

Great Alne Parish Council

Internal Audit Report for the Financial Year ending 31st March 2023

The Accounts and Audit Arrangements introduced from 1st April 2002 (lighter touch audit) requires all Town and Parish Councils to implement an independent internal audit examination of their Accounts and Accounting processes annually. The Council have complied with the requirements in terms of independence by the Council decision making process by appointing Eleanor Choudry to undertake the work for 2022/23.

This visit is to check that the Parish Council adhere to the requirements set out in the Governance and Accountability for Smaller Authorities in England ensuring that compliance is maintained. The audit concluded on 14th May 2022.

An Internal Audit testing strategy is set out in the current Governance and Accountability for Smaller Authorities in England appendix 5. This covers a "suggested approach to internal audit testing" covering 10 aspects ranging from Proper bookkeeping right through to Year-end procedures. Our Internal Audit testing is based on this approach.

My initial discussion with the Parish Clerk established any system or procedure changes to the internal controls from the previous period. I have undertaken a series of independent audit tests using the various financial records, vouchers, documents, Minutes, insurance documentation to ascertain the efficiency and effectiveness of the internal controls.

As part of this internal audit review I checked:

Book Keeping

- The financial totals as at 31 March 2022 have been brought forward accurately.
- The cashbook is up to date.
- The calculations are correct.
- VAT is evidenced. The VAT of £1,431.20 has been reclaimed in January 2023 and is minuted.
- The payments have been checked and were supported by invoices and authorised and all except one payment was minuted. (see page 4).
- Income recorded in the bank account was checked to those entries shown in the cashbook.
- The Council does not have the General Power of Competence.
- There was no S137 expenditure in 2022/23 and therefore a separate column in the cash book has not been added.
- There is evidence that a donation was paid for £800 to Great Alne Cricket Club towards a new defibrillator.

Due Process

- Meetings were held in May, July, September, November, January and March.
- NALC Model Standing Orders 2019 (revised 2022) were adopted in May 2022 and minuted.
- NALC Model Financial Regulations 2021 were adopted in May 2022 and minuted. They are tailored to the council and purchasing authority is defined.

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- There is no evidence of investments or loans.
 - A grant was received from WCC of £1000 as a Cost-of-Living Grant. £25k was received from UKSPF to upgrade the parish's streetlighting to LED's and replacement columns.
 - There is evidence that monthly financial checks have been carried out by Councillors and this is minuted.
 - The budget position has been reviewed periodically and minuted.
 - The Clerk advised three quotes are sought for goods/services to the council.
 - An Equality and Diversity Policy was approved in December 2020. The policy is on the website and was approved in May 2022.
 - The Disclosable Pecuniary Interest Forms have been completed for all Cllrs and all Councillors details are on the Stratford-upon-Avon District Council website.
 - Signed Agendas are dated and are available on the website, they are always displayed at least three clear days prior to a meeting.
 - Each month receipts/payments and balances are summarised and supplied to each Councillor at the meetings.
 - The Chairman and Clerk sign and date the bank reconciliations on a monthly basis to confirm that bank reconciliations have been carried out accurately as part of Parish Councillor Scrutiny role.
 - There is evidence that apologies are minuted.
 - Declaration of members interests are minuted.
 - The PC conforms to the Transparency Code for Smaller Authorities.
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- **Recommendation:**
 - **I recommend that:**
 - The budget position is reviewed on a quarterly basis.

Risk Management

- A scan of the minutes does not reveal any unusual activity.
- The Clerk informed me that the play equipment is checked on a weekly basis by the Clerk and two councillors, on rotation. All checks are reported to the Clerk who maintains a record and deals with issues as they arise. The last Annual Park Inspection was carried out in August 2022 and the next park inspection is booked for August 2023.
- The Clerk advised both a Health and Safety Policy and Lone Working Policy has been drawn up and will be adopted at the Annual May 2023 meeting.
- A Guide to Personal and Community Resilience is available should anything occur which would threaten the continuation of the Parish Council activities on a day to day basis, including fire or flood.
- Hard copy minutes are consistently signed. Pages are identified. Minute references run consecutively across the year.
- The Clerk advised that financial payments are not added to the Agenda available on the website due to it being a 2 page notice board agenda but were included on the summons and minutes.
- The PC has a Risk Management Policy in place and this was approved in May 2022.

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- The annual insurance policy is in the second year of a three-year deal. There is £10 million Public Liability and £5 million Employers Liability. A comparison quote was considered prior to renewal and minuted.

Budget

- An annual budget is prepared, discussed and adopted by the council.
- There is evidence that Great Alne PC have considered the level of the precept.
- The precept demand is approved, minuted and amount stated.
- There is evidence of budget setting and evidence of reserves being earmarked.

Payroll – Clerk/RFO

- A Contract of Employment is customised and signed by the Clerk.
- There is evidence that the PAYE has been paid and approved.
- By agreement the Clerk/RFO is not paid using the NALC LGA pay scales.
- There is compliance with Minimum wage requirements.
- There is evidence of current Employers Liability Insurance.
- There is evidence of a Grievance and Disciplinary procedure which was approved in May 2022 and this is on the website.
- The Clerk/RFO contract is reviewed annually.

Asset Control

- An Asset Register for 2022/23 is available with the value of individual assets listed at cost.

Bank Reconciliation

- There is evidence of a bank reconciliation.
- The cheque stubs are all initialled and amounts and dates are all correctly completed.
- There is evidence that the bank reconciliations have been reviewed by Councillors at meetings and minuted.
- There does not appear to be any unexplained balancing entries in the reconciliation.

Banking and Investments

- It was noted that the Parish Council has moved to Unity Trust Bank account: Great Alne Parish Council Current Account XXXXXX48 and Instant Access Account XXXXXX51.

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Year End Procedures

- Year end accounts are prepared correctly on a receipts and payments basis and the bank statements and ledger reconciled.

Misc

- The Council adopted the Stratford-upon-Avon District Council LGA Code of Conduct at the Annual meeting and this is available on the website.
- The Clerk informed me that all electronic files are backed up to an external hard drive.
- Arrangements are in place for public inspection of the Councils records.
- The Council is registered with ICO.
- All points at the last audit have been addressed.

For the year 2022/2023 an audit trail of the following cheques was carried out:-

CHEQUE NUMBER	PAYEE	AMOUNT £
200504	Limebridge Rural Services Ltd	505.92 Not minuted?
200510	Botany Bay Nurseries Ltd	220.05
200515	K Brown	441.90
200534	K Brown	497.56
DD	nPower Business Solutions	166.06
332232963	WCC	240.19

Conclusion

It is my opinion that the various records and procedures in place for the Council provide a good standard of control.

This report should be noted and taken to the next meeting of the Parish Council to inform them of the Internal Audit work carried out. The details of this Internal Audit Report should be minuted by the Parish Council.

I would like to acknowledge the support and assistance provided by the Parish Clerk during the internal audit review.

Eleanor Choudry, CiLCA, AAT

Internal Auditor

14th May 2022

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