

HEELIS&LODGE

Local Council Services • Internal Audit

Internal Audit Report for Little Burstead 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: £17,100

Expenditure: £12,213

Reserves: £7,997

AGAR 2023 / 2024 Completion:

Section One: Yes - signed

Section Two: Yes - signed

Annual Internal Audit Report 2023 / 24: Yes

Certificate of Exemption: Yes

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

All were found to be in order. LGAs137 and VAT payments are tracked and identified within the year-end accounts.

The cashbook is referenced providing a clear audit trail. Supporting paperwork is in place and 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: 19th March 2024 (Ref: 23/24.081)

Financial Regulations in place: Yes

Reviewed: 19th March 2024 (Ref: 23/24.082)

VAT reclaimed during the year: Yes

Registered: No

General Power of Competence: No

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

Contact details : 1 Hembling Terrace, Mill Lane, Campsea Ashe, Suffolk IP13 0PP

Tel: 07732 681125

Email: heather@heelis.eu

Heather Heelis Dip HE Local Policy PILCM

Lynne Lodge Dip HE Local Policy

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 - ZB694871 Expiry 30/05/2025

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. Due to the financial risk associated with the General Data Protection Regulations, the Council have included this in their 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 21st July 2023 (Ref:23/24.028). Internal Controls were reviewed at a meeting held on 12th May 2023 (Ref: 23/24.012).

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.e-voice.org.uk/lbpc/

- a) all items of expenditure above £100
Published – Yes – contained within the minutes
- 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 12th May 2023 Start Date 5th June 2023 End Date 14th July 2023

| | |
|---------------------------|--|
| Budgetary controls | <p>Verifying the budgetary process with reference to council minutes and supporting documents</p> <p>Precept: £16,100 (2023 / 2024) Date: 11th November 2022 (Ref: 22/23.063) Precept: £17,710 (2024 / 2025) Date: 10th November 2023 (Ref: 23/24.056)</p> <p><i>Good budgetary procedures are in place. The precept was agreed to in full council, and the decision and amount have been clearly minuted. The Clerk ensures the council is 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 throughout 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 expense 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 – PAYE Tools Employer PAYE Reference: 083/XA51869 P60's issued: Yes</p> <p><i>The Council continues to operate RTI in accordance with HMRC regulations. All supporting paperwork is in place, and a P60 has been produced as part of the year-end process. The Council has not joined the LGPS / NEST pension scheme.</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 cost value. The total value of assets is recorded at £19,683. The figure in the asset register corresponds with the figure in Section 2, Box 9 of the AGAR.</i></p> |

| | | | |
|----------------------------------|---|----------------------------|------------------|
| Bank Reconciliation | <p>Regularly completed and cash books reconcile with bank statements</p> <p><i>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.</i></p> <p><i>The reconciled Bank Balance as at 31st March 2024 was confirmed as:</i></p> <table border="0" style="margin-left: 40px;"> <tr> <td><i>Unity Trust Current</i></td> <td style="text-align: right;"><i>£7,996.96</i></td> </tr> </table> | <i>Unity Trust Current</i> | <i>£7,996.96</i> |
| <i>Unity Trust Current</i> | <i>£7,996.96</i> | | |
| Reserves | <p>General Reserves are reasonable for the activities of the Council Earmarked Reserves are identified</p> <p><i>The Council have general reserves of £7,997 (45% of Precept).</i></p> | | |
| Year-end procedures | <p>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.</p> <p><i>End-of-year accounts are prepared on a Receipts & Payments basis.</i></p> | | |
| Sole Trustee | <p>The Council has met its responsibilities as a trustee</p> <p><i>The Council is not a sole trustee.</i></p> | | |
| Internal Audit Procedures | <p><i>The 2023 Internal Audit report was considered by the Council at a meeting held on 21st July 2023 (Ref: 23/24.026)</i></p> <p><i>Recommendation (1):</i> <i>When applicable, the recommendation and the council's response to each of the Internal Audit recommendations should be included in the meeting minutes.</i></p> <p><i>Heelis & Lodge were appointed as Internal Auditor at a meeting held on 21st July 2023 (Ref: 23/24.027)</i></p> | | |
| External Audit | <p><i>The Council formally approved the 2023 AGAR at a meeting of the full Council held on 12th May 2023 (Ref: 23/24.012 & 013).</i></p> <p><i>The Council declared themselves Exempt from External audit for the 2022-2023 financial year.</i></p> | | |

Additional Comments/Recommendations

- The Annual Parish Council meeting was held on 12th 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
31st May 2024