

Annual Internal Audit Report 2023/24

NEW WALTHAM PARISH COUNCIL

www.newwalthamparish council.com

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.		✓	
D. 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)	Yes	No	Not applicable
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

12/04/2024

23/04/2024

26/04/2024

Name of person who carried out the internal audit

Brian Kenneth Brooks

Signature of person who carried out the internal audit

BK Brooks

Date

26/04/2024

*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). PAGE 3A of 6 ATTACHED

**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).

B K Brooks

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26th April 2024

New Waltham Parish Council.

2023/24 IAR- Implications & Actions

No adequate recorded evidence has been fully provided covering the following Internal Control Objectives ; -

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

L. 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.

1 - No adequate minuted evidence has been identified of compliance with Financial Regulations - 1.5; 2.2; 4.8; 5.2; and Standing Order 17c

2 - VAT 126 Claim does not agree with the Scribe Transactions - all banks

3 - 23/24 Box 1 does not agree with 22/23 Box 7

H. Asset and investments registers were complete and accurate and properly maintained.
BOX 9 - 22/23 and 23/24 record Current Value NOT purchase value.

BKBrooks CILCA

Internal Audit Checklist

2023/24

Name of Council	New Walkham PC	Name of Clerk	Anneka Ottewell-Barrett	No. of Councillors	13 OF 18
Name of RFO	Anneka Ottewell-Barrett	Quorum	6	Precept	£ 74,425
Electorate	4650	Gross budget income	£ 20,500		

1. Book-Keeping

1.1 Ledger maintained and up to date?	Y	
1.2 Arithmetic correct?	Y	
1.3 Evidence of Internal Control?	N	FR1.5 & SO 17c – No evidence identified of being implemented
1.4 VAT evidence, recording & reclaim?	N	Recommend listed on Agenda and Minuted
1.5 Payment ledger supported by invoices, authorised & minuted?	N	VAT 126 Claim @ £ 3,798.02 does not agree with the Transactions all banks @ £ 4108.92 0/04/24
1.6 S137 separately recorded & within limits?	Y	Recommend Payments listed on Agenda and Minutes - Fr 5.2; 5.6 ; 5.7
1.7 S137 expenditure direct benefit to electorate?	Y	RBL Wreath @ £ 50 £ 500 Donation Oct BMX
		Recommend adopt Grants Policy

2. Due Process

2.1 Latest Standing Orders Adopted?	Y	2018
2.2 Standing Orders reviewed at annual meeting?	Y	Updated May 23??
2.3 Financial Regulations (FR) adopted?	Y	Min 23/200 6/3/2024
2.4 FR properly tailored to council?	Y	Updated May 23 Reviewed Aug 23
2.5 Equal Opportunities policy adopted?	N	Not located on Website
2.6 Adequate Internal Controls for payments?	N	See CI 23 Contract of Employment
		FR 1.5 ; 3 & 4 Systems to be implemented & recorded

2.7 List of member interests held?	Y		
2.8 Agendas signed, specified & displayed with 3 clear days' notice?	Y		Fr 10.1 - Not used Recommend - Copies of Risk Assessment, Method Statement (RAMS) & liability insurance, training and accreditation for operatives undertaking the work.
2.9 Purchase orders raised for all expenditure (if used)?	Y		
2.10 Purchasing authority defined in FR?	Y		FR 10.5 eg - as listed in the Good Councillor Guide
2.11 Legal powers identified to justify spending?	N		Personnel Aug 23
2.12 Committee terms of reference exist & reviewed?	Y		
2.13 Website accessible & regularly updated for Transparency Code?	Y		
2.14 Is eligibility for General Power of Competence properly evidenced?	N		
2.15 Do arrangements for public inspection of council's records exist?	Y		
3. Risk Management – Finance Risk Assessment Policy			
3.1 Does scan of minutes reveal any unusual activity?	Y		Cllrs are advised to declare their interest when receiving reimbursements. APCM – IA's REPORT & AGAR IAR NOT tabled AOB - Not Recommended Payments not listed on Agenda and Minutes - Fr 5.2; 5.6 ; 5.7 FR 15.1 RE 17 - Verbal Reviewed - To be completed and recorded annually during March FR 15.1 RE 17 To be completed and recorded annually during March
3.2 Annual risk assessment carried out?	Y		SO 4 J xiv FR 13 To be reviewed and recorded annually during March
3.3 Insurance cover appropriate and adequate?			
3.4 Evidence of annual insurance review?			
3.5 Minutes initialed, each page identified and overall signed?	N		Each page to be consecutively numbered from the APCM per Council year - LGA 72 Sch 12. Para 41(2)
3.6 Regular financial reporting as agreed by council?	N		FR 2.2; 4.8 SO 17c
3.7 S137 expenditure minuted?			Recommend add S137 in the minutes against each payment
3.8 Control measures specific to the risks of online banking?			

Risk Management

3.9 Is public liability insurance in place?	Y	£ 10M
3.10 Is officer fidelity insurance in place?	Y	£ 150K
3.11 Evidence of internal & external audit reports received & actioned?	N	Not minuted;
3.12 Are all electronic files backed up?	N	FR 6.13 Verbal - One Drive issues Recommend compliance with FR

4. Budget - 2023/24

4.1 Annual budget to support precept?	Y	FR 3 4.8
4.2 Has budget been discussed and adopted by council?	Y	Min 23/011 1)
4.3 Any reserves earmarked?		None listed / Identified
4.4 Any unexplained variances from budget?		SO 17 c Recommend add the Actual / to date spend column
4.5 Precept demand correctly minuted?	Y	Min 23/011 2)

5. Employment - 4 No. Employees

5.1 Contract of employment?	Y	AOB 01/08/20 (02/01/19) SCP24 20h/WK Pens GM 21/07/94 936/M 30H/Wk Pens
5.2 HMRC arrangements and payments correct?	Y	RT - £ 11.25 01/05/22 TE - £ 10.42 25/09/23
5.3 Council or committee with devolved authority approved salary payment?	Y	Month 9 Sampled
5.4 Other payments reasonable and approved by council?	Y	Month 9 Sampled
5.5 Council registered with Pensions Regulator, if appropriate?	Y	AOB & GM
5.6 Pensions duties reviewed as required?	Y	

Employment		
5.7 Pension contributions recorded and paid?	Y	
5.8 Does council have employer liability insurance?	Y	£ 10M
5.9 Does the council have disciplinary and grievance procedures in place?	N	Not located on Website See Cl 22 Contract of Employment
6. Asset Control		
6.1 Does council keep a register of all assets owned?	Y	
6.2 Is asset register up to date?	N	Website vers. 22/23
6.3 Value of individual assets included?	N	BOX 9 - Each Asset should record purchase date / cost less vat & carriage etc.(not current value) Donated items are valued at nominal £1
6.4 Inspected for risk and up to date inspection records exist?	Y	Verbally – continuous Community Hall Recommend All required Inspections implemented and recorded
6.5 Record of deeds, articles and land register references available?		FR 14.1 Lease – NELC & NWPC re Community Hall 14/07/2017 – 27/04/2040 - HS302955
7. Bank Reconciliations		
7.1 Bank reconciliations covering accounts, investments & cash in hand?		3 No Bank Statements Balance @ 31 st March 24 = £ 57,168.60 3 No Bank Statements Balance @ 1 st April 23 = £ 60,497.14 23/24 Box 1 does not agree with 22/23 Box 7
7.2 Are reconciliations presented to council at agreed intervals?	Y	Verba Not recorded in minutes

8. Year End Procedures		
8.1 Year end accounts prepared on correct accounting basis?	Y	R&P
8.2 Bank statements and ledger reconcile?	N	
8.3 Underlying financial trail from records to presented accounts?	N	
		4.

8.4 Where appropriate, debtors and creditors properly recorded?	Y	
8.5 Has council agreed, signed and minuted sections 1 & 2 of AGAR?	N	NB ORDER 1 st – IA's REPORT & AGAR IAR 2nd Sect 1 3 rd Sect 2 (Sect 1 – completed at the PCM – NOT pre prepared)

9. Cemetery

9.1 Cemetery Regulations adopted and up to date?		
9.2 Registers of burials & purchased graves completed correctly?		
9.3 Burial certificates issued correctly?		
9.4 Green Slips returned appropriately to Registrar?		
9.5 Cemetery burial plan up to date and backed up?		
9.6 Business rates exemptions correctly applied?		

10. Garden Allotments

10.1 Are annual tenancy agreements issued?	N	Verbally New Tenancy Agreement not issued annually Recommend to be implemented
10.2 Are all rents received?	Y	Not identified ?
10.3 Are allotment rules issued to all tenancy holders?		

11. Parks New Pavilion		
11.1 Are play equipment checks conducted in the timeframe agreed by council?	Y	Daily/Weekly/Monthly – verbal Daily Sampled 04.24
11.2 Is an annual safety check carried out by an accredited body?	Y	Play Date May 23
11.3 Are any necessary signs displayed regarding age limits?	Y	Sampled Photos
11.4 Is an annual check of landscape, trees and bushes undertaken?	Y	
		5

12. Transparency Codes >25K

12.1 All items of expenditure as required published by 1 st July?		
12.2 End of year accounts published by 1 st July?		
12.3 Annual Governance Statement published by 1 st July?		
12.4 Internal Audit Report published by 1 st July?		
12.5 Councillor responsibilities published by 1 st July?		
12.6 Asset register published by 1 st July?		
12.7 Agendas and meeting papers published within 3 clear days?	Y	
12.8 (Draft) Minutes published within one month of the meeting?	Y	

To comply with GDPR, councils **should** provide official email accounts for their councillors as well as for their clerk and other officers