

HEELIS & LODGE

Local Council Services • Internal Audit

Internal Audit Report for Hopton cum Knettishall 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: £10,267 Expenditure: £12,513 Ear Reserves: £40,000 Reserves £15,210

AGAR 2023 / 2024 Completion:

Section One: No

Section Two: Yes - unsigned

Annual Internal Audit Report 2023 / 24: Yes

Certificate of Exemption: Yes - unsigned

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: 22nd May 2023 (Ref: 9a)

Financial Regulations in place: Yes

Reviewed: 22nd May 2023 (Ref: 9b)

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 – ZA187274 Expiry 14/06/2024

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 22nd May 2023 (Ref: 9c). Internal Controls were reviewed at a meeting held on 12th June 2023 (Ref: 7)

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.

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: **Yes**

Website: www.hopton.onesuffolk.net

- a) all items of expenditure above £100
Published – Yes
- b) annual governance statement (By 1 July)
2023 Annual Return, Section One Published – Yes
- c) end-of-year accounts (By 1 July)
2023 Annual Return, Section Two Published – Yes
- d) internal audit report (By 1 July)
2023 Annual Return, Section Four Published – Yes
- e) list of councillor or member responsibilities
Published – Yes
- f) the details of public land and building assets (By 1 July)
Published – Yes
- g) minutes, agendas and meeting papers of formal meetings
Published – Yes

The Council have met the requirements of the Transparency Code for smaller councils.

Under **The Local Audit (Smaller Authorities) Regulations 2015 9(6 & 7)** a smaller council having certified itself as an Exempt Authority must publish on their website:

Certificate of Exemption

Certificate of Exemption 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 16th 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: £????? (2023 / 2024) Date: 16th January 2023 (Ref: 9c)

Precept: £????? (2024 / 2025) Date: 15th January 2024 (Ref: 9b&c)

*Good budgetary procedures are in place. The precept was agreed in full council, **but the precept amount has not been 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.*

Recommendation (1): *The Precept amount should be minuted in the Precept resolution.*

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.

Cemetery fees were reviewed at the meeting on 9th October 2023 (Ref: 8).

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 – SALC Payroll Service**

Employer PAYE Reference: 120/FA59982

P60's issued: Yes

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

Asset control	<p>Inspection of asset register and checks on existence of assets Cross-checking on insurance cover</p> <p><i>A separate asset register is in place. Values are recorded at cost value/insurance value. The total value of assets is recorded at £13,718. The figure in the asset register corresponds with the figure in Section 2, Box 9 of the AGAR.</i></p>				
Bank Reconciliation	<p>Regularly completed and cash books reconcile with bank statements</p> <p><i>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.</i></p> <p><i>Reconciled Bank Balances as at 31st March 2024 were confirmed as:</i></p> <table border="0" style="margin-left: 40px;"> <tr> <td><i>Barclays Community</i></td> <td style="text-align: right;"><i>£ 9,484.23</i></td> </tr> <tr> <td><i>Barclays Premier</i></td> <td style="text-align: right;"><i>£46,220.68</i></td> </tr> </table>	<i>Barclays Community</i>	<i>£ 9,484.23</i>	<i>Barclays Premier</i>	<i>£46,220.68</i>
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<i>Barclays Premier</i>	<i>£46,220.68</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 (£15,210) and have identified earmarked reserves (£40,000) in their year-end accounts.</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 12th June 2023 (Ref: 7).</i></p> <p><i>Recommendation (2):</i> <i>When applicable, the council's response to the Internal Audit recommendations should be contained in the minutes of the meeting.</i></p> <p><i>Heelis & Lodge were appointed as Internal Auditor at a meeting held on 11th September 2023 (Ref: 12c).</i></p>				

External Audit

The Council formally approved the 2023 AGAR at a meeting of the full Council held on 12th June 2023 (Ref: 7).

The Council declared themselves Exempt from External audit for the 2022-2023 financial year.

Additional Comments/Recommendations

- The Annual Parish Council meeting was held on 22nd 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
24th May 2024

HEELIS&LODGE

Local Council Services • Internal Audit

www.heelisandlodge.co.uk

INVOICE

To:

Hopton cum Knettishall Parish Council
Underwood House
The Street
Rickingham
Diss
IP22 1DZ

Invoice No: HLD2331
Date: 24th May 2024

Details	Quantity	Amount (£)	Total (£)
To carry out Year-end Internal Audit for Hopton cum Knettishall Parish Council for the year ended 31 March 2024.	1	130.00	130.00
Return courier service	1	20.00	20.00
Total			150.00

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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