

# Sprowston Town Council 2017-2018

## Forward Budget Detail - By Centre

### Allotments

	Trial Balance 31/12/2016		
	<u>2016/17 Budget</u>	<u>Budget</u>	<u>2017/18</u>
	<u>Budget</u>	<u>FORECAST</u>	
<u>Expenditure</u>			
6101 Allotments - Gross Pay	5,150	3,773	5,375
6102 Allotments - Ers Ni	515	284	540
6103 Allotments - Superannuation	1,025	691	1,130
5101 Allotments - Vermin Control	850	704	500
7104 Allotments - Water	400	226	300
7106 Allotments - General Repairs	500	600	600
5102 Allotments - Sundries & Contingencies	100	0	100
<b>39</b>	<b>8,540</b>	<b>6,278</b>	<b>8,545</b>
<u>Total Expenditure</u>			
<u>Income</u>			
4101 Allotments - Allotment Rental	3,500	3,428	3,500
4102 Allotments - Water Charges Received	400	306	300
4091 Allotments - Precept	5,135	5,135	5,289
<b>Total Income</b>	<b>9,035</b>	<b>8,869</b>	<b>9,089</b>
<b>Surplus / (Shortfall)</b>	<b>495</b>	<b>2,591</b>	<b>544</b>

# Sprowston Town Council 2017-2018

## Forward Budget Detail - By Centre

### Cemetery

		Trial Balance 31/12/2016	
		<u>2016/17 Budget</u>	<u>2017/18 Budget</u>
		<u>Budget</u>	<u>FORECAST</u>
	<u>Expenditure</u>		
6201	Cemetery - Gross Pay	46,350	33,961
6202	Cemetery - Ers Ni	4,615	2,555
6203	Cemetery - Superanuauon	9,480	6,216
5201	Cemetery - Vermin Control	300	0
5211	Cemetery - Trees, Shrubs & Plants	1,000	229
5215	Cemetery - Waste Disposal & Skip Hire	3,000	1,288
5220	Cemetery - Extension Costs & Land Works	6,500	6,520
5221	Cemetery - Memorial Wall Expenses	5,000	496
5223	Cemetery - Memorial Safety Repairs	250	0
7202	Cemetery - Rates	2,500	2,468
4203	Cemetery - Heat & Light	200	53
7204	Cemetery - Water	250	85
7211	Cemetery - Loan Charges	28,785	18,851
5202	Cemetery - Sundries & Contingencies	100	365
	<u>Total Expenditure</u>	<u>108,330</u>	<u>73,088</u>
			<u>98,900</u>
	<u>Income</u>		
4203	Cemetery - Graves	30,000	30,115
4204	Cemetery - Internment	20,000	25,709
4205	Cemetery - Memorials & Inscriptions	20,000	7,776
4092	Cemetery - Precept	34,918	34,918
			35,966
	<u>Total Income</u>	<u>104,918</u>	<u>98,517</u>
			<u>111,166</u>
	<u>Transfer from reserves</u>		
	<u>Surplus / (Shortfall)</u>	<u>(3,412)</u>	<u>25,428</u>
			<u>12,266</u>

# Sprowston Town Council 2017-2018

## Forward Budget Detail - By Centre

### Grants

		Trial Balance 31/12/2016		
		<u>2016/17 Budget</u>	<u>Budget FORECAST</u>	<u>2017/18</u>
	<u>Expenditure</u>			
5307	Grants - Donations	1,000	500	1,000
	<u>Total Expenditure</u>	<u>1,000</u>	<u>500</u>	<u>1,000</u>
	<u>Income</u>			
4307	Grants - Recycling Credits	0	156	
4321	Grants - Dementia	0	500	
4093	Precept - Grant Element	1,000	1,000	1,000
	<u>Total Income</u>	<u>1,000</u>	<u>1,656</u>	<u>1,000</u>
	<u>Surplus / (Shortfall)</u>	<u>0</u>		<u>0</u>

# Sprowston Town Council 2017-2018

## Forward Budget Detail - By Centre

### Diamond Centre

		Trial Balance 31/12/2016	
		<u>2016/17 Budget</u>	<u>2017/18 FORECAST</u>
<u>Expenditure</u>			
6401	Diamond Centre - Gross Pay	99,000	40,619
6402	Diamond Centre - Ers Ni	9,840	2,556
6403	Diamond Centre - Superannuation	20,245	3,702
5415	Diamond Centre - Waste Disposal & Skip Hire	650	388
5418	Diamond Centre - Planning Permission/cnc	800	0
5421	Diamond Centre - Room Hire Expenses	5,000	3,449
5422	Diamond Centre - Field Hire Expenses	100	22
5424	Diamond Centre - Improvements to	127,910	116,295
5425	Diamond Centre - Phase 4 Sports/Lighting C/Park	0	37,775
7402	Diamond Centre - Rates	7,000	7,475
7403	Diamond Centre - Heat & Light	4,000	4,337
7404	Diamond Centre - Water	1,500	744
7405	Diamond Centre - Building Repairs	3,000	3,688
7406	Diamond Centre - General Repairs	3,000	1,970
7407	Diamond Centre - Cleaning & Supplies	3,000	1,467
7411	Diamond Centre - Loan Charges	68,400	67,594
7416	Diamond Centre - Phone/Communications	0	0
5402	Diamond Centre - Sundries & Contingencies	100	289
<u>Total Expenditure</u>		<u>353,545</u>	<u>292,372</u>
			<u>243,900</u>
<u>Income</u>			
4415	Diamond Centre - Hire of	33,333	33,897
4416	Diamond Centre - Field Hire	500	255
4417	Diamond Centre - Cinema Receipts	2,000	2,030
4418	Diamond Centre - Grants Received	0	3,000
4094	Diamond Centre - Precept	181,747	181,747
<u>Total Income</u>		<u>217,580</u>	<u>220,929</u>
			<u>224,199</u>
<u>Surplus / (Shortfall)</u>		<u>(135,965)</u>	<u>(71,442)</u>
			<u>(19,701)</u>

Sproston Town Council 2017-2018

Forward Budget Detail - By Centre

<u>Parks</u>		<u>2016/17</u> <u>Budget</u>	<u>31/12/2016</u> <u>Budget</u>	<u>2017/18</u> <u>FORECAST</u>
	<u>Expenditure</u>			
6501	Parks - Gross Pay	62,000	37,734	53,600
6502	Parks - Ers Ni	4,100	2,839	4,075
6503	Parks - Superannuation	11,275	6,907	11,300
5508	Parks - Machinery/Tool Repair/Replace	20,000	18,867	20,000
5509	Parks - Playground Equipment/ Repairs	7,500	5,374	61,000
5510	Parks - Horticultural Consumables	2,000	517	2,000
5511	Parks - Trees, Shrubs & Plants	3,000	821	3,000
5512	Parks - Sports Pitches Consumables	3,000	405	1,000
5513	Parks - Paths, Seats & Signs	500	245	11,500
5514	Parks - Fencing, Gates & Walls	2,000	1,459	2,000
5515	Parks - Waste Disposal & Skip Hire	2,500	1,474	2,500
5516	Parks - Fuel for Machinery	4,500	2,153	4,500
5517	Parks - Health & Safety inc Protective Clothing	12,500	7,055	12,500
5518	Parks - Pavilion Refurbishment	10,000	18,421	0
7501	Parks - Land Lease	0	0	0
7502	Parks - Rates	5,500	6,287	6,700
7503	Parks - Heat & Light	3,000	2,047	4,000
7504	Parks - Water	2,500	2,867	3,000
7505	Parks - Building Repairs	2,000	9,119	26,000
7507	Parks - Cleaning & Supplies	1,500	659	1,500
7510	Parks - Loan Charges	29,000	27,726	29,000
7511	Parks - Phone/Communications	150	33	1,000
7519	Parks - Training	500	21	1,000
5502	Parks - Sundries & Contingencies	100	617	100
5519	Parks - Events Expenses	7,500	0	7,500
	<u>Total Expenditure</u>	<u>196,625</u>	<u>153,649</u>	<u>268,775</u>
	<u>Income</u>			
4508	Parks - Bowling Green Fees	2,900	2,958	2,900
4509	Parks - Cricket Square Fees	200	163	200
4510	Parks - Football Pitch Fees	4,250	4,061	4,250
4511	Parks - Tennis Court Fees	0	0	0
4512	Parks - Pavilion Hire Fees	300	345	500
4513	Parks - Delegated Verge Cutting	9,700	9,797	9,800
4514	Parks - Grants Received	0	0	0
4519	Parks - Recreation Ground Hire	1,250	1,300	1,300
4520	Parks - Hire of Recreation Ground Office	15,500	11,974	15,500
4095	Parks - Precept	125,294	125,294	129,053
	<u>Total Income</u>	<u>159,394</u>	<u>155,893</u>	<u>163,503</u>
	<u>Transfer from reserves</u>			
	<u>Surplus / (Shortfall)</u>	<u>(37,231)</u>	<u>2,244</u>	<u>(105,272)</u>

<-----2016-2017----->			PARISH	FINAL Tax Base 2017-18	Estimated Precept 2017-18	% Increase in precept	Estimated Band D tax rate 2017-18
Precept 2016-17	Tax Base 2016-17	Band D tax rate 2016-17					
£	Properties	£		Properties	£		£
3,000	138	21.52	Honingham	140	3,030	1.00%	21.52
39,274	1417	27.72	Horsford	1,465	39,667	1.00%	27.72
22,610	576	38.54	Horsham & Newton St.Faiths	575	22,836	1.00%	38.54
22,000	374	58.10	Horstead with Stanninghall	380	22,220	1.00%	58.10
20,983	925	22.68	Lingwood & Burlingham	887	21,193	1.00%	22.68
8,962	225	38.98	Marsham	226	9,052	1.00%	38.98
457	39	11.72	Morton on the Hill	38	462	1.00%	11.72
169,760	2164	77.87	Old Catton	2,187	171,458	1.00%	77.87
2,300	84	27.38	Oulton	85	2,323	1.00%	27.38
7,650	171	44.74	Postwick with Witton	173	7,727	1.00%	44.74
30,000	657	45.57	Rackheath	658	30,300	1.00%	45.57
14,642	424	34.08	Reedham	428	14,788	1.00%	34.08
99,360	931	105.71	Reepham	940	100,354	1.00%	105.71
5,776	88	65.30	Ringland	89	5,834	1.00%	65.30
29,200	588	49.62	Salhouse	602	29,492	1.00%	49.62
0	40	0.00	Salle	41	0	0.00%	0.00
16,887	335	50.01	South Walsham	346	17,056	1.00%	50.01
92,754	1377	67.36	Spixworth	1,240	93,682	1.00%	67.36
547,332	4932	109.47	Sprowston	5,244	552,805	1.00%	109.47
3,535	200	17.25	Stratton Strawless	204	3,570	1.00%	17.25
5,312	241	21.77	Strumpshaw	246	5,365	1.00%	21.77
4,250	154	27.60	Swannington	162	4,293	1.00%	27.60
211,836	3502	60.07	Taverham	3,512	213,954	1.00%	60.07
0	31	0.00	Themelthorpe	32	0	0.00%	0.00
373,760	5118	72.49	Thorpe St Andrew	5,126	377,498	1.00%	72.49
7,000	274	25.53	Upton with Fishley	272	7,070	1.00%	25.53
4,463	136	32.82	Weston Longville	135	4,508	1.00%	32.82
3,300	163	19.95	Woodbastwick	167	3,333	1.00%	19.95
1,888	92	20.52	Wood Dalling	93	1,907	1.00%	20.52
31,416	777	40.43	Wroxham	781	31,730	1.00%	40.43
3,104,258	44,666		Total	45,122	3,135,301		

The parishes  
parish precept



# Sprowston Town Council 2017-2018

## Forward Budget Detail - By Centre

### Street Scene

	Trial Balance 31/12/2016		
	<u>2016/17</u>	<u>Budget</u>	<u>2017/18</u>
	<u>Budget</u>	<u>FORECAST</u>	
<u>Expenditure</u>			
5603 Street Scene - Light Maintenance	15,000	9,270	15,000
5604 Street Scene - Notice Board & Signs	2,000	0	1,000
5605 Street Scene - Dog & Litter Bins	5,000	4,785	5,000
5606 Street Scene - Cleaning Bus Shelters	1,000	891	1,300
7603 Street Scene - Heat & Light	20,000	15,525	30,000
7611 Street Scene - Loan Charges	5,150	12,849	0
5602 Street Scene - Sundries & Contingencies	100	0	100
Street Scene - New Bus Shelters	0		
	<u>48,250</u>	<u>43,320</u>	<u>52,400</u>
	<u>Total Expenditure</u>		
<u>Income</u>			
4096 Street Scene - Precept	50,323	50,323	51,833
	<u>50,323</u>	<u>50,323</u>	<u>51,833</u>
	<u>Total Income</u>		
	<u>2,073</u>	<u>7,003</u>	<u>(567)</u>
	<u>Surplus / (Shortfall)</u>		

Sprowston Town Council		Payments	Meeting Date:	11th January 2017
<u>Invoice Date</u> 09/12/2016	<u>Invoice No.</u> A4774	Auditing Solutions Ltd <u>Details</u> Internal Audit	<u>Net</u> 756.00	<u>VAT</u> 151.20
			<u>Amount</u> 907.20	BACS 1384
<u>Invoice Date</u> 13/12/2016	<u>Invoice No.</u> 1232 2017	A.W.Cards & Print <u>Details</u> Christmas Cards	<u>Net</u> 24.70	<u>VAT</u>
			<u>Amount</u> 24.70	BACS 1385
<u>Invoice Date</u> 16/12/2016	<u>Invoice No.</u> 190038	Bartram Mowers Ltd <u>Details</u> 18 Bar Husqvarna Chainsaw	<u>Net</u> 450.00	<u>VAT</u> 90.00
			<u>Amount</u> 540.00	BACS 1386
<u>Invoice Date</u> 31/12/2016	<u>Invoice No.</u> 411644	Ben Burgess & Co.Ltd <u>Details</u> Screws,Seals,Plugs,Clips,Tyre,Plungers,Oil	<u>Net</u> 246.49	<u>VAT</u> 49.30
			<u>Amount</u> 295.79	BACS 1387
<u>Invoice Date</u> 21/12/2016	<u>Invoice No.</u> 28731071	Calor Gas Limited <u>Details</u> Propane Gas Cylinder	<u>Net</u> 148.66	<u>VAT</u> 7.43
			<u>Amount</u> 156.09	BACS 1388
<u>Invoice Date</u> 15/12/2016	<u>Invoice No.</u> 602UH-1	Community Playthings (U.K.) Limited <u>Details</u> 10 Adjustable Tables :Pavilion	<u>Net</u> 1,650.00	<u>VAT</u> 330.00
			<u>Amount</u> 1,980.00	BACS 1389
<u>Invoice Date</u> 08/12/2016	<u>Invoice No.</u> 2344	Cozens (U.K.) Ltd <u>Details</u> Streetlighting November 2016	<u>Net</u> 600.00	<u>VAT</u> 120.00
23/12/2016	2393	Upgrade Planters Tills Road Footpath	640.00	128.00
23/12/2016	2394	Add & Repair Lights : Windsor Park Gardens	529.00	105.80
			<b>1,769.00</b>	<b>353.80</b>
				<b>2,122.80</b>
<u>Invoice Date</u> 15/12/2016	<u>Invoice No.</u> STC18	Dazzle Cleaning .co.uk <u>Details</u> Bus Shelter Cleaning December 2016	<u>Net</u> 99.00	<u>VAT</u>
			<u>Amount</u> 99.00	BACS 1391
<u>Invoice Date</u> 22/12/2016	<u>Invoice No.</u> 159750	DD Health & Safety Supplies Ltd <u>Details</u> Hard Hat,Dermiflex Gloves,Visors,Muffs	<u>Net</u> 136.75	<u>VAT</u> 27.35
			<u>Amount</u> 164.10	BACS 1392





JRB Enterprise Ltd						
<u>Invoice Date</u>	<u>Invoice No.</u>	<u>Details</u>	<u>Net</u>	<u>VAT</u>	<u>Amount</u>	<u>BACS</u>
01/12/2016	16236	1600 Dog Gloves	445.00	89.00	534.00	1401
Watson Fuels						
<u>Invoice Date</u>	<u>Invoice No.</u>	<u>Details</u>	<u>Net</u>	<u>VAT</u>	<u>Amount</u>	<u>BACS</u>
30/12/2016	108957258	Diesel	424.71	21.23	445.94	1402
TOTAL OF INVOICES			8,078.08	1,475.07	9,553.15	Trf 260
Transfer:		STC Drawings a/c to Salaries a/c	25,000.00		25,000.00	Trf
Transfer:		STC Drawings a/c to Petty Cash Imprest a/c	200.00	-	200.00	
			33,078.08	1,475.07	34,553.15	
Transfer:		STC General a/c to STC Drawings a/c			34,553.15	Trf 261

..... Councillor .....

..... Town Clerk .....



Amazon UK					
<u>Invoice Date</u>	<u>Invoice No.</u>	<u>Details</u>	<u>Net</u>	<u>VAT</u>	<u>Amount</u>
14/11/2016	8518729	Returned:Halogen Tubes	-9.17	-1.83	-11.00
28/11/2016	1652335	Returned:Casio Mains Adapter	-10.11	-2.02	-12.13
25/11/2016	9033131	Numatic Rod Set	10.48	2.1	12.58
28/11/2016	3729965	Nuflex Hose: Henry Hoover	9.62	1.92	11.54
			<b>0.82</b>	<b>0.17</b>	<b>0.99</b>
B & Q PLC					
<u>Invoice Date</u>	<u>Invoice No.</u>	<u>Details</u>	<u>Net</u>	<u>VAT</u>	<u>Amount</u>
23/12/2016	58112	Pre-School-Paint,Hooks,RIA Skirt	66.45	13.29	79.74
29/12/2016	25986	School Room-Paint,Roller sets,Pole	51.57	10.32	61.89
			<b>118.02</b>	<b>23.61</b>	<b>141.63</b>
Dulux Decorator Centre					
<u>Invoice Date</u>	<u>Invoice No.</u>	<u>Details</u>	<u>Net</u>	<u>VAT</u>	<u>Amount</u>
29/12/2016	S105115552	School Room-Dulux Faithful 5L	57.50	11.50	69.00
Tesco,s					
<u>Invoice Date</u>	<u>Invoice No.</u>	<u>Details</u>	<u>Net</u>	<u>VAT</u>	<u>Amount</u>
09/12/2016	1811801	Refreshments Council Meeting 14/1	27.75		27.75
<u>Invoice Date</u>	<u>Invoice No.</u>	<u>Details</u>	<u>Net</u>	<u>VAT</u>	<u>Amount</u>

Total of Payments

35.28

239.37

Due by Direct Debit 27 January 2017

---

# **Sprowston Town Council**

***Internal Audit Report 2015-16 (Interim)***

---

***Stephen Christopher***

***for Auditing Solutions Ltd***

## Background and Scope

### Background

All town and parish councils are required by statute to make arrangements for an independent internal audit examination of their accounting records and system of internal control, and for the conclusions to be reported each year in the Annual Return. Auditing Solutions Ltd has been appointed to provide this service to Sprowston Town Council.

This report sets out those areas examined during the course of our recent interim visit to the Council for 2016-17, which took place on 5<sup>th</sup> and 6<sup>th</sup> December 2016.

### Internal Audit Approach

In commencing our internal audit work for the year, we have had regard to the materiality of transactions and their susceptibility to potential mis-recording or misrepresentation in the year-end Statement of Accounts/Annual Return. We have employed a combination of selective sampling techniques (where appropriate) and 100% detailed checks in a number of key areas, in order to gain sufficient assurance that the Council's financial and regulatory systems and controls are appropriate and fit for the purposes intended.

Our programme of cover is designed to provide assurance that the Council's financial systems are robust and are operating in a manner to ensure effective probity of transactions, and to afford a reasonable probability of identifying any material errors or possible abuse of the Council's own and the national statutory regulatory framework. The programme is also designed to facilitate our completion of the 'Annual Internal Audit Report' in the Council's Annual Return, which requires independent assurance over a number of internal control objectives.

### Overall Conclusion

We have concluded that, on the basis of the programme of work we have undertaken in the year to date, the Council continues to maintain adequate and effective internal control arrangements. We are pleased to report that there are no matters arising from our interim testing that require a formal comment or recommendation for action.

In the sections below we have explained the objectives of each area of our audit and outlined the work we have undertaken to date, and our findings.

<p>This report has been prepared for the sole use of Sprowston Town Council. To the fullest extent permitted by law, no responsibility or liability is accepted by Auditing Solutions Ltd to any third party who purports to use or rely, for any reason whatsoever, on this report, its contents or conclusions.</p>
---

# Detailed Report

## Maintenance of Accounting Records & Bank Reconciliations

Our objective is to ensure that the accounting records are being maintained accurately and currently and that no anomalous entries appear in cashbooks or financial ledgers. We have:

- Checked and agreed the opening 2016-17 trial balance detail in the Sage accounting software with that in the 2015-16 Statement of Accounts and Annual Return;
- Checked to ensure that the financial ledger remained “in balance” at the time of the interim visit;
- Confirmed that the cost centre and nominal ledger income and expenditure coding structure remains appropriate for purpose;
- Checked and agreed the detail in all of the Sage cashbooks, verifying two sample months’ transactions (May and September 2016) to relevant bank statements, also confirming that the balances of accounts closed in the year (following the rationalisation of the Council’s banking arrangements) were correctly transferred;
- Checked and agreed the detail on the second quarterly bank reconciliation (as at 30 September 2016), confirming that reconciliations continue to be prepared on a regular basis and that there is evidence of independent review; and
- Confirmed that daily back-up of the Sage software is undertaken and that this is being tested on a periodic basis.

### Conclusion

*We are pleased to report that no issues have been identified in this area to date. We will undertake further work at our final visit including verification of the accurate disclosure of year-end balances in the Annual Return for the year.*

## Review of Corporate Governance

Our objective is to ensure that the Council has a robust regulatory framework in place; that Council and Committee meetings are conducted in accordance with the adopted Standing Orders and that, as far as we are able to ascertain, no actions of a potentially unlawful nature have been or are being considered for implementation.

We noted the following:

- The Standing Orders and Financial Regulations were both reviewed at the Council meeting on 18<sup>th</sup> May 2016, with minor amendments approved to the former and the latter re-adopted without amendment. The Financial Regulations were subsequently revisited in August 2016, when amendments were approved to reflect changes in banking and petty cash arrangements;
- At the meeting in May 2016 meeting, the Council re-adopted the General Power of Competence;



- The Council continues to ensure that its strategic aims and objectives are clearly documented, with a wide range of policies and strategic documents in place that are subject to review on a regular cycle. These include, in particular, a five-year business plan, supported by an outline financial plan for the period and a business plan for the Diamond Centre; and
- We have commenced our review of minutes for the year, examining those for the period to early November 2016. We are pleased to record that we have not identified any issues that may have an adverse effect on the Council's financial stability in the short, medium or longer term or that give us concern that the Council may either be considering, or have taken, decisions that might result in ultra vires expenditure being incurred.

### **Conclusion**

*On the basis of our review, we are satisfied that the Council continues to adopt a sound approach to its corporate governance responsibilities. We will continue to monitor the approach at the final audit visit, also extending our review of minutes for the remainder of the financial year.*

## **Review of Expenditure**

Our objective is to ensure that:

- Council resources are released in accordance with the approved procedures and budgets;
- Payments are supported by appropriate documentation, either in the form of an original trade invoice or other appropriate form of document confirming the payment as due and/or an acknowledgement of receipt, where no other form of invoice is available;
- That an official order is raised where relevant: we acknowledge that this will not be necessary for all items of expenditure, which are regularly the subject of contracts (e.g. grounds maintenance) or legal requirements (e.g. non domestic rates);
- Any discounts due on goods and services supplied are identified and appropriate action taken to secure the discount;
- The correct expense codes have been applied to invoices when processed; and
- VAT has been appropriately identified and coded to the control account for periodic recovery.

We have commenced our review of payment transactions for the year for compliance with the above criteria. We selected a sample of all individual payments over £2,500, together with a more random selection of every 25<sup>th</sup> cashbook transaction irrespective of value, for the year to the end of November 2016. In all, we examined 44 payments, totalling £272,437 and equating to 65% of non-pay related payments processed in the year to date.

Two quarterly VAT returns have been submitted during the current financial year: we have checked and agreed the September 2016 recovery claim to the relevant nominal ledger control account balance.

## **Conclusion**

*We are pleased to report that no issues have been identified in this audit area at present, with all the above criteria met. We will extend our test sample to cover the remainder of the financial year at our final visit.*

## **Assessment and Management of Risk**

Our objective is to ensure that the Council has put in place appropriate arrangements to identify all potential areas of risk of both a financial and health and safety nature, whilst also ensuring that appropriate arrangements exist to monitor and manage those risks in order to minimise the opportunity for their coming to fruition. We note that:

- An updated financial risk assessment for the 2016-17 financial year was approved at the Council meeting on 8<sup>th</sup> June 2016;
- At the same meeting the Council re-approved its overall risk management strategy, with detailed appendices setting out the mitigating controls, together with its health and safety policy; and
- The current insurance policy with Zurich Municipal (to March 2017) includes Public Liability cover of £15 million; Employer's Liability of £10 million, Fidelity Guarantee at £500,000 and Business Interruption cover of £30,000, all of which we consider to be appropriate to meet the needs of the Council.

## **Conclusion**

*We are pleased to report that no issues have arisen which warrant formal comment or recommendation in this area: we will continue to monitor the Council's approach to risk management at future visits.*

## **Precept determination and budgetary control**

Our objective is to ensure that the Council has appropriate procedures in place to determine its future financial requirements leading to the adoption of an approved budget and formal determination of the amount to be precepted on the District Council, that effective arrangements are in place to monitor budgetary performance throughout the financial year and that the Council has identified and retains appropriate reserve funds to meet future spending plans.

Our interim review took place just before the Council was due to give formal consideration to the budgetary and precept requirements for 2017-18. We will review the process followed at our final audit visit, at which time we will also examine the year-end budget outturn for the current year.

We are pleased to note that the Council continues to receive detailed budget monitoring reports on a quarterly basis during the year and that these include details of the balances of the General Fund and specific earmarked reserves.

## **Conclusion**

*No issues have arisen from this area of our review to date. As noted above, we will undertake further, more detailed, work at our final visit.*

## **Review of Income**

In this area of review, our objective is to ensure that income due to the Council is identified, invoiced (where applicable), recovered at the appropriate rate and within a reasonable timescale, and also that it is banked promptly in accordance with the Council's Financial Regulations.

The Council receives income from a variety of sources, including hire fees for use of the Diamond Community Centre, letting of sports facilities, fees from burial and associated activities, allotment rentals, bank interest and recoverable VAT.

We noted the following:

- In accordance with the Financial Regulations, the Council continues to review the scales of fees and charges for all its activities annually. The fees and charges for 2016-17 were approved at the Council meeting on 18<sup>th</sup> November 2015, to take effect from 1<sup>st</sup> April 2016;
- We examined all interment records for the period 1<sup>st</sup> April to 31<sup>st</sup> July 2016, checking the application forms, sales ledger invoicing and Sage transactions to ensure that the correct fees had been levied in accordance with the published scales and that monies had been received and banked in an accurate and timely manner, with no issues arising;
- We examined a sample of sales ledger invoices for the various Diamond Centre room bookings and the indoor & outdoor facilities at the Recreation Ground, again also to ensure fees were in accord with the published scales and settled in a timely manner, with no matters arising;
- We confirmed that all allotment renewal invoices effective from 1<sup>st</sup> October 2016 were raised on a timely basis. From the Sales Ledger, Aged Debtors report as at 6<sup>th</sup> December 2016, we confirmed that only one rental payment remained outstanding at that date and that appropriate action was in hand;
- From review of the Aged Debtors Report, we also confirmed that, as was the case last year, the total value of outstanding debtor balances of more than one month remains very low (approximately £1,000), which demonstrates the effectiveness of the Council's debt management arrangements; and
- As noted earlier in this report, we have checked and agreed all bank receipts arising in the sample months of May and September 2016 to relevant cashbooks and bank statements.

## **Conclusion**

*On the basis of our audit work, we are pleased to report that the systems for identification and recording of income appear to continue to work effectively: we will undertake any*

*further testing that may be considered necessary, including the update of our year-on-year analysis of income arising across the various activities at our final visit.*

## **Petty Cash and Barclaycard Account**

A very limited petty cash scheme is operated at the Council's office, "topped up" as and when required. There have been very few transactions on this account to the end of November 2016 and we will review detail at the year-end visit.

In addition, the Council continues to make use of a commercial Barclaycard, which has largely superseded the use of the petty cash account. The Clerk is the sole holder of the card, which is used for occasional internet purchases, urgent customer catering for Diamond Centre meetings and fuel for the Council's vehicle, with settlement by direct debit in full each month. Details of the transactions on this account continue to be presented to members for approval in the same manner as all other supplier payments. The card limit is £4,000, but from examination of the account records for the year to date, we note that the monthly spend has not yet exceeded £1,000.

Transactions on the credit card were included within our expenditure sample testing referred to above, to confirm that expenditure was appropriate for the Council's activities; that each item was properly supported by a till receipt or supplier invoice; and that VAT, where applicable, was separately identified for recovery.

### ***Conclusion***

*No issues have been identified in this area of our review at present.*

## **Review of Salaries**

In examining the Council's payroll function, our objective is to confirm that extant employment legislation is being appropriately observed and that the requirements of HM Revenue and Customs (HMRC) as regards the deduction and payment over of income tax and NI contributions are complied with, together with meeting the requirements of the local government pension scheme.

To confirm compliance with the above criteria, we have:

- Ensured that the Council reviews and approves pay scales for staff annually, noting that there have been a number of changes to both personnel and hours of employment within the grounds management and cleaner/caretaker teams since the start of the 2016-17 financial year. All staff are on nationally agreed (NJC) pay scales and the Council had resolved to implement the nationally agreed pay awards for 2016-17 and 2017-18 at its meeting on 8<sup>th</sup> June 2016;
- Reviewed the contracts of employment for new members of staff in the year, confirming that these are in line with good practice;
- Undertaken detailed testing of salaries paid, by reference to the November 2016 payroll, which continues to be produced by the Clerk using bespoke Sage software, to confirm that:

- Gross salaries were paid in accord with the approved SCP pay rates - full and part-time;
- PAYE tax codes and National Insurance contribution tables were being accurately applied;
- Pension contributions were being accurately computed in accord with the revised salary bandings for employee contributions;
- Any additional hours and/or other relevant expenses were supported by appropriate timesheets and approved claim forms;
- All net pay computations for the month agreed to the payslip details and to the resultant electronic BACS payments made;
- The current HMRC regulations requiring monthly, electronic payroll submissions (the Real Time Initiative) were being met; and
- The payroll details are now subject to periodic review by the Council Chairman, as recommended in last year's interim audit report.

We note that the Council's staging date for Pensions Auto-enrolment is February 2017. From our discussions with the Town Clerk, we have confirmed that the necessary actions are being taken to ensure compliance, which have included writing formally to all staff advising them of the changes and their position.

### **Conclusion**

*In overall terms the controls over the processing of salaries and wages appear to be adequate and to be operating effectively, and there are no matters arising from our review.*

## **Investments and Loans**

Our objectives here are to ensure that the Council is investing "surplus funds", be they held temporarily or on a longer term basis, in appropriate banking and investment institutions; that an appropriate investment policy is in place; that the Council is obtaining the best rate of return on any such investments made; that interest earned is brought to account correctly and appropriately in the accounting records and that any loan repayments due to or payable by the Council are transacted in accordance with the relevant loan agreements.

We are pleased to note that in response to our recommendation in last year's interim report, the Council formally adopted a Treasury Management Policy in January 2016 and this is now subject to regular annual review.

Until recently, all of the Council's funds that are surplus to immediate requirements have been retained in an instant access "Active Saver" account at Barclays, for which the Clerk had negotiated a favourable rate of interest, rather than in any specific longer-term investments. However, we note that, following the recent drawdown of a £1.5m loan from the PWLB towards the costs of redevelopment of the Diamond Centre, the Council took the decision to place £1m in a fixed interest deposit account (six months), which is currently paying a slightly better rate of interest.

We have checked and agreed the instalment repayments of the Council's PWLB loans for the year to date from the relevant bank statements to their third party direct debit settlement advice notes. At our final visit we will verify the accuracy of the disclosure of the year-end PWLB balances in the Annual Return.

### ***Conclusion***

***No issues have arisen in this area at present: we will undertake further work in this area at the final audit visit, including verifying the accurate disclosure of the year-end PWLB balances in the Annual Return.***

**Sprowston Town Council**  
**PLANNING APPLICATIONS – 11 JANUARY 2017**

<b>Broadland DC App.No.</b> 2016/2052	<b>Applicant</b> Peggy Deane Developments as location	<b>Location</b> 39 Lambert Road, Sprowston, NR7 8AA
<b>Classification:</b> Minor dwellings <b>Type:</b> Full Permission		
<b>Description:</b> Rear Conservatory		
<b>Broadland DC App.No.</b> 2016/2115	<b>Applicant</b> Mr V. Tashev	<b>Location</b> 16 Lone Barn Road, Sprowston, NR7 8HZ
<b>Classification:</b> Minor dwellings <b>Type:</b> Full Permission		
<b>Description:</b> Fence – 1.8m of closeboard panels and 15cm gravel board underneath with concrete posts between them and a pier made of bricks		
<b>Broadland DC App.No.</b> 2016/2119	<b>Applicant</b> Homebase Ltd	<b>Location</b> Homebase Ltd, Roundtree Way, Sprowston, NR7 8SH
<b>Classification:</b> Retail <b>Type:</b> Full Permission		
<b>Description:</b> Installation of Weather Protection Canopy within existing Garden Centre		
<b>Broadland DC App.No.</b> 2016/2166	<b>Applicant</b> A Share & Sons Ltd	<b>Location</b> SCS, Unit 10 Sprowston Retail Park, Salhouse Road Sprowston, NR7 9AZ
<b>Classification:</b> Retail <b>Type:</b> Full Permission		
<b>Description:</b> Replace 4 Existing Illuminated Signs with 4 New Internally Illuminated Signs		



<b>Broadland DC App.No.</b> 2016/2180	<b>Applicant</b> Mr John Brown	<b>Location</b> 102 Wroxham Road, Sprowston, NR7 8EX
<b>Classification:</b> Retail <b>Type:</b> Full Permission		
<b>Description:</b> Change of Use from B & B to Domestic Dwelling		
<b>Broadland DC App.No.</b> 2016/2196	<b>Applicant</b> Ms A Dickens	<b>Location</b> 6 Moorhen Close, Sprowston, NR7 8FS
<b>Classification:</b> Retail <b>Type:</b> Full Permission		
<b>Description:</b> Proposed single storey side extension		



Logged crimes on our Crime System:

7th Dec 2016 to 4th Jan 2017

Actual Bodily Harm	6	4 x Domestic
Affray		
Aggravated taking of motor vehicle		
Arson (not endangering life)		
Assault police		
Attempted kidnapping		
Blackmail		
Breach of Restraining Order		
Burglary dwelling (inc with intent & attempt)		
Burglary other than dwelling (inc with intent & attempt)	8	
Causing intentional harassment, alarm or distress	2	
Common assault & battery	5	2 x Domestic
Cruelty or neglect of person lacking capacity		
Criminal damage (dwellings)	1	
Criminal damage (other buildings)	1	
Criminal damage (other)		
Criminal damage (vehicles)	1	
Dangerous Dogs		
Drugs offences (production)	1	
Engage in controlling/coercive behaviour within intimate/family relationship		
Fear or Provocation of Violence		
Fraud/deception		
Going equipped to steal		
Grievous Bodily Harm (without intent)		
Handling stolen goods		
Harassment without violence		
Harassment, Alarm or Distress		
Have article with blade on school premises	1	
Ill treatment/neglect person lacking capacity, responsible for person's care		
Indecent Images		
Interference with motor vehicle	1	
Making off without payment		
Obstruct a Constable in execution of duty	1	
Owner or person in control allowing dog to be dangerously out of control		
Possession of drugs		
Possess drugs with intent to supply		
Possession of an Offensive Weapon		
Putting people in fear of violence		
Racially/regligiously aggravated common assault		
Robbery (business) - including attempted		
Robbery (personal)		
Sending letters etc with intent to cause distress or anxiety		
Sexual offences	3	
Shoplifting (including attempt)	3	
Theft by Employee (inc. attempted)	1	
Theft from motor vehicle		
Theft from the person of another		
Theft in a dwelling		
Theft of motor vehicle		
Theft of pedal cycle	1	
Theft other	1	
Threaten with a blade in a public place		
Threats to damage or destroy property		
Threats to kill		
Unauthorised taking of motor vehicle		
Witness Intimidation		
Total:	37	

No. of calls taken by our Control Room from/regarding the Town:

134