

WHISSONSETT PARISH COUNCIL

www.whissonsettpc.info

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.	✓		
J. 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. (If the authority had a limited assurance review of its 2022/23 AGAR tick "not covered")	✓		
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 (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).	✓		
N. The authority has complied with the publication requirements for 2022/23 AGAR (see AGAR Page 1 Guidance Notes).	✓		
O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

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

13 04 2024

Name of person who carried out the internal audit

DI DANN

Signature of person who carried out the internal audit



Date

13 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).

Whissonsett Parish Council

Internal Audit Report

For Whissonsett Parish / Town Council

Financial Year 23 / 24

Prepared by Di Dann, CiLCA , FILCA qualified

14th April 2024

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I have completed an internal audit of the accounts for Whissonsett Parish Council for the year ending 31st March 2024. My findings are detailed below using the tests provided in the **Governance and Accountability (England) March 2023**.

I would like to thank the Clerk/RFO for providing me with all the information required for the Internal Audit.

Internal control	Test	Observations
Proper bookkeeping	Is the cashbook maintained and up to date?	Yes
	Is the cashbook arithmetically correct?	Yes
	Is the cashbook regularly balanced?	Yes
Standing Orders, Financial Regulations and payment controls	Has the council formally adopted Standing Orders and Financial Regulations?	Yes
	Date Standing Orders last reviewed	March 2024
	Date Financial Regulations last reviewed	March 2024
	Has a Responsible Financial Officer been appointed with specific duties?	Yes
	Have items or services above the de minimus amount been competitively purchased?	Yes
	Are payments in the cashbook supported by purchase orders, invoices, authorised and minuted?	Yes
	Has VAT on payments been identified, recorded and reclaimed?	Yes – VAT claimed to March 2024
	Has s137 expenditure been approved and separately recorded and within statutory limits? (where applicable)	GPC adopted May 2023
	Are Financial Regulations followed?	Yes
Risk management arrangements	Does a review of the minutes identify any unusual financial activity?	No
	Do minutes record the council carrying out an annual risk assessment or review of their risk management scheme?	Yes - see below
	Is insurance cover appropriate and adequate?	Yes

Internal control	Test	Observations
	Are internal financial controls documented and regularly reviewed?	Yes
Budgetary controls	Has the council prepared an annual budget in support of its precept and has this been minuted as being approved?	Yes
	Has the precept been calculated from the budget and been approved?	Yes
	Does the budget include an actual completed year?	Yes
	Is actual expenditure against budget regularly reported to the council?	Ye
	Are there any significant unexplained variances from budget?	No
Income controls	Is income properly recorded and promptly banked?	Yes
	Does the precept recorded agree to the Council Tax authority's notification?	Yes
	Are security controls over cash and near-cash adequate and effective?	N/A
Payroll controls	Do all employees have contracts of employment with clear terms and conditions?	Yes
	Do salaries paid agree with those approved by the council?	Yes
	Are salaries above the National Living Wage/Minimum Wage?	Yes
	Are other payments to employees reasonable and approved by the council?	Yes
	Have PAYE/NIC been properly operated by the council as an employer?	Yes
Asset controls	Does the council maintain a register of all material assets owned or in its care?	Yes
	Are the assets and Investments registers up to date? When were these last reviewed?	Yes March 2024

Internal control	Test	Observations
	Do asset insurance valuations agree with those in the asset register?	Yes
Bank reconciliation	Is there a bank reconciliation for each account and is this reported to council?	Yes – only one account held
	Is a bank reconciliation carried out regularly and in a timely fashion?	Yes
	Are there any unexplained balancing entries in any reconciliation?	No
	Is the value of investments held summarised on the reconciliation?	No – on budget document See below
Year-end procedures	Are year-end accounts prepared using the correct accounting basis (Receipts and Payments or Income and Expenditure)?	Yes (R & P)
	Do accounts agree with the cash book?	Yes
	Has a year-end bank reconciliation been undertaken?	Yes
	Is there an audit trail from underlying financial records to the accounts?	Yes
	Where appropriate, have debtors and creditors been properly recorded?	N/A
Procedural	Have points raised on the last Internal Audit report been considered by council and actioned?	Yes
	Policy documents routinely updated?	Yes
Transparency: For smaller councils with turnover under £25,000	Minutes for whole year on website?	Yes
	Agendas for whole year on website?	Yes
	Payments over £100 detailed on website?	Yes
	Electors' rights advertised on website?	Yes

Internal control	Test	Observations
	Councillors' responsibilities detailed on website?	Yes
	Last financial year's AGAR on website?	Yes
	Land and building assets details on website? (Description, location, owner/leaseholder, date and cost of acquisition and present use)	Included within Asset Register
Allotments only	Has a list of allotment holders with amounts paid to Council been submitted?	Yes
	Have fees for the allotments been reviewed and agreed by Council?	Yes
	Has a Financial Risk Assessment been undertaken for any larger projects undertaken?	N/A
General Data Protection Regulation (compliance from 25 May 2018)	Has the Council put in place a DP policy? Is it on the website? Is it reviewed	Yes Yes Yes – see below
	FOI Publication Scheme Is there an FOI Publication Scheme? Is it on the website? Is it reviewed?	Yes Yes March 2024

Summary of my recommendations:

Reserve Funds and Investments

Reserves are detailed in the Budget. They should also be detailed at year end. The purpose of doing this is, in the event of any queries being raised about a high year end balance, the Council can justify this with a Reserves Statement. At year end, a Working Balance would be £6000 and remaining funds (i.e. £6600) would be reserves.

Council should open a deposit account in order to earn interest on these funds.

Risk Management

Church Close Land Project. This is an interesting project although little detail appears in the minutes. It is useful the Council have conducted a Survey on the purchase. The Clerk has prepared a Project Plan detailing such things as: Objectives, Budget, Personnel involved, consultation conducted, time line. The Plan should then progress to a 10 year Management Plan for the site. The Project Plan is part of the Risk Management for the Project and as well it could provide useful evidence for any accompanying grant application.

Data Protection

The Information Commissioners Officer would recommend identifiable council specific e mail addresses to separate personal e mails from those sent in relation to council work. The Clerk has a council specific e mail address, and the need to have similar for councilors could be seen as unnecessary in a small council like WPC. None the less when the Data Protection Policy is reviewed, it would be a good time to revisit the seven principles of data protection which include data minimalization, storage limitation and confidentiality. Induction training for new councilors includes training on Data Protection and new councilors should be encouraged to attend this training. Data Protection is a Risk identified on the Council's Risk Management Policy and training should be added as a way of minimizing risk.