**Great Abington Parish Council:**

**Detailed Report for Parish Council by Internal Auditor: 2023-2024**

**Date: 23.06.24**

**Comments/Action Points:**

⚫ Comments/Action Points are listed according to internal control objectives (Page 4 of Annual Governance and Accountability Return, 2023/2024 Form 3). Reference should also be made to the *JPAG Practitioners’ Guide: March 2024.*

**Objective A:**

**Appropriate Accounting Records:**

The cashbook spreadsheet appears to have been maintained throughout the year reasonably accurately, and balanced regularly. Some adjustments were made at audit.

**Objective B:**

Financial control systems now appear to be operating more effectively, although there remain areas which require attention:

**(a) Duplicate payments:**

I note that there were further instances of duplicate payments, all relating to salaries and tax:

1. Clerk’s pay April 2023: £306.46
2. HMRC Tax 13.07.24: £76.60

**Comment:**

⚫ As observed in my 2022-2023 report, control systems should prevent payment errors such as the above occurring (see also comments below in Objective G).

**(b) Records of e-banking payment authorisation:**

Records of which signatories authorised which e-banking transactions now appear to be kept.

**(c) Payments:**

The following payment was not supported by relevant paperwork:

* 02.11.23: Abington Institute S106: £9105.97

**(d) Statement of Internal Control and Financial Regulations:**

The Statement of Internal Control has been reviewed, including terms of reference for the Financial Working Group, which now meets three times a year. The Financial Regulations are awaiting review after a new model set of regulations has been produced by CPALC.

**(e) Financial Working Group (FWG):**

The Terms of Reference of the FWG have been amended, with the group meeting three times in 2023-2024. Minutes state that notes were circulated to councillors.

**(f) Records of Section 106 funds held, received and spent:**

The supporting statement for year ending 31.03.24 gives the balance of S106 funds to be spent including interest as £99,570.33. **It was unclear whether S106 expenditure in 2023-2024 of £9,105.97 was included in this balance.**

**Action Points:**

⚫ As the total of S106 funds held by the Council is relatively large, accurate and complete records of funds received, interest, and funds spent must be maintained, and must agree across all accounting records. *(Comment repeated from 2022-2023 Report)*

⚫ S106 funds are held in three separate bank accounts. **Total S106 funds in each bank account should be stated at year end.** Council may wish to review whether a simpler single account approach to S106 funds is preferable.

# **(e) VAT:**

# A claim for a refund of £15,071.69 VAT was made in 2023-2024.

**Objective C:**

**(a) Risk Management:**

The **Risk Policy** was reviewed and updated on 15.01.24. CAPALC have been asked to recommend appropriate wording to cover cyber fraud.

**(b) Insurance:**

Insurance cover has been reviewed and appears adequate.

**Objective D:**

**Budgetary controls:**

An Annual Budget for 2024-2025 has been prepared but a year-end Budget Report for 2023-2024 was unavailable. I note levels of earmarked and general reserves being discussed at the meeting on 15.01.24 and understand periodic updates of expenditure were given to councillors prior to meetings.

**Objective E:**

**Income controls:**

Systems appear to be in place and operating satisfactorily.

**Objective F:**

**Petty Cash:** *[Petty Cash system not used so not applicable.]*

**Objective G:**

***Objective not achieved:***

**Payroll controls:**.

The Clerk’s salary has been agreed by the Council. However, systems for accounting for tax and NI seem inadequate.

During audit the following were noted:

1. One duplicate salary payment (subsequently reimbursed)
2. Failure to pay tax due to HMRC in June and July 2023 (subsequently paid).
3. Interest charged by HMRC for late payment of tax.
4. Differing totals for gross pay and tax between P60 and cashbook.
5. Differing totals for gross pay and tax between HMRC payslips and cashbook.
6. Confusion relating to standing orders for pay and tax due.

**Action Point:**

⚫ **Systems need to be established urgently to ensure salaries and tax are paid accurately**. I understand the Council is investigating external processing.

**Objective H:**

**Asset controls:**

The Asset Register was updated in May 2024 **but may not reflect current insurance values.**

**Action Point:**

⚫ Ensure the Asset Register is updated where appropriate with current insurance values.

**Asset inspections:**

I note asset inspections being carried out in March 2024 with written notes on the condition of each asset.

**Objective I:**

**Bank reconciliation:**

The end of year bank reconciliation appears to have been properly carried out, and periodic bank reconciliations are recorded in the minutes.

**Objective J:**

**Accounting Statements:**

A completed AGAR Section 2 was not available pending completion of internal audit.

However accounting statements prepared during the year were prepared on the correct basis (receipts and payments), agreed to the cashbook, and were generally supported by an adequate audit trail.

**Objective K:**

**Exemption Criteria:**

Not covered. The Parish Council had a limited assurance review of its 2022/2023 AGAR.

**Objective L: Publishing of Information:**

***Objective not achieved:***

The Parish Council does not appear to have published all the required information in accordance with the relevant legislation on its free-to-access website, which was not up-to-date at the time of internal audit.

**Comments**:

⚫ Members of the public may find it difficult to locate the official Parish Council website: *https://e-voice.org.uk/greatabington/parish-council/.*

An internet search for ‘Great Abington Parish Council’ produces six websites all of which appear to be ‘official’. See Appendix.

⚫ The official website has all agendas for 2023-2024 posted, **but no minutes after 17.06.23.**

**Objective M: Exercise of public rights: 2023-2024**

***Objective not covered:***

Dates for and notification of the exercise of public rights for 2023-2024 are pending completion of the AGAR, following internal audit.

**Objective N: Publication requirements for 2022/2023 AGAR:**

The authority appears to have complied with the publication requirements for the 2022-2023 AGAR.

**Objective O: Responsibilities as Trustee:**

*Not applicable.*

**Mike Gutteridge.**

**Internal Auditor.**

**23.06.24**

**APPENDIX**

‘GAPC’ websites:

<https://scambs.moderngov.co.uk/mgParishCouncilDetails.aspx?ID=300&LS=4>

<http://www.theabingtons.org.uk/parish-councils/great-abington-parish-council/gapc-documents/>

<https://e-voice.org.uk/greatabington/parish-council/minutes-of-parish-council-meet/>

<https://www.facebook.com/GtAbingtonParishCouncil1/>

<https://great-abington.parish.uk/>

<https://www.parishcouncils.uk/parish-council/great-abington-parish-council/>