that both receipts and payments were understated. <i>Governance and accountability 5.123 states that the receipts and payments basis requires authorities only to consider their actual bank and cash transactions. The entries for the Annual Governance and Accountability Return will usually be taken straight from the summary totals in the cash book.</i> Upon discussion the Acting RFO restated the accounts.</p> <p>Audit trail - see note in section E</p>	NOTE

K. Trust funds (including charitable) – The council met its responsibilities as a trustee.	N/a
The council does not act as a trustee.	

L. The authority has demonstrated that during summer 2019 it correctly provided for the	YES
Notice states rights of inspection were between 1st July and 9th August 2019	