

HEELIS & LODGE

Local Council Services • Internal Audit

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

The following Internal Audit was carried out on the adequacy of systems of control in accordance with the requirements of the Audit and Accounts Regulations 2015 and the guidance and instruction in the Practitioners Guide 2023. The following recommendations/comments have been made:

Income: £117,599.79 Expenditure: £137,517.10 Reserves: £85,641.83

AGAR Completion:

Section One: [Yes – to be signed](#)

Section Two: [Yes – to be signed](#)

Annual Internal Audit Report 2023/2024: [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 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. It is noted that the Council use online banking.

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: [15/5/2023 \(Ref: FC23:16.1\)](#)

Financial Regulations in place: [Yes](#)

Reviewed: [15/5/2023 \(Ref: FC23:16.2\)](#) and [18/3/2024 \(Ref: FC23:158\)](#)

VAT reclaimed during the year: [Yes \(17/7/2023 – FC:41.1\)](#)

Year: [2022-2023](#) Amount: [£7,689.36](#)

Registered: [No](#)

General Power of Competence: [Yes](#) Adopted: [FC23:17](#)

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

The Council reviewed and adopted the following documents at a meeting held on 4/3/2024 (Ref: FGP23:99) and ratified them at the full council meeting held on 18/3/2024 (Ref: FC23:158):

- *Data Protection and Information Management Policy*
- *Risk Management Policy*
- *Financial Risk Assessment*
- *Internal Control Statement*
- *Financial Regulations*
- *Grant Awarding Policy*
- *Grant Application*
- *Training Policy*
- *Councillor Induction Pack*

The Council reviewed and adopted the following documents at a meeting held on 15/5/2023 (Ref: FC23:22):

- *Code of Conduct*
- *Complaints Procedure*
- *Vexatious Complaints Policy*
- *Public Participation at meetings*
- *Grant Awarding Policy*
- *FOI Policy*
- *FOI Publication Scheme*
- *Privacy Notices*
- *ICO Model Publication Scheme*
- *Press and Media Policy*
- *CCTV*
- *Equality, Diversity and Inclusion Policy*
- *Working from Home Policy*
- *Expenses Policy*
- *Working with Volunteers Policy*
- *Safeguarding Policy & Procedures*
- *Health & Safety 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 (Ref: ZA236912)

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

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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 and reviewed at a meeting held on 15/5/2023 (Ref: 19). The Risk Assessment was reviewed at a meetings held on 15/5/2023 (Ref: FC23:20) and 18/3/2024 (Ref: FC23:158.3). Internal Controls were reviewed on 18/3/2024 (Ref: FC23:158.4).

The Council have effective 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: *No*

Website: <http://wickhammarket.onesuffolk.net/>

The Council is not subject to the requirements of the Transparency Code for smaller Councils. The Transparency Code for Councils with a turnover exceeding £200,000 is not covered as part of the Internal Audit.

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

External audit report

2023 Annual Return, Section One Published – Yes

2023 Annual Return, Section Two Published – Yes

2023 Annual Return, Section Three Published – Yes

Under **The Accounts & Audit Regulations** councils must publish on their website:

Notice of period for the exercise of public rights

Published – Yes

Period of Exercise of Public Rights

Publish Date: *15/6/2023* Start Date: *16/6/2023*

End Date: *31/7/2023*

Under the requirements of the **Accounts and Audit Regulations 2015 13(2b)** council are required to display AGARs for the five years 2018-19, 2019-20, 2020-21, 2021-22 and 2022-23 on their website.

The Council have met the publication requirements.

Budgetary controls
supporting documents

Verifying the budgetary process with reference to council minutes and

Precept: £75,456 (2023-2024)

Date: 16/1/2023 (Ref: 11.1)

Precept: £79,015 (2024-2025)

Date: 15/1/2024 (Ref: FC23:134)

Effective 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 a sample of income received and banked cross referenced with the Cash Book and bank statements.

Petty Cash

Associated books and established system in place

A satisfactory expenses 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**

Employer's Reference: **120/UA59633**

P60s issued: **Yes**

The Council continue to operate RTI in accordance with HMRC regulations. Supporting paperwork is in place and P60s have been produced as part of the year end process. Eligible employees have joined the nominated 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, this was reviewed at a meeting held on 18/3/2024 (Ref: FC23:156.4). Values are recorded at cost value/insurance value.

The total value of assets are recorded at £804,619. The figure in the asset register corresponds with the figure in Section 2, Box 9 of the AGAR.

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.

Bank Balances at 31 March were confirmed as:

<i>Barclays Community</i>	<i>xxxx6664</i>	<i>£2,182.07</i>
<i>Barclays BP</i>	<i>xxxx1282</i>	<i>£83,459.76</i>

Reserves

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

The Council have adequate general reserves and have identified earmarked reserves in their 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 17/7/2023 (Ref: FC23:42).

A review of the effectiveness of the Internal Audit was carried out on 18/3/2024 (Ref: FC23:159.2).

Heelis & Lodge were appointed as Internal Auditor at a meeting held on 18/3/2024 (Ref: FC23:159.1).

External Audit

The Council formally approved the 2023 AGAR at a meeting of the full Council held on 24/4/2023 (Ref: 7).

The External Auditor's reports for 2021 and 2022 were considered at a meeting held on 17/7/2023 (Ref: FC23:43). There is no evidence in the minutes that the Council considered the External Auditor's report for the 2023 audit.

There were no matters arising from the External Audit.

Recommendation: *To review the External Auditor's report.*

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Additional Comments/Recommendations

- The Annual Parish Council meeting was held on 15/5/2023. 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 his assistance during the course of the audit work and the quality of documentation presented for the audit.



Heather Heelis
Heelis & Lodge
27 April 2024