



15th April 2024

Dear Councillor,

**You are summoned to attend a meeting of Mawnan Parish Council Office and Finance Committee on Monday 22<sup>nd</sup> April 2024 at 7.00pm in The Rendlesham Room, Mawnan Memorial Hall.**

Yours faithfully,

**Lisa Clements**  
Clerk to the Parish Council

#### **AGENDA**

- 1. TO RECEIVE APOLOGIES FOR ABSENCE**
- 2. MEMBERS TO DECLARE ANY INTERESTS IN THE ITEMS ON THE AGENDA (OVER £50) OR REQUEST DISPENSATIONS**
- 3. PUBLIC COMMENT ON ITEMS ON THE AGENDA**
- 4. TO RECEIVE AND APPROVE THE MINUTES OF THE MEETINGS OF THIS COMMITTEE HELD ON THE 21<sup>st</sup> JANUARY 2024 AND THE CHAIRMAN TO SIGN THEM**
- 5. TO BE ADVISED OF ANY INFORMATION PERTAINING TO PREVIOUS MINUTES, AMENDMENTS AND ACTIONS AGREED THEREIN.**
- 6. TO REVIEW THE CURRENT DIRECT DEBITS AND TO AGREE THEIR CONTINUATION FOR 2024/25.**
- 7. REVIEW OF END OF YEAR BUDGET POSITION 2024/25 (4<sup>th</sup> quarter/End of Year) AND DISCUSSION OF ANY AMENDMENTS FORESEEN. (including signing off on End of Year & 4<sup>th</sup> quarter's bank statements)**
- 8. TO DISCUSS ANY AND ALL NOTIFIED AUDIT REQUIREMENTS; TO INCLUDE SETTING THE DATE TO START THE PUBLIC REVIEW OF ACCOUNTS 2023/24 & THE RECEIPT OF THE INTERNAL AUDITORS REPORT.**
- 9. TO REVIEW THE PROPOSED BUDGET FOR 2024/25 IN LIGHT OF THE YEAR END POSITION**
- 10. TO DISCUSS THE EARMARKED RESERVES POSITION FOR 2024/25**

### Associated Papers

Item 4 - draft minutes from January attached

Item 6 - current list of DD to confirm.

Item 7 - End of Year budget information included. Original overspend against budget has gone up to £34,600 at end of year (mainly using Earmarked Reserves for MMH offices, JPF sinking fund & toilet refurb). See sheet for explanations.

7a – end of year bank reconciliation

7b – End of years accounts position (showing variation between budget & actual spends) with clerk's notes of explanation of any over/under spending

7c – expanded budget view showing each individual budget line

7d - Earmarked Reserves position at end of year with summary explanations

Item 8 - Internal Audit report for 23/24 is included. No recommendations or points of note. BUT this is Steve Hudson's last year undertaking internal audit as he is retiring. A new appropriate Internal auditor will need to be found (try Ruth Thomas @ Falmouth Town Council – I hear she is doing some Internal Audit work now ...).

The dates of the Notice of Public Exercise of Rights are as we usually do – after the June PC meeting. I have prepared the notice but the Proper Officer at the time (hopefully the new clerk) will need to fill in their details and sign it before it gets put up.

Item 9 - budget revision for 24/25 based on end of year figures. Please note that a number of items that were in the original budget showing as "Earmarked Reserves" (£19,500 in total) are now not there as the funding has been transferred out of general reserves at start of year. These are not actual budgets to be spent, rather they are funding pots to facilitate/fund works.

Item 10 – Earmarked Reserves will show a definite minus figure for the General Fund until at least September when the remaining part of the precept comes in. Remember that we agreed to temporarily liquidate some of these reserve pots depending on cash flow to offset this as necessary.



**MINUTES OF A MEETING OF THE OFFICE AND FINANCE COMMITTEE OF MAWNAN PARISH COUNCIL HELD ON MONDAY 22<sup>ND</sup> JANUARY 2024 AT 7.00PM IN IN THE MAWNAN BOWLING CLUB.**

**PRESENT:** Cllrs Potter (Chair), Moyle, Reid & Sadler

**ALSO PRESENT:** Mrs L Clements, clerk

472.24F **TO RECEIVE APOLOGIES FOR ABSENCE** – none noted

473.24F **MEMBERS TO DECLARE ANY INTERESTS IN THE ITEMS ON THE AGENDA, REQUEST DISPENSATIONS OR NOTE ANY GIFTS OVER £50** - none noted

474.24F **PUBLIC COMMENTS ON ITEMS ON THE AGENDA** - none noted

475.24F **TO RECEIVE AND APPROVE THE MINUTES OF THE MEETING OF THIS COMMITTEE HELD ON THE 24<sup>TH</sup> JULY 2023, 23<sup>RD</sup> OCTOBER 2023 & 6<sup>TH</sup> DECEMBER 2023 AND THE CHAIRMAN TO SIGN THEM**

It was proposed by Cllr Sadler, seconded by Cllr Potter and

**RESOLVED** that the minutes of the meetings held on 24<sup>th</sup> July & 23<sup>rd</sup> October 2023 be approved and signed by the Chair

on a vote being taken the matter was approved unanimously

It was proposed by Cllr Reid, seconded by Cllr Sadler and

**RESOLVED** that the minutes of the meeting held on 6<sup>th</sup> December 2023 (with the clarification that £3000 of the £8000 funding of for the Playing Field Trusts is for legal advice) be approved, subject to the above amendment, and signed by the Chair

on a vote being taken the matter was approved unanimously

476.24F **TO BE ADVISED OF ANY INFORMATION PERTAINING TO PREVIOUS MINUTES, AMENDMENTS AND ACTIONS AGREED THEREIN.**

None noted by clerk

477.24F **REVIEW OF CURRENT BUDGET POSITION 2023/24 (3<sup>rd</sup> quarter) AND DISCUSSION OF ANY SIGNIFICANT ISSUES (including signing off on Q2 & Q3 bank statements)**

The clerk was asked when they next precept payment was due in (5<sup>th</sup> April approx.) by Cllr Potter.

The overspend on the PC websites line was due to the ending of the free hosting for the community website – she has amalgamated relevant into the PC website but was reviewing its usage numbers before considering renewing again.

She explained why the Publications line showed a minus – as the footpath leaflet was nearing completion, with the majority of advertiser having paid or about to pay at the end

of the month. The final proof were expected this week for review from the printer and should be available for February half –term.

**478.24F INTERNAL AUDIT REVIEW & UPDATE**

The clerk went through the minor items listed on the last Internal Audit report. She did note that there was mention of *Adequacy of Reserves* which would likely be an issue again in the 23/24 report since we are using money for the PC office but our Internal Auditor's advice has been sought about recognising the need to 'liquidate reserves as necessary'.

**479.24F TO REVIEW CHANGES OR ADDITIONS TO POLICIES & PROCEDURES FOR 2023.** (Annual review of Standing Orders, Financial Regulations, Safeguarding & Reserves Policy). Changes required to the Financial Regulations were limited to the limits for tenders/ contracts. There is a review of Financial Regulations underway at the moment. Both Standing Orders & the Safeguarding Policy remained the same.

The Reserves & Investment Policy was discussed, especially in light of the predicted EoY figure and the potential need to liquidate existing Earmarked Reserves that may be necessary due to financial needs of the new offices. Replenishment of reserves through a significant increase to the precept for 24/25 had already been agreed, although tight rein on expenses needed to be ensured. The clerk had also raised a request for training on 3 year budget planning with SCRIBE, or software suppliers

It was proposed by Cllr Potter, seconded by Cllr Reid and

**RESOLVED** that the amendments and updates to the 4 listed policies either made by the clerk during review or as discussed this evening be accepted

on a vote being taken the matter was approved unanimously

**480.24F ANNUAL REVIEW OF INTERNAL FINANCIAL CONTROLS, FINANCIAL RISK ASSESSMENT & HEALTH AND SAFETY UPDATE** (this has had to be done by the clerk without named cllr support)

The clerk explained the minor changes (in yellow) to the Financial Risk Assessment, once again asking that a named councillor be put in place to help go through these documents as it was not really suitable that the person doing the tasks was the one reviewing their effectiveness. She had added a section about responsibilities as Sole Trustee & reclaiming VAT along with the email from our internal auditor on this subject.

As part of the review of Financial Internal Controls, also needing a named councillor to assist, she noted that main number of high risk items related to the verification and management of contracts & tenders once awarded. We needed to have something more robust in place when contracts had been awarded to review how they are being actioned – currently ad hoc measures for review during the contract/ after works was being done with no consistency by random councillors.

It was proposed by Cllr Potter, seconded by Cllr Sadler and

**RESOLVED** that the Internal Financial Controls & Risk Assessments be adopted with regular in year review to be undertaken

on a vote being taken the matter was approved unanimously

The clerk explained that although there were some items of H&S concern many were in the process of being addressed.

Cllr Reid expressed his concern with the policies in general, feeling that there was a 'system flaw' in how the parish council was managed and that we were creating policies for no reason. He felt that legal advice needed to be sought.

**481.24F TO DISCUSS UPDATING THE CLERK'S CONTRACT IN LINE WITH THE NEW MODEL EMPLOYMENT CONTRACT ISSUED BY SLCC/NALC (to be implemented in April 2024) AND TO DISCUSS DATE FOR THE CLERK'S ANNUAL REVIEW**

The clerk explained that there was no need to completely review here contract but that certain statutory point needed to be discussed (holiday; mileage, duties). After some discussion where Cllr Reid felt that his should be left entirely up to a HR committee (which we don't have) he requested that this be sent to the Staffing Committee ad a meeting of them called to review it.

A date for the clerk's annual review was to be agreed by Cllrs Potter & Whibley, hopefully before 1<sup>st</sup> April. Documentation would be sent out to them by the clerk.

**482.24F INFORMATION ON SIGNING UP TO THE CIVILITY & RESPECT PLEDGE INITIATIVE.**

Cllr Reid felt that this was not appropriate to do as there had been no training or information sent round and there were no viable sanctions should the pledge not be adhered to. He felt that 'the system had failed' and that signing up to another pledge without true commitment was just a paper exercise. Cllr Sadler felt that most issues rested on the shoulders of the clerk.

It was proposed by Cllr Reid, seconded by Cllr Sadler and

**RESOLVED** that it was decided to agree in principle to the civility & respect pledge but not to agree to sign up to it at the moment

on a vote being taken the matter was approved unanimously

**483.24F TO CONSIDER ADMINISTRATIVE CHANGES TO AGENDAS & MINUTES AS PER RECENT CLERK'S TRAINING** (the change to numbering has already been actioned as of 1.1.24)

Cllr Reid felt that the renumbering taking place was useless and that all agenda and minutes should be numbered from 1 for each agenda published, with no differentiation made of committee minutes (such as the F for O&F minutes). The clerk explained that this would make the minutes almost impossible to follow over the year as there would be no differentiation between one month (or year) and the next. This would be picked up at audit as there had to be a recognised & specific number for our annual statements and would cause issues in the event of any legal action based on minutes being entered into.

He continued that he felt that the public would have no understanding of what or why the numbering system being used was there and would not be able to track or understand items raised. The clerk & Cllr Moyle disagreed, feeling that the public never took notice of item numbers anyway and were more likely to be looking at the subject under discussion.

CLLr Sadler put forward that agenda & minutes should start at the beginning of each Parish Council year (May) and be suffixed by the year (so .24), with the O&F committee retaining the .24F suffix. However this did not find a seconder.

Continued discussion on this was undertaken and eventually

It was proposed by CLLr Potter, seconded by CLLr Reid and

**RESOLVED** that it was felt that the O&F committee, although tasked with agreeing parish council protocols for recommendation would, in this instance, defer all decision on this back to the full council.

on a vote being taken the matter was approved unanimously

The clerk was to include this as a separate item on the next PC agenda immediately following the O&F recommendations.

Meeting finished at 8.10pm

DRAFT

## Mawnan Parish Council

Prepared by: \_\_\_\_\_ Date: \_\_\_\_\_  
*Name and Role (Clerk/RFO etc)*

Approved by: \_\_\_\_\_ Date: \_\_\_\_\_  
*Name and Role (RFO/Chair of Finance etc)*

	<b>Bank Reconciliation at 31/03/2024</b>			
	Cash in Hand 01/04/2023			100,611.93
	<b>ADD</b>			
	Receipts 01/04/2023 - 31/03/2024			73,948.08
				174,560.01
	<b>SUBTRACT</b>			
	Payments 01/04/2023 - 31/03/2024			111,440.61
<b>A</b>	<b>Cash in Hand 31/03/2024</b> (per Cash Book)			<b>63,119.40</b>
	Cash in hand per Bank Statements			
	Petty Cash	31/03/2024	0.00	
	Current Account - Lloyds	31/03/2024	1,780.13	
	Deposit Account - Lloyds	31/03/2024	22,375.61	
	95 Day Saver Account - Nationwide	31/03/2024	39,857.62	
				<b>64,013.36</b>
	Less unrepresented payments			893.96
				63,119.40
	Plus unrepresented receipts			
<b>B</b>	<b>Adjusted Bank Balance</b>			<b>63,119.40</b>
	<b>A = B Checks out OK</b>			

**Mawnan Parish Council**  
**Summary of Receipts and Payments**  
**Summary - Cost Centres Only**

Cost Centre	Receipts			Payments			Net Position +/- Under/over spend	Clerk's End of Year notes
	Budgeted	Actual	Variance	Budgeted	Actual	Variance		
Administration/Rent		129.03	129.03	4,680.00	4,755.14	-75.14 (-1%)	53.89	minor utilities increase to rent part year (£226)
Insurance			0.00	800.00	785.27	14.73 (1%)	14.73	
Meeting Room Hire			0.00	600.00	374.00	226.00 (37%)	226.00	approx £230 for Bowling Club & £100 MMH still owed due to invoice timings
Internal Audit Fees			0.00	225.00	225.00	0.00 (N/A)	0.00	
External Audit Fees			0.00	300.00	315.00	-15.00 (-5%)	-15.00	
Parish Council Websites			0.00	60.00	100.78	-40.78 (-67%)	-40.78	included new community website (not to continue forward)
Publications		1,816.27	1,816.27		2,247.78	-431.51 (-224778%)	-431.51	£400 agreed to come from PC - matchfund Community chest grant. £31.51 difference
Salaries		800.11	800.11	18,700.00	19,089.73	-389.73 (-2%)	410.38	inc. NJC award & overtime. £206 subcontracted due
Training & Conference Fees			0.00	700.00	395.00	305.00 (43%)	305.00	no significant new councillor training or conferences done this year
Allowances			0.00	100.00		100.00 {100%}	100.00	not used in year
Subscriptions			0.00	1,500.00	1,477.97	22.03 (1%)	22.03	
Paths & Open Spaces	1,626.69	1,626.69	0.00	5,500.00	4,431.53	1,068.47 (19%)	1,068.47	part way through LMP contract - no balancing invoice done
Public Services		26.08	26.08	7,500.00	12,008.26	-4,508.26 (-60%)	-4,482.18	additional refurbishments costs included (£5250 toilet; £81.42 phone box)
Misc			0.00		26.05	-26.05 (-2605%)	-26.05	see sheet for details
S19 - Carwinion Playing Field		309.00	309.00	8,000.00	8,309.00	-309.00 (-3%)	0.00	offset overspend agains income
S19 - Junior Playing Field		237.00	237.00	6,000.00	6,282.00	-282.00 (-4%)	-45.00	offset overspend agains income
S234 (PH Act) - AED Grant			0.00	150.00	150.00	0.00 (N/A)	0.00	
Donations & Grants			0.00	6,430.00	4,764.19	1,665.81 (25%)	1,665.81	post office outreach (dec to mar) still due because of invoice timings. Reduced amount spent on Grants
Graveyard			0.00	6,120.00	6,303.41	-183.41 (-3%)	-183.41	remember - income goes as CFW into next years maintenance costs (£4050)
Precept	53,200.00	53,200.00	0.00			0.00 (N/A)	0.00	
CTS Grant			0.00			0.00 (N/A)	0.00	no longer granted - to be removed at end of year
Bank Interest	100.00	653.15	553.15			0.00 (N/A)	553.15	Solar grant income NOT included - remains in grant pot
Solar Farm grant			0.00			0.00 (N/A)	0.00	£8571 for Mar 2024 income (delayed!)
Earmarked Reserves	1,000.00	7,609.25	6,609.25		29,906.24	-29,906.24 (-2990624%)	-23,296.99	see separate info
Reclaimed VAT			0.00			0.00 (N/A)	0.00	claim for £5012.68 pending
<b>NET TOTAL</b>	<b>55,926.69</b>	<b>66,406.58</b>	<b>10,479.89</b>	<b>67,365.00</b>	<b>101,946.35</b>	<b>-34,581.35 (-51%)</b>	<b>-24,101.46</b>	remember - Earmarked Reserves spend not included in original budget

<b>Total for ALL Cost Centres</b>	66,406.58	101,946.35
<b>V.A.T.</b>	7,541.50	9,494.26
<b>GROSS TOTAL</b>	<b>73,948.08</b>	<b>111,440.61</b>



**Mawnan Parish Council**  
**Summary of Receipts and Payments**  
All Cost Centres and Codes

3 April 2024 (2023-2024)<sup>9</sup>

**Administration/Rent**

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
1	Office Rent (+Rates & Storage)				3,550.00	3,776.00	-226.00	-226.00 (-6%)
2	Office Supplies		113.18	113.18	470.00	410.93	59.07	172.25 (36%)
3	Telephone & Internet		15.85	15.85	450.00	370.86	79.14	94.99 (21%)
4	Land Registry Searches				10.00	3.00	7.00	7.00 (70%)
5	Books							(N/A)
6	Postages				200.00	194.35	5.65	5.65 (2%)
<b>SUB TOTAL</b>			<b>129.03</b>	<b>129.03</b>	<b>4,680.00</b>	<b>4,755.14</b>	<b>-75.14</b>	<b>53.89 (1%)</b>

**Insurance**

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
7	Insurances				800.00	785.27	14.73	14.73 (1%)
<b>SUB TOTAL</b>					<b>800.00</b>	<b>785.27</b>	<b>14.73</b>	<b>14.73 (1%)</b>

**Meeting Room Hire**

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
8	Meeting Room Hire				600.00	374.00	226.00	226.00 (37%)
<b>SUB TOTAL</b>					<b>600.00</b>	<b>374.00</b>	<b>226.00</b>	<b>226.00 (37%)</b>

**Internal Audit Fees**

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
9	Internal Audit Fee				225.00	225.00		(0%)
<b>SUB TOTAL</b>					<b>225.00</b>	<b>225.00</b>		<b>(0%)</b>

**External Audit Fees**

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
10	External Audit Fee				300.00	315.00	-15.00	-15.00 (-5%)
<b>SUB TOTAL</b>					<b>300.00</b>	<b>315.00</b>	<b>-15.00</b>	<b>-15.00 (-5%)</b>

**Parish Council Websites**

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
11	Parish Council Websites				60.00	100.78	-40.78	-40.78 (-67%)

**Mawnan Parish Council**  
**Summary of Receipts and Payments**  
All Cost Centres and Codes

<b>SUB TOTAL</b>		<b>60.00</b>	<b>100.78</b>	<b>-40.78</b>	<b>-40.78 (-67%)</b>
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**Publications**

Code Title	Receipts			Payments			Net Position
	Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
12 Publications/ footpath leaflet		1,816.27	1,816.27		2,247.78	-2,247.78	-431.51 (N/A)
<b>SUB TOTAL</b>		<b>1,816.27</b>	<b>1,816.27</b>		<b>2,247.78</b>	<b>-2,247.78</b>	<b>-431.51 (N/A)</b>

**Salaries**

Code Title	Receipts			Payments			Net Position
	Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
13 Clerks Salary (inc PAYE & NI)		638.87	638.87	15,650.00	16,020.63	-370.63	268.24 (1%)
14 Parish NI contribution		106.98	106.98	1,000.00	1,169.53	-169.53	-62.55 (-6%)
15 Clerks Pension Contribution				700.00	642.28	57.72	57.72 (8%)
16 Parish Pension Contribution		54.26	54.26	1,300.00	1,174.12	125.88	180.14 (13%)
17 Mileage & Parking				50.00	83.17	-33.17	-33.17 (-66%)
<b>SUB TOTAL</b>		<b>800.11</b>	<b>800.11</b>	<b>18,700.00</b>	<b>19,089.73</b>	<b>-389.73</b>	<b>410.38 (2%)</b>

**Training & Conference Fees**

Code Title	Receipts			Payments			Net Position
	Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
18 Course/Conference fees				650.00	395.00	255.00	255.00 (39%)
19 Mileage & Parking				50.00		50.00	50.00 (100%)
<b>SUB TOTAL</b>				<b>700.00</b>	<b>395.00</b>	<b>305.00</b>	<b>305.00 (43%)</b>

**Allowances**

Code Title	Receipts			Payments			Net Position
	Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
20 Allowances				100.00		100.00	100.00 (100%)
<b>SUB TOTAL</b>				<b>100.00</b>		<b>100.00</b>	<b>100.00 (100%)</b>

**Subscriptions**

Code Title	Receipts			Payments			Net Position
	Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
21 Subscriptions				1,500.00	1,477.97	22.03	22.03 (1%)
<b>SUB TOTAL</b>				<b>1,500.00</b>	<b>1,477.97</b>	<b>22.03</b>	<b>22.03 (1%)</b>

**Mawnan Parish Council**  
**Summary of Receipts and Payments**  
All Cost Centres and Codes

**Paths & Open Spaces**

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
23	LMP / SWCP Footpaths	1,626.69	1,626.69		2,500.00	1,779.12	720.88	720.88 (17%)
24	Weeds				1,000.00	687.05	312.95	312.95 (31%)
25	Grass Cutting				1,900.00	1,899.86	0.14	0.14 (0%)
26	Footpath Repairs				100.00	65.50	34.50	34.50 (34%)
<b>SUB TOTAL</b>		<b>1,626.69</b>	<b>1,626.69</b>		<b>5,500.00</b>	<b>4,431.53</b>	<b>1,068.47</b>	<b>1,068.47 (14%)</b>

**Public Services**

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
27	Toilet - Cleaning & Materials				4,200.00	3,778.75	421.25	421.25 (10%)
28	Toilets - Utility Charges		26.08	26.08	650.00	657.52	-7.52	18.56 (2%)
29	Toilets - Repairs & Maintenance				200.00	5,510.11	-5,310.11	-5,310.11 (-2655%)
30	Rubbish Bins				2,200.00	1,830.40	369.60	369.60 (16%)
31	Telephone Box				150.00	231.48	-81.48	-81.48 (-54%)
32	Bus Shelter				100.00		100.00	100.00 (100%)
<b>SUB TOTAL</b>			<b>26.08</b>	<b>26.08</b>	<b>7,500.00</b>	<b>12,008.26</b>	<b>-4,508.26</b>	<b>-4,482.18 (-59%)</b>

**Misc**

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
33	Miscellaneous Expenses					26.05	-26.05	-26.05 (N/A)
<b>SUB TOTAL</b>						<b>26.05</b>	<b>-26.05</b>	<b>-26.05 (N/A)</b>

**S19 - Carwinion Playing Field**

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
39	S19 - Carwinion Playing Field		309.00	309.00	8,000.00	8,309.00	-309.00	(0%)
<b>SUB TOTAL</b>			<b>309.00</b>	<b>309.00</b>	<b>8,000.00</b>	<b>8,309.00</b>	<b>-309.00</b>	<b>(0%)</b>

**S19 - Junior Playing Field**

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
40	S19 - Junior Playing Field		237.00	237.00	6,000.00	6,282.00	-282.00	-45.00 (-0%)
<b>SUB TOTAL</b>			<b>237.00</b>	<b>237.00</b>	<b>6,000.00</b>	<b>6,282.00</b>	<b>-282.00</b>	<b>-45.00 (-0%)</b>

**Mawnan Parish Council**  
**Summary of Receipts and Payments**  
All Cost Centres and Codes

**S234 (PH Act) - AED Grant**

Code Title	Receipts			Payments			Net Position
	Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
41 S234 (PH Act) - AED Grant				150.00	150.00		(0%)
<b>SUB TOTAL</b>				<b>150.00</b>	<b>150.00</b>		<b>(0%)</b>

**Donations & Grants**

Code Title	Receipts			Payments			Net Position
	Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
38 Post Office.. (. Act 1954; S51)				1,350.00	1,470.00	-120.00	-120.00 (-8%)
42 Donations/ Grants				5,080.00	3,294.19	1,785.81	1,785.81 (35%)
<b>SUB TOTAL</b>				<b>6,430.00</b>	<b>4,764.19</b>	<b>1,665.81</b>	<b>1,665.81 (25%)</b>

**Graveyard**

Code Title	Receipts			Payments			Net Position
	Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
43 Graveyard Training							(N/A)
44 Graveyard Resources (Books/Fc				50.00	22.31	27.69	27.69 (55%)
45 Graveyard Maintenance/ Grounc				5,795.00	5,930.05	-135.05	-135.05 (-2%)
46 Graveyard Rates				275.00	351.05	-76.05	-76.05 (-27%)
<b>SUB TOTAL</b>				<b>6,120.00</b>	<b>6,303.41</b>	<b>-183.41</b>	<b>-183.41 (-3%)</b>

**Precept**

Code Title	Receipts			Payments			Net Position
	Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
47 Precept	53,200.00	53,200.00					(0%)
<b>SUB TOTAL</b>	<b>53,200.00</b>	<b>53,200.00</b>					<b>(0%)</b>

**CTS Grant**

Code Title	Receipts			Payments			Net Position
	Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
48 CTS Grant							(N/A)
<b>SUB TOTAL</b>							<b>(N/A)</b>

**Bank Interest**

Code Title	Receipts			Payments			Net Position
	Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
49 Bank Interest	100.00	653.15	553.15				553.15 (553%)

**Mawnan Parish Council**  
**Summary of Receipts and Payments**  
All Cost Centres and Codes

<b>SUB TOTAL</b>	<b>100.00</b>	<b>653.15</b>	<b>553.15</b>		<b>553.15 (553%)</b>
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**Earmarked Reserves**

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
34	MMH New Offices				17,080.75	-17,080.75	-17,080.75 (N/A)	
52	burial fees	1,000.00	4,125.00	3,125.00	75.00	-75.00	3,050.00 (305%)	
53	Election Expenses						(N/A)	
54	Graveyard Contingency				600.00	-600.00	-600.00 (N/A)	
55	H&S						(N/A)	
56	JPF - sinking fund reserve				1,705.55	-1,705.55	-1,705.55 (N/A)	
58	Small Business Rates Grant (toil				8,785.24	-8,785.24	-8,785.24 (N/A)	
59	CIL Payments		2,126.89	2,126.89	1,065.00	-1,065.00	1,061.89 (N/A)	
60	Climate Group Work				6.57	-6.57	-6.57 (N/A)	
61	Coronation Celebrations				537.50	-537.50	-537.50 (N/A)	
62	Roads & Traffic				50.63	-50.63	-50.63 (N/A)	
<b>SUB TOTAL</b>		<b>1,000.00</b>	<b>6,251.89</b>	<b>5,251.89</b>	<b>29,906.24</b>	<b>-29,906.24</b>	<b>-24,654.35 (-2465%)</b>	

**Reclaimed VAT**

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
57	Reclaimed VAT (126)						(N/A)	
<b>SUB TOTAL</b>							<b>(N/A)</b>	

**Summary**

<b>NET TOTAL</b>	<b>55,926.69</b>	<b>65,049.22</b>	<b>9,122.53</b>	<b>67,365.00</b>	<b>101,946.35</b>	<b>-34,581.35</b>	<b>-25,458.82 (-20%)</b>
<b>V.A.T.</b>		7,541.50			9,494.26		
<b>GROSS TOTAL</b>		<b>72,590.72</b>			<b>111,440.61</b>		

**Mawnan Parish Council**  
**Reserves Balance**  
**2023-2024**

<u>Reserve</u>	<u>OpeningBalance</u>	<u>Transfers</u>	<u>Spend</u>	<u>Receipts</u>	<u>CurrentBalance</u>
<b>Earmarked</b>					
H&S	1,000.00				1,000.00
Graveyard Contingency	2,755.00	745.00	600.00		2,900.00
Election Expenses	1,250.00	250.00			1,500.00
Solar Grant Funding	41,500.26	-3,000.00		1,357.36	39,857.62
Burial Fees	3,850.00	-7,900.00	75.00	4,125.00	0.00
Small Business rates grant (Put	8,785.24		8,785.24		0.00
Climate Group Work	785.00		6.57		778.43
JPF - sinking fund	1,705.55		1,705.55		0.00
MUGA Project	10,000.00				10,000.00
Coronation Reserve	66.87	470.63	537.50		0.00
Roads & traffic	9,897.24	-7,397.24	50.63		2,449.37
CIL funding	3,796.74		1,065.00	2,126.89	4,858.63
MMH New Offices	35,000.00		17,080.75		17,919.25
<b>Total Earmarked</b>	<b>120,391.90</b>	<b>-16,831.61</b>	<b>29,906.24</b>	<b>7,609.25</b>	<b>81,263.30</b>
<b>TOTAL RESERVE</b>	<b>120,391.90</b>	<b>-16,831.61</b>	<b>29,906.24</b>	<b>7,609.25</b>	<b>81,263.30</b>
<b>GENERAL FUND</b>					-18,143.90
<b>TOTAL FUNDS</b>					63,119.40

Election Expenses - elections due May 2025

Solar Grant Funding - interest only, still awaiting this year's payment

Burial Fees - rolled into maintenance for upcoming year (EoY Process)

CIL Funding - still awaiting works to grassmat in JPF

Remember - agreement to liquidate Earmarked Reserves still standing if necessary to cover expenditure.



HUDSON ACCOUNTING LTD.  
INTERNAL AUDIT REPORT:  
TO THE MEMBERS MAWNAN PARISH COUNCIL  
YEAR ENDED 31ST MARCH 2024.

ISSUE DATE: 11/04/2024  
ISSUED TO: PARISH CLERK

**INTRODUCTION:**

Internal auditing is an independent, objective assurance activity designed to improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

**Scope:**

The scope of the audit covers, as a minimum, the areas included in the Internal Audit Report contained in the Annual Governance & Accountability Return and the Transparency Code.

**Approach:**

Audit work is carried out in line with the Chartered Institute of Public Finance and Accountancy's Internal Audit Standards and guidance issued by the National Association of Local Councils.

Where applicable we have included reference to 'proper practice' and the associated guidance as laid out in 'Governance & Accountability for Smaller Authorities in England' which is applicable to financial years from 1st April 2023.

Selective testing was carried out and the relevant policies, procedures and controls were reviewed.

**GENERAL COMMENTS:**

We would like to thank the Clerk for their assistance and co-operation during the audit.

The matters raised in this report are only those which came to our attention during our internal audit work and are not necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

It should be noted that assurance can never be absolute. The most that the internal audit service can provide is a reasonable assurance that there are no major weaknesses in risk management, governance, and control processes. The audit does not guarantee that the accounting records are free from fraud or error.

***The review undertaken obtained a level of assurance which has allowed us to complete the Internal Audit Report element of the Annual Governance & Accountability Return with no qualifications, thus in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the Council.***

We have provided, if required, a table of audit recommendations that allow for the Council's response which can be used as an ongoing monitoring tool. We would be grateful if, in due course, it was completed and returned to us.

Attached is a copy of the completed Internal Audit Report required as part of the Annual Governance & Accountability Return.



**AUDIT COMMENTARY:**

**A** **Appropriate accounting records have been properly kept throughout the financial year.**  
The accounts are maintained on Scribe accounting software; they were up to date, in balance and free from material errors.

**B** **This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for.**

*Financial Regulations*

Financial Regulations were last reviewed in January 2024.

*Purchasing*

The procurement process for the public toilet refurbishment was undertaken in line with Financial Regulations.

*Payment*

Testing revealed that payments are supported by invoices and are included on payment schedules approved by Members.

*VAT*

VAT has been properly accounted for.

**C** **This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.**

*Insurance*

Statutory insurances are in place and the Fidelity Guarantee is £250,000.

*Risk Assessment & Internal Controls*

The risk assessment and the effectiveness of internal controls were reviewed in January 2024.

*Cash*

An Investment Strategy in place and has been reviewed during the year.

**D** **The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.**

*Budget setting**Budget monitoring*

Quarterly budget monitoring reports that being provided in line with Financial Regulations.

*Adequacy of Reserves*

The general reserve has become depleted during the year – a review of earmarked reserves was undertaken to establish which could be used in an emergency and the budget and precept for 2024/25 were set with a replenishment of the general reserve in mind.

**E** **Expected income was fully received, based on correct prices, properly recorded, and promptly banked; and VAT was appropriately accounted for.**

*Precept*

The precept received was checked to the records of the Council and the principal authority and found to be in accord.

*VAT claims*

Two VAT claims have been submitted, the total claimed and the VAT total on the accounting system show a small discrepancy.

*Burials*

Burial fees have been accurately applied and the audit trail from the Ledger to the receipt book was easily followed. The burial register has been accurately completed.

*Interest*

Interest earned on the Council's investments has been accurately reflected in the Ledger.

**F** Petty cash payments were properly supported by receipts, all petty cash expenditure was approved, and VAT appropriately accounted for.

NOT APPLICABLE

**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.

Salaries are paid in accordance with member approvals.

PAYE and pension requirements have been met.

**H** Asset and investments registers were complete and accurate and properly maintained.

The asset register has been updated to reflect acquisitions and disposals and the total value of assets held is accurately reflected in the AGAR.

A comparison of the asset register to the insurance schedule indicates that there are no obvious omissions.

**I** Periodic and year-end bank account reconciliations were properly carried out during the year.

Monthly bank reconciliations are reported to council where they are certified as accurate.

The year-end bank reconciliation was found to be accurate.

**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.

The accounts were produced on a receipts and payments basis and were in accord with underlying records.

An audit trail was provided and accompanying information required by the external auditor produced.

**K** IF the authority certified itself as exempt from a limited assurance review in 2022/23, it met the exemption criteria and correctly declared itself exempt.

NOT APPLICABLE.

**L** The authority published the required information on a free to access website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.

Requirements were met.

**M** In the year covered by this AGAR, the authority provided for a period for the exercise of public rights as required by the Accounts & Audit Regulations

The AGAR was properly approved by Council, the requisite Notice was published and the correct number of days for public inspection were allowed.

**N** The authority has complied with the publication requirements for 2022/23 AGAR.

All publication requirements were met.

**O** Trust funds (including charitable). The council met its responsibilities as trustee.

The Council met its obligations as Trustee for the two playing field charities.

**Charity Commission submissions are up to date.**

## Annual Internal Audit Report 2023/24

### MAWNAN PARISH COUNCIL

www.mawnan.org.uk/council-expenditure

During the financial year ended 31 March 2024, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2023/24 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.			✓
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.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic bank account reconciliations were properly carried out during the year.	✓		
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.	✓		
K. If the authority certified itself as exempt from a limited assurance review in 2022/23, it met the exemption criteria and correctly declared itself exempt. <i>(If the authority had a limited assurance review of its 2022/23 AGAR tick "not covered")</i>			✓
L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.	✓		
M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations <i>(during the 2023-24 AGAR period, were public rights in relation to the 2022-23 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).</i>	✓		
N. The authority has complied with the publication requirements for 2022/23 AGAR <i>(see AGAR Page 1 Guidance Notes).</i>	✓		
<b>O. (For local councils only)</b> Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes ✓	No 	Not applicable 

NOT USED

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

10/04/2024      11/04/2024

Name of person who carried out the internal audit

S P HUDSON CPFA

Signature of person who carried out the internal audit

S. P. Hudson

Date

11/04/2024

**\*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).**

**\*\*Note:** If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

Cost Centre	Payments		Notes
	Budget	April Amendment	
Administration/Rent	1,350.00	2,000.00	needs to go up to cover MS rent for interim
Insurance	790.00	805.00	insurance now £804.89
Meeting Room Hire	600.00	600.00	
Internal Audit Fees	225.00	225.00	
External Audit Fees	315.00	315.00	
Parish Council Websites	60.00	60.00	do not renew community website
Publications	0.00	0.00	not needed for current year
Salaries	18,250.00	18,250.00	may need revision for new clerk wages
Training & Conference Fees	550.00	550.00	will be used for clerk training
Allowances	100.00	100.00	
Subscriptions	1,650.00	1,650.00	
Paths & Open Spaces	7,080.00	8,000.00	end of contract in 2025 - balancing invoice will probably cause overspend
Public Services	7,300.00		
Misc	0.00	0.00	
S19 - Carwinion Playing Field	8,000.00	8,000.00	
S19 - Junior Playing Field	11,000.00	11,000.00	Ringfencing extra for JPF VSG works / repairs?
S234 (PH Act) - AED Grant	150.00	150.00	
Donations & Grants	2,150.00	4,500.00	£2000 Nationwide Transfer to be added. £150 ongoing commitment to Shute Hill cutting. Will need extra funding for Post Office outreach until new office finished
Graveyard	5,830.00	6,000.00	cfw 23/24 burial fees (£4050). Initial budget decrease to £1780)
Precept	0.00	0.00	
CTS Grant	0.00	0.00	
Bank Interest	0.00	0.00	
Solar Farm grant	0.00	0.00	
Earmarked Reserves	0.00	0.00	Not actually included in budget - £9000 to reinstate Reserves; £10000 Advisory Fees, £500 budget for New Office fittings/ relocations costs
Reclaimed VAT	0.00	0.00	
<b>NET TOTAL</b>	<b>65,400.00</b>	<b>62,205.00</b>	Budget does not include £19500 originally agreed as Earmarked Reserves
<b>extra funding agreed to go into Earmarked Reserves</b>	<b>19,500.00</b>	<b>19,500.00</b>	
<b>Total Spend</b>	<b>84,900.00</b>	<b>81,705.00</b>	

**Mawnan Parish Council**  
**Reserves Balance up to 2nd Apr 2024**  
**2024-2025**

<u>Reserve</u>	<u>OpeningBalance</u>	<u>Transfers</u>	<u>Spend</u>	<u>Receipts</u>	<u>CurrentBalance</u>
<b>Earmarked</b>					
H&S	1,000.00				1,000.00
Graveyard Contingency	2,900.00				2,900.00
Election Expenses	1,500.00	250.00			1,750.00
Solar Grant Funding	39,857.62				39,857.62
Burial Fees					0.00
Climate Group Work	778.43				778.43
MUGA Project	10,000.00				10,000.00
Roads & traffic	2,449.37				2,449.37
CIL funding	4,858.63				4,858.63
MMH New Offices	17,919.25	500.00			18,419.25
Advisory Fees		10,000.00			10,000.00
<b>Total Earmarked</b>	<b>81,263.30</b>	<b>10,750.00</b>			<b>92,013.30</b>
<b>TOTAL RESERVE</b>	<b>81,263.30</b>	<b>10,750.00</b>			<b>92,013.30</b>
<b>GENERAL FUND</b>					-28,893.90
<b>TOTAL FUNDS</b>					63,119.40

it may still be necessary to liquidate some of the reserves to free up cash as the budget requires.

Solar Grant Funding - solar grant income 23/24 (£8571) still pending. has been chased x 2  
Roads & traffic - solar speed sign being purchased April 2024 - will wipe out this reserve  
CIL Funding - partly allocated to cover grassmat at JPF  
MMH New Offices - £500 added as agreed in budget for fittings/relocation to new offices  
Advisory Fees - includes £1000 Martyns Law; £1000 Biodiversity; £5000 Planning &  
£3000 Trusts legal