**Hawthorn Parish Council**

**Audit 2015 / 2016**

**Supporting Statement for Internal Auditor and for Council at the Monthly Meeting 18th April 2016**

# Introduction

This is a report including information and documents appertaining to the 2015 / 2016 Audit.

Included are: -

1. The Annual Return
2. Accounting Statement
3. Information re variances
4. Annual Governance Statement
5. Internal Audit Report
6. Receipts and Payments Statement
7. List of all Income
8. List of all Expenditure
9. Asset Register
10. Vat details – to be submitted to HMRC

Once approved all information will be added to the website at [www.hawthornparish.co.uk](http://www.hawthornparish.co.uk)

# Audit Return

1. It should be noted that as requested by external audit – the amount received from DCC has now been split into Precept and the grant re the Localising council tax support grant included in the Other Receipts.

# Payroll

The Clerk has registered for PAYE with HMRC and used basic tools to calculate the payroll. However, there continues to be a problem with online banking and the contributions payable to HMRC have been paid directly by the Clerk and subsequently reclaimed.

# Payment of Cheques

* All cheques are approved by council and subsequently signed by the Chairman and Vice Chairman.
* Considerable problems have continued to be experienced with the bank and despite several attempts to increase the number of Cllrs able to sign cheques, this has still not been accepted.
* The current situation is that the bank mandate now allows for the existing Chairman and Vice Chairman to sign cheques and the Clerk continues to try and have access to online banking – albeit just to be able to transfer money between accounts and access bank statements.
* There is no petty cash. Payments to the Clerk re postage, travelling and admin expenses etc are paid upon receipt of invoices as included.

# Income

The income is from the precept, the grant from DCC, previous year VAT and bank interest. In addition, during 2015 / 2016 a grant for £748 re the Transparency Code was successful and a donation also received of £100 towards planting daffodils. All are paid directly into the account.

# Risk management

The risk management was carried out and reported to council as attached.

# Estimates and Budgets

The estimates and budget for the forthcoming year were discussed at the council meeting in January and underpinned the request for the 2016 / 2017 precept.

# Balances carried forward

The balances forward are currently higher than the precept. This is taken into account when Council considers their half yearly budgets and their future plans. £2,000 has been earmarked into a new Capital cost centre for future capital projects. In 2016 / 2017 this includes purchase of a defibrillator. The Parish Council are looking to retaining £8,000 in their revenue account in case of emergencies.

# Transparency Code

All requirements of the new transparency code were implemented from April 2015 in line with statutory regulations. All information is displayed on the council’s website.

# Future audit arrangements

Hawthorn has an income <£25,000. As such information re the new audit arrangements has been discussed and the following resolution made.

1. **To opt in to the new arrangements under the sector led body**
2. **To continue to publish all of the required information on the website as required by the transparency code and regulations for all councils with a turnover of <£25,000.**

# Section 137

Donations / Grants of: -

St Michael and All Saints Church £500

Community Centre £500

**Total £1000**