

HEELIS & LODGE

Local Council Services • Internal Audit

Internal Audit Report for Wickham Bishops Parish Council – 2023/2024

The following Internal Audit was carried out on the adequacy of systems of control. The following recommendations/comments have been made:

Income: £24,890 Expenditure: £24,142 Ear Reserves: £10,202 Reserves: £10,000

AGAR 2023 / 2024 Completion:

Section One: **Yes - unsigned**

Section Two: **Yes - unsigned. Box 7 for 31st March 2024 does not equal (1+2+3) - (4+5+6).**

Annual Internal Audit Report 2023 / 24: **Yes**

Certificate of Exemption: **Yes - unsigned**

Proper book-keeping Cash Book, regular reconciliation of books and bank statements. Supporting vouchers, invoices and receipts

The Council hold the General Power of Competence and LGAs137 does not apply.

The cashbook is referenced providing a clear audit trail. Supporting paperwork is in place and well referenced.

Financial regulations Standing Orders and Financial Regulations

Tenders

Appropriate payment controls including acting within the legal framework with reference to council minutes

Identifying VAT payments and reclamation

Cheque books, paying in books and other relevant documents

Standing Orders in place: **Yes**

Reviewed: **5th March 2024 (Ref: 24/038)**

Financial Regulations in place: **Yes**

Reviewed: **5th March 2024 (Ref: 24/038)**

VAT reclaimed during the year: **Yes**

Registered: **No**

General Power of Competence: **Yes – adopted on 16th May 2023 (Ref: 23/090)**

There were no tenders during the year that exceeded the £30,000 Public Contract Regulations threshold.

Risk Assessment

Appropriate procedures in place for the activities of the council
Compliance with Data Protection regulations

Risk Assessment document in place: Yes

Data Protection registration: Yes – ZA087504 Expiry 19/11/2024

Data Protection

The General Data Protection Regulations have changed and the new Regulations came into force on 25 May 2018. It is likely that this will affect the way in which the Council handles its data. It is advised that, due to the financial risk associated with the new Data Protection Regulations, this should form part of the Council's Risk Assessment.

Recommendation(1): *To include reference to GDPR in the Council's Risk Assessment.*

Privacy Policy published: Yes

Insurance was in place for the year of audit. The Risk Assessment was reviewed at a meeting held on 7th November 2023 (Ref: 23/210). Internal Controls were reviewed at a meeting held by the Finance Committee on the 18th November 2022 (Ref: 22F/004)

Recommendation (2): *To ensure the annual review of the Internal Controls is carried out during the year of audit.*

The Council have good internal financial controls in place. The Clerk provides financial reports to council meetings. Councillors are provided with information to enable them to make informed decisions.

Fidelity Cover: £250,000

The level of Fidelity cover is within the recommended guidelines of year-end balances plus 50% of the precept.

Transparency

Under the **Transparency code for smaller authorities**, smaller councils with income/expenditure under £25,000 should publish on their website from 1 April 2015:

Smaller Council: **Yes**

Website: www.wickhambishopsparrishcouncil.org

- a) all items of expenditure above £100
Published – Yes
- b) annual governance statement (By 1 July)
2023 Annual Return, Section One Published – Yes
- c) end-of-year accounts (By 1 July)
2023 Annual Return, Section Two Published – Yes
- d) internal audit report (By 1 July)
2023 Annual Return, Section Four Published – Yes
- e) list of councillor or member responsibilities
Published – Yes
- f) the details of public land and building assets (By 1 July)
Published – Yes
- g) minutes, agendas and meeting papers of formal meetings
Published – Yes

The Council have met the requirements of the Transparency Code for smaller councils.

Under **The Local Audit (Smaller Authorities) Regulations 2015 9(6 & 7)** a smaller council having certified itself as an Exempt Authority must publish on their website:

Certificate of Exemption

Certificate of Exemption Published - Yes

Under the requirements of the **Accounts and Audit Regulations 2015 13(2b)** a council is required to display AGAR's for the five years 2018-19, 2019-20, 2020-21, 2021-22 and 2022-23 on their website. The council has complied with this requirement.

Under **The Accounts & Audit Regulations 2015 15(2b)** councils must publish on their website:

Notice of period for the exercise of public rights

Published – Yes

Period of Exercise of Public Rights

Published 16th June 2023 Start Date 19th June 2023 End Date 28th July 2023

Budgetary controls	<p>Verifying the budgetary process with reference to council minutes and supporting documents</p> <p>Precept: £22,536 (2023 / 2024) Date: 6th December 2022 (Ref: 22/201) Precept: £22,530 (2024 / 2025) Date: 7th November 2023 (Ref: 23/210).</p> <p><i>Good budgetary procedures are in place. The precept was agreed in full council and the precept decision and amount has been clearly minuted. The Clerk ensures the council are aware of responsibilities, commitments, forward planning and the need for adequate reserves. Budget papers are prepared to ensure councillors have sufficient information to make informed decisions. Budgets are monitored during the year.</i></p>
Income controls	<p>Precept and other income, including credit control mechanisms</p> <p><i>All were found to be in order. Income controls were checked and income received and banked cross-referenced with the Cash Book and bank statements.</i></p>
Petty Cash	<p>Associated books and established system in place</p> <p><i>A satisfactory expenses system is in place with supporting paperwork. No Petty Cash held.</i></p>
Payroll controls	<p>PAYE and NIC in place where necessary. Compliance with Inland Revenue procedures Records relating to contracts of employment</p> <p>PAYE System in place: Yes – J&M Payroll Services Employer PAYE Reference:120/EA98857 P60's issued: Yes</p> <p><i>The Council continue to operate RTI in accordance with HMRC regulations. Payroll is outsourced. All supporting paperwork is in place and a P60 has been produced as part of the year-end process. The Council has left the LGPS pension scheme.</i></p> <p><i>It is noted that the Council undertook a review of salaries at a meeting held on 5th December 2023 (Ref: 23/230).</i></p>
Asset control	<p>Inspection of asset register and checks on existence of assets Cross-checking on insurance cover</p> <p><i>A separate asset register is in place. Values are recorded at insurance value. The total value of assets is recorded at £28,358. The figure in the asset register corresponds with the figure in Section 2, Box 9 of the AGAR.</i></p>

Bank Reconciliation Regularly completed and cash books reconcile with bank statements

All were in order. Bank Reconciliations are carried out regularly. The bank statements reconciled with the end of year accounts and bank reconciliations for all accounts.

Reconciled Bank Balances as 31st March 2024 were confirmed as:

<i>Unity Trust Current</i>	<i>£ 9,868.17</i>
<i>Unity Trust Instant</i>	<i>£10,307.61</i>
<i>Equals Debit Card</i>	<i>£ 26.45</i>

Reserves General Reserves are reasonable for the activities of the Council
Earmarked Reserves are identified

The Council has adequate general reserves of £10,000 and has identified earmarked reserves of £10,202 in its year-end accounts.

Year-end procedures Appropriate accounting procedures are used and can be followed through from working papers to final documents
Verifying sample payments and income
Checking creditors and debtors where appropriate.

End-of-year accounts are prepared on a Receipts & Payments basis.

Sole Trustee The Council has met its responsibilities as a trustee

The Council is not a sole trustee.

Internal Audit Procedures

The 2023 Internal Audit report was considered by the Council at a meeting held on 16th May 2023 (Ref: 23/103).

Heelis & Lodge were appointed as Internal Auditor at a meeting held on 7th November 2023 (Ref: 23/210).

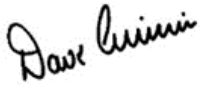
External Audit

The Council formally approved the 2023 AGAR at a meeting of the full Council held on 16th May 2023 (Ref: 23/104, 105 & 106).

The Council declared themselves Exempt from External audit for the 2022-2023 financial year.

Additional Comments/Recommendations

- The Annual Parish Council meeting was held on 16th May 2023. The first item of business was the Election of Chairman, in accordance with Standing Orders.
- There are no additional comments/recommendations to make in relation to this audit.
- I would like to record my appreciation to the Clerk to the Council for the quality of documentation presented in the Audit File.



Dave Crimmin PSLCC

Heelis & Lodge

25th April 2024