

# INTERNAL AUDIT CHECKLIST FOR HORSLEY PARISH COUNCIL FOR THE YEAR ENDING 31st MARCH 2023

Further to the Internal Audit of Accounts I carried out on 28<sup>th</sup> April 2023 I confirm that the annual audit was carried out in accordance with the suggested approach contained in the “Governance and Accountability for Smaller Authorities in England – A Practitioners’ Guide to Proper Practices to be applied in the preparation of statutory annual accounts and governance statements 2022/23”. Page 3 of the 2022/23 AGAR form has been signed off accordingly.

Signed

Brian Wood  
East Midlands Audit Services Ltd

28<sup>th</sup> April 2023

<b>1. Book Keeping</b>			<b>Comments</b>
1.1	Spreadsheet maintained and up to date?	Yes	
1.2	Arithmetic correct?	Yes	
1.3	Evidence of Internal Control?	Yes	
1.4	VAT evidence, recording and reclaimed?	Yes	
1.5	Payments in ledger supported by invoices, authorised and minuted?	Yes	
1.6	S137 separately recorded and within limits?	Yes	
1.7	S137 expenditure of direct benefit to electorate?	Yes	

<b>2. Due Process</b>			<b>Comments</b>
2.1	Standing Orders adopted (inc GDPR)?	Yes	
2.2	Standing Orders reviewed at annual meeting?	Yes	
2.3	Financial Regulations adopted?	Yes	
2.4	FRs properly tailored to council?	Yes	
2.5	Equal Opportunities policy adopted?	Yes	
2.6	RFO appointed?	Yes	
2.7	List of member interests held?	Yes	
2.8	Agendas signed, informative and displayed with 3 clear days’ notice ?	Yes	
2.9	Purchasing authority defined in FRs?	Yes	
2.10	Legal powers identified in minutes and/or cashbook?	Yes	
2.11	Committee terms of reference exist and have been reviewed for Committees?	Yes	
2.12	Council/Councillors contact details on line?	Yes	
2.13	GDPR Privacy Policy on web site ?	Yes	

<b>3. Risk Management</b>			<b>Comments</b>
3.1	Does scan of minutes reveal any unusual activity?	No	
3.2	Annual risk assessment carried out?	Yes	
3.3	Insurance cover appropriate and adequate?	Yes	
3.4	Evidence of annual insurance review?	Yes	
3.5	Internal financial controls documented and evidenced?	Yes	
3.6	Minutes initialled, each page identified and overall signed?	Yes	
3.7	Regular reporting and minuting of bank balance?	Yes	
3.8	S137 expenditure minuted?	Yes	
3.9	Up to date Risk Management Scheme?	Yes	

<b>4. Budget</b>			<b>Comments</b>
4.1	Annual budget to support precept?	Yes	
4.2	Has budget been discussed and adopted by council?	Yes	
4.3	Any reserves earmarked?	Yes	
4.4	Any unexplained variances from budget?	No	
4.5	Precept demand correctly minuted?	Yes	

<b>5. Payroll – Clerk</b>			<b>Comments</b>
5.1	Contract of employment?	Yes	
5.2	Tax code issued / contracted out?	Yes	
5.3	PAYE / NI evidence?	Yes	
5.4	Has council approved salary paid?	Yes	
5.5	Pension provision in place or Opt out?	Yes	
5.6	Other payments reasonable and approved by council?	Yes	
5.7	Complaints procedure in place?	Yes	
5.8	Current Grievance and Disciplinary procedures in place?	Yes	

<b>6. Payroll – Other</b>			<b>Comments</b>
6.1	Contract of employment?	N/A	
6.2	Does council have public liability cover?	N/A	
6.3	Tax code(s) issued?	N/A	
6.4	Minimum wage paid?	N/A	

7. Asset Control			Comments
7.1	Does council keep a register of all material assets owned?	Yes	
7.2	Is asset register up to date?	Yes	
7.3	Value of individual assets included?	Yes	
7.4	Inspected for risk and H & S ?	Yes	

8. Bank Reconciliations			Comments
8.1	Is there a bank reconciliation for each account?	Yes	
8.2	Reconciliation carried out on receipt of statement?	Yes	
8.3	Any unexpected balancing entries in any reconciliation?	No	

9. Year End Procedures			Comments
9.1	Year-end accounts prepared on correct accounting basis?	Yes	
9.2	Bank statements and ledger reconcile?	Yes	
9.3	Underlying financial trail from records to presented accounts?	Yes	
9.4	Where appropriate, debtors and creditors properly recorded?	Yes	
9.5	Has council agreed, signed and minuted sections 1 & 2 of the annual return?	Yes	
9.6	Public Rights provision current ?	Yes	
9.7	Was External Audit exemptions correctly declared.?	Yes	

10. Miscellaneous			Comments
10.1	Have points raised at the last audit been addressed?	N/A	
10.2	Has the council adopted a Code of Conduct ?	Yes	
10.3	Is eligibility for General Power of Competence properly evidenced?	No	
10.4	Are all electronic files backed up?	Yes	
10.5	Do arrangements for public inspection of council's records exist?	Yes	
10.6	Public Rights Provision adopted?	Yes	
10.7	Complaints Procedure Adopted ?	Yes	
10.8	Are Training Records kept ?	Yes	
10.9	Website Accessibility Statement adopted?	Yes	

11. Charities			Comments
11.1	Charities reported, accounted and filed separately?	Yes	

Payee invoice check	M3C Sports Supplies	2 Commune
Ledger date	10.10. 2022	02.02.2023
Item/Budget heading	Recreation Ground	Admin/Web Site
Ref/cheque no.	BACS	BACS
Payment minute ref	22/183	22/266
Invoice value	£69.45	£372.00
Minute value	£69.45	£372.00
Payment value	£69.45	£372.00
Bank Statement value	£69.45	£372.00
Timely payment	Yes	Yes
VAT recorded	Yes (£11.75)	Yes (£62.00)
S137 recorded	N/A	N/A
S137 minuted	N/A	N/A
Notes		

<b>Annual Return (Page 3)</b>			
		Year ending 31 March 2022	Year ending 31 March 2023
		£	£
1	Balances brought forward	16373	19047
2	Annual precept	12777	12777
3	Total other receipts	25072	23146
4	Staff costs	3627	4120
5	Loan interest/capital repayments	23504	021440
6	Total other payments	8044	9552
7	Balances carried forward	19047	19858
8	Total cash and investments	19047	19858
9	Total fixed assets and long term investments and assets	86560	86560
10	Total borrowings	52157	52157
11	Section 4 annual return figures completed and cross referenced	Yes	Yes

## NOTES

**The Clerk and/or RFO should certify the accounts before the full council approves them.**

**The Notice for the public inspection period must detail that it is for a single period of 30 working days and must include the first ten days of July (ie 12.6 – 21.07 or 3.07- 18.08)**

## Contact details

Name of smaller authority: **Horsley Parish Council**

County Area (local councils and parish meetings only): **Derbyshire**

Please complete this form and send it back to us with the AGAR or exemption certificate

	<b>Clerk/RFO (Main contact)</b>	<b>Chair</b>
<b>Name</b>	<b>Kerry Greaves</b>	<b>M Beasley</b>
<b>Address</b>	<b>2A Princess Close Heanor Derbyshire DE75 7TX</b>	<b>"Lindos" Smalley Mill Road Horsley Derbyshire DE21 5BL</b>
<b>Daytime telephone number</b>	<b>07936 431 268</b>	<b>07889 729 417</b>
<b>Mobile telephone number</b>	<b>07936 431 268</b>	<b>07889 729 417</b>
<b>Email address</b>	<b>enquiries@horsleyparishcouncil.org.uk</b>	<b>lindos883@gmail.com</b>

Smaller authority name: **Horsley Parish Council**

**NOTICE OF PUBLIC RIGHTS AND PUBLICATION  
OF UNAUDITED ANNUAL GOVERNANCE &  
ACCOUNTABILITY RETURN**

**ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023**

**Local Audit and Accountability Act 2014 Sections 26 and 27  
The Accounts and Audit Regulations 2015 (SI 2015/234)**

NOTICE	NOTES
<p>1. Date of announcement 2.06.2023 (a)</p> <p>2. Each year the smaller authority's Annual Governance and Accountability Return (AGAR) needs to be reviewed by an external auditor appointed by Smaller Authorities' Audit Appointments Ltd. The unaudited AGAR has been published with this notice. As it has yet to be reviewed by the appointed auditor, it is subject to change as a result of that review.</p> <p>Any person interested has the right to inspect and make copies of the accounting records for the financial year to which the audit relates and all books, deeds, contracts, bills, vouchers, receipts and other documents relating to those records must be made available for inspection by any person interested. For the year ended 31 March 2023, these documents will be available on reasonable notice by application to:</p> <p>(b) K D Greaves Parish Clerk/RFO/07594 704 533 <a href="mailto:enquiries@horsleyparishcouncil.org.uk">enquiries@horsleyparishcouncil.org.uk</a></p> <p>commencing on (c) <u>Monday 5 June 2023</u></p> <p>and ending on (d) <u>Friday 14 July 2023</u></p> <p>3. Local government electors and their representatives also have:</p> <ul style="list-style-type: none"><li>• The opportunity to question the appointed auditor about the accounting records; and</li><li>• The right to make an objection which concerns a matter in respect of which the appointed auditor could either make a public interest report or apply to the court for a declaration that an item of account is unlawful. Written notice of an objection must first be given to the auditor and a copy sent to the smaller authority.</li></ul> <p>The appointed auditor can be contacted at the address in paragraph 4 below for this purpose between the above dates only.</p> <p>4. The smaller authority's AGAR is subject to review by the appointed auditor under the provisions of the Local Audit and Accountability Act 2014, the Accounts and Audit Regulations 2015 and the NAO's Code of Audit Practice 2015. The appointed auditor is:</p> <p>PKF Littlejohn LLP (Ref: SBA Team) 15 Westferry Circus Canary Wharf London E14 4HD (<a href="mailto:sba@pkf-l.com">sba@pkf-l.com</a>)</p> <p>5. This announcement is made by (e) K D Greaves Parish Clerk/RFO</p>	<p>(a) Insert date of placing of the notice which must be not less than 1 day before the date in (c) below</p> <p>(b) Insert name, position and address/telephone number/ email address, as appropriate, of the Clerk or other person to which any person may apply to inspect the accounts</p> <p>(c) Insert date, which must be at least 1 day after the date of announcement in (a) above and at least 30 working days before the date appointed in (d) below</p> <p>(d) The inspection period between (c) and (d) must be 30 working days inclusive and must include the first 10 working days of July.</p> <p>(e) Insert name and position of person placing the notice – this person must be the responsible financial officer for the smaller authority</p>

## Bank reconciliation

This reconciliation should include all bank and building society accounts, including short term investment accounts. It must agree to Box 8 in the column headed "Year ending 31 March 2023" in Section 2 of the AGAR – and will also agree to Box 7 where the accounts are prepared on a receipts and payments basis

Name of smaller authority:                   Horsley Parish Council

County area (local councils and parish meetings only):           Derbyshire

### Financial year ending 31 March 2023

Prepared by (Name and Role):

K D Greaves Clerk/ RFO

Date:

24.04.23

	£	£
<b>Balance per bank statements as at 31/3/23:</b>		
Current Account	9,509.70	
High Interest Savings Account	8,734.38	
Carnival Account	1,614.45	
	<hr/>	19,858.53
Petty cash float (if applicable)		-
Less: any un-presented cheques as at 31/3/23 <i>(normally only current account)</i>		
Cheque number	0.00	
	0.00	
	0.00	
	<hr/>	0.00
Add: any un-banked cash as at 31/3/23		
	-	
	<hr/>	-
<b>Net balances as at 31/3/23 (Box 8)</b>		<u><u>19,858.53</u></u>

## Section 1 – Annual Governance Statement 2022/23

We acknowledge as the members of:

### Horsley 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 authority:
	Yes	No*		
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	✓			<i>prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i>
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	✓			<i>made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.</i>
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.	✓			<i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i>
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.	✓			<i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.</i>
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓			<i>considered and documented the financial and other risks it faces and dealt with them properly.</i>
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	✓			<i>arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.</i>
7. We took appropriate action on all matters raised in reports from internal and external audit.	✓			<i>responded to matters brought to its attention by internal and external audit.</i>
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 authority and, where appropriate, have included them in the accounting statements.	✓			<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A	<i>has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.</i>
	✓			

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

This Annual Governance Statement was approved at a meeting of the authority on:

15/05/2023

and recorded as minute reference:

23/015

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

Chairman

M Beasley

Clerk

W D Greaves

[www.horsleyparishcouncil.org.uk](http://www.horsleyparishcouncil.org.uk)



## Section 2 – Accounting Statements 2022/23 for

### Horsley Parish Council

	Year ending		Notes and guidance
	31 March 2022 £	31 March 2023 £	
1. Balances brought forward	16,373	19,047	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	12,777	12,777	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	25,072	23,146	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	3,627	4,120	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	23,504	21,440	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	8,044	9,552	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	19,047	19,858	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	19,047	19,858	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – <b>To agree with bank reconciliation.</b>
9. Total fixed assets plus long term investments and assets	86,560	86,560	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	52,157	30,711	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

*W D Greaves*

Date

15/05/2023

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

15/05/2023

as recorded in minute reference:

*23/016*

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

*M Beasley*

## Reconciliation between Box 7 and Box 8 in Section 2 - pro forma

(applies to Accounting Statements prepared on an income and expenditure basis only)

Please complete the highlighted boxes.

Name of smaller authority:

Horsley Parish Council

County area (local councils and parish meetings only):

Derbyshire

There should only be a difference between Box 7 and Box 8 where the Accounting Statements (Section 2 of the AGAR) have been prepared on an income and expenditure basis and there have been adjustments for debtors/prepayments and creditors/receipts in advance at the year end. Please provide details of the year end adjustments, showing how the net difference between them is equal to the difference between Boxes 7 and 8.

		£	£
<b>Box 7: Balances carried forward</b>			<b>19,858.00</b>
Deduct: Debtors (enter these as negative numbers)			
VAT		287.97	
	2		
	3		
		<u>287.97</u>	
Deduct: Payments made in advance (prepayments) (enter these as negative numbers)			
	1		
	2		
		<u>-</u>	<u>287.97</u>
<b>Total deductions</b>			
Add:			
Creditors (must not include community infrastructure levy (CIL) receipts)			
	1		
	2		
		<u>-</u>	
Add:			
Receipts in advance (must not include deferred grants/loans received)			
	1		
	2		
		<u>-</u>	<u>-</u>
<b>Total additions</b>			
<b>Box 8: Total cash and short term investments</b>			<b><u>20,145.97</u></b>

## Explanation of variances – pro forma

Name of smaller authority: **Horsley Parish Council** Derbyshire  
 County area (local councils and parish meetings only): **Horsley**

**Insert figures from Section 2 of the AGAR in all Blue highlighted boxes**

Next, please provide full explanations, including numerical values, for the following that will be flagged in the green boxes where relevant:

- variances of more than 15% between totals for individual boxes (except variances of less than £200);
- **New from 2020/21 onwards:** variances of £100,000 or more require explanation regardless of the % variation year on year;
- a breakdown of approved reserves on the next tab if the total reserves (Box 7) figure is more than twice the annual precept/rates & levies value (Box 2).

	2021/22 £	2022/23 £	Variance £	Variance %	Explanation Required?	Automatic responses trigger below based on figures input. <b>DO NOT OVERWRITE THESE BOXES</b>	Explanation from smaller authority (must include narrative and supporting figures)
1 Balances Brought Forward	16,373	19,047					
2 Precept or Rates and Levies	12,777	12,777	0	0.00%	NO		
3 Total Other Receipts	25,072	23,146	-10,825	40.89%	NO		
4 Staff Costs	3,627	4,120	493	13.60%	NO		
5 Loan Interest/Capital Repayment	23,504	21,440	-2,064	8.78%	NO		
6 All Other Payments	8,044	9,552	1,508	18.75%	YES		£372 website following year, gate/fencing for security £950, defib pads £192
7 Balances Carried Forward	19,047	19,858			NO	VARIANCE EXPLANATION NOT REQUIRED	
8 Total Cash and Short Term Investments	19,047	19,858			NO	VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and	86,560	86,560	0	0.00%	NO		
10 Total Borrowings	52,157	30,711	-21,446	41.12%	YES		20493.63 Planned overpayment on PWBL loan made

Rounding errors of up to £2 are tolerable

Variances of £200 or less are tolerable