Weston Longville Parish Council

Internal Audit Report
Financial Year 2023/24

Prepared by Sonya Blythe
15 April 2024

I have completed an internal audit of the accounts for Weston Longville Parish Council for the year ending March 2024.

My findings are detailed below using the tests provided in the Governance and Accountability (England) guidance.

Internal control	Test	Observations
Proper bookkeeping	Is the cashbook maintained and up to date?	Yes
	Is the cashbook arithmetically correct?	Yes
	Is the cashbook regularly balanced?	Yes
Standing Orders, Financial Regulations and payment controls	Has the council formally adopted Standing Orders and Financial Regulations?	Yes
	Date Standing Orders last reviewed	July 2023
	Date Financial Regulations last reviewed	2021
	Has a Responsible finance officer been appointed with specific duties?	Clerk is RFO
	Are payments in the cashbook supported by invoices, authorised and minuted?	Yes, evidenced from invoice, to minutes to bank account
	Has VAT on payments been identified, recorded and reclaimed?	Separate column in cashbook to record. No claim made.
	Is s137 expenditure separately recorded and within statutory limits?	N/A – holds GPOC
	Have S137 payments been approved and included in the minutes as such?	N/A
Risk management arrangements	Does a review of the minutes identify any unusual financial activity?	No
	Do minutes record the council carrying out an annual risk assessment or review of their risk management scheme?	No – policy on website dated March 23 but not in minutes
	Is insurance cover appropriate and adequate?	Yes
	Are internal financial controls documented and regularly reviewed?	May 2023 minutes

Internal control	Test	Observations
Budgetary controls	Has the council prepared an annual budget in support of its precept and has this been minuted as being approved?	2324 – minuted as approved November 2022 2425 – minuted as approved November 2023
	Has the precept been calculated from the budget and been approved?	2324 – amount not recorded 2425 - £10550 approved in minutes
	Does the budget include an actual completed year?	Yes
	Is actual expenditure against budget regularly reported to the council?	Yes - July, September and November minutes
	Are there any significant unexplained variances from budget?	No
Income controls	Is income properly recorded and promptly banked?	Yes
	Does the precept recorded agree to the Council Tax authority's notification?	Bank £7328 april Precept remittance £7328
Petty cash procedures	Is all petty cash spent recorded and supported by VAT invoices/receipts?	N/A
	Is petty cash expenditure reported to each council meeting?	N/A
	Is petty cash reimbursement carried out regularly?	N/A
Payroll controls	Do all employees have contracts of employment with clear terms and conditions?	Yes, checked in 2023
	Do salaries paid agree with those approved by the council?	Yes, sample of payslips seen
	Are salaries above the National Living Wage/Minimum Wage?	Yes National increment applied November
	Are other payments to employees reasonable and approved by the council?	Yes
	Have PAYE/NIC been properly operated by the council as an employer?	Yes, P60 seen

Internal control	Test	Observations
Asset controls	Does the council maintain a register of all material assets owned or in its care?	Yes
	Are the assets and Investments registers up to date? When were these last reviewed?	Yes, May 23 minutes
	Do asset insurance valuations agree with those in the asset register?	Individual items not listed in policy but seems sufficient overall
Bank reconciliation	Is there a bank reconciliation for each account and is this reported to council?	Yes
	Is a bank reconciliation carried out regularly and in a timely fashion?	Yes, reported each meeting
	Are there any unexplained balancing entries in any reconciliation?	No
Year-end procedures	Are year-end accounts prepared using the correct accounting basis (Receipts and Payments or Income and Expenditure)?	Yes, R&P
	Do accounts agree with the cash book?	Statements £33996.05 AGAR £33256 (minus unpresented cheques)
	Has a year-end bank reconciliation been undertaken?	Yes, £33996.05 (£33256.04 with unpresented cheques)
	Is there an audit trail from underlying financial records to the accounts?	Yes
Procedural	Is eligibility for the General Power of Competence properly evidenced?	Yes, May 23 minutes
	Have points raised on the last Internal Audit report been considered by council and actioned?	Update SOs - yes Report regular budget monitoring - yes Record percentage of precept increase within minutes - no
Transparency: For smaller councils with turnover under £25,000	Minutes for whole year on website?	Yes
	Agendas for whole year on website?	Yes
	Payments over £100 detailed on website?	Yes, recorded in minutes

Internal control	Test	Observations
	Electors' rights advertised on website?	Yes
	Councillors' responsibilities detailed on website?	Yes
	Last financial year's AGAR on website?	Yes
	Land and building assets details on website? (Description, location, owner/leaseholder, date and cost of acquisition and present use)	Yes
Allotments only only	Has a list of allotment holders with amounts paid to Council been submitted?	Included in cashbook
	Have fees for the allotments been reviewed and agreed by Council?	Not recorded in minutes

Summary of report:

Thank you to Dawn for supplying all the documentation so promptly.

- I have checked through your accounts and confirmed them against income and expenditure receipts, as well as against payments in your cashbook. Bank reconciliations are regularly carried out for the accounts.

- I have confirmed that your Financial Regulations and Standing Orders are up to date.

- I have noted that your VAT has been accounted for correctly within the cashbook

- I have verified that your insurance is adequate

- I confirm that your payroll management meets requirements

- I note that your reserves are adequate for the assets for which you are responsible

- I have reviewed your budget setting process and noted that you provide Council with regular spend against budget information

- I have reviewed the AGAR against your year-end bank reconciliations and your accounts

I have no concerns to raise and as such have signed the internal audit section of the AGAR.

Notes / recommendations for 24/25:

Your risk assessment on the website is dated March 23 (though isn't recorded within minutes). As one of the criteria of the internal audit and the governance statement are confirming that risk has been managed, this document should be considered and minuted during each financial year.

Regarding allotments, even if there is no increase in rent, the rent should be considered and minuted each year.

Sonya

Sonya Blythe
Internal auditor