

HEELIS & LODGE

Local Council Services • Internal Audit

Internal Audit Report for Thorrington 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: £47,681.97

Expenditure: £54,721.91

Reserves: £27,225.24

AGAR 2023 / 2024 Completion:

Section One: Yes - signed

Section Two: Yes - signed. A payment of £66 to DM Payroll made on 16/08/2023 has incorrectly been included in Box 4 for 31st March 2024.

Annual Internal Audit Report 2023 / 24: Yes

Certificate of Exemption: No

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

All were found to be in order. 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: 17th May 2023 (Ref: 11a) & 27th March 2024 (Ref: 3).

Financial Regulations in place: Yes

Reviewed: 17th May 2023 (Ref: 11b) & 27th March 2024 (Ref: 3).

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.

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

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 7th June 2023 (Ref: 7) & 27th March 2024 (Ref: 3). Internal Controls were reviewed at a meeting held on 27th March 2024 (Ref: 3).

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.

The annual play area inspection has been undertaken during the year as per the meeting on 2nd August 2023 (Ref: 7).

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: No

Website: www.e-voice.org.uk/thoringtonparishcouncil

The Council is not subject to the requirements of the Transparency Code for smaller Councils.

Under **The Accounts & Audit Regulations 2015 13(1a&b)** councils must publish on their website:

Statement of Accounts, External Audit report and Annual Governance statement.

2023 Annual Return, Section One Published – Yes

2023 Annual Return, Section Two Published – Yes

2023 Annual Return, Section Three 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 15th June 2023 Start Date 19th June 2023 End Date 28th July 2023

Budgetary controls

Verifying the budgetary process with reference to council minutes and supporting documents

Precept: £27,000 (2023 / 2024) Date: 14th December 2022 (Ref: 15)

Precept: £30,000 (2024 / 2025) Date: 1st November 2023 (Ref: 11)

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.

Income controls

Precept and other income, including credit control mechanisms

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.

The allotment rent was reviewed by the council at the meeting on 6th September 2023 (Ref: 11).

Petty Cash

Associated books and established system in place

A satisfactory expense system is in place with supporting paperwork. No Petty Cash held.

Payroll controls

PAYE and NIC in place where necessary.
Compliance with Inland Revenue procedures
Records relating to contracts of employment

PAYE System in place: Yes – DM Payroll Services
Employer PAYE Reference: 120/FA57429
P60's issued: Yes

The Council continues to operate RTI in accordance with HMRC regulations. Payroll is outsourced. All supporting paperwork is in place, with P45s produced and a P60 produced as part of the year-end process. The Council has not joined the LGPS / NEST pension scheme.

Asset control

Inspection of asset register and checks on existence of assets
Cross-checking on insurance cover

A separate asset register is in place. Values are recorded at cost value. The total value of assets is recorded at £180,491. The figure in the asset register corresponds with the figure in Section 2, Box 9 of the AGAR.

The asset register was reviewed at the meeting on 17th May 2023 (Ref: 11c).

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.

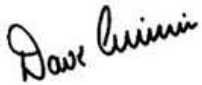
Reconciled Bank Balances as at 31st March 2024 were confirmed as:

<i>Unity Trust Current</i>	<i>£ 1,129.35</i>
<i>Unity Trust Savings</i>	<i>£26,997.09</i>

Reserves	<p>General Reserves are reasonable for the activities of the Council Earmarked Reserves are identified</p> <p><i>The Council have adequate general reserves (£27,225.24).</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 7th June 2023 (Ref: 8).</i></p> <p><i>Heelis & Lodge were appointed as Internal Auditor at a meeting held on 6th March 2024 (Ref: 12).</i></p>
External Audit	<p><i>The Council formally approved the 2023 AGAR at a meeting of the full Council held on 7th June 2023 (Ref: 9 & 10).</i></p> <p><i>The External Auditor's report was considered at a meeting held on 4th October 2023 (Ref: 11).</i></p> <p><i>The following matters were brought to the attention of the Council:</i></p> <p>The AGAR was not accurately completed before submission for review. The figures in Section 2, Box 9 of the prior year comparative column do not agree to the prior year final signed AGAR.</p> <p>The smaller authority should include a consideration of reserves when setting its budget and precept.</p>

Additional Comments/Recommendations

- The Annual Parish Council meeting was held on 17th 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
15th June 2024

HEELIS&LODGE

Local Council Services • Internal Audit

www.heelisandlodge.co.uk

INVOICE

To:

Thorrington Parish Council
1 Heron Way
Frinton on Sea
Essex
CO13 0UU

Invoice No: HLD2348
Date: 15th June 2024

Details	Quantity	Amount (£)	Total (£)
To carry out Year-end Internal Audit for Thorrington Parish Council for the year ended 31 March 2024.	1	260.00	260.00
Total			260.00

Please make cheques payable to: Heelis & Lodge

Bank Details: Account 02539349 Sort Code 72-00-00

Terms – 14 days

Thank you.

HEELIS&LODGE

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