

# HEELIS & LODGE

## Local Council Services • Internal Audit

### **Internal Audit Report for Great Maplestead 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: £24,384      Expenditure: £40,951      Ear Reserves: £7,505      Reserves: £8,236

#### AGAR 2023 / 2024 Completion:

Section One: **No**

Section Two: **Yes - unsigned**

Annual Internal Audit Report 2023 / 24: **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 cashbook is referenced providing a clear audit trail. Supporting paperwork is in place.*

**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: **17<sup>th</sup> May 2023 (Ref: 9)**

Financial Regulations in place: **Yes**

Reviewed: **17<sup>th</sup> May 2023 (Ref: 9)**

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 – Z2984829 Expiry 22/12/2024

### **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. It is advised that, due to the financial risk associated with the new Data Protection Regulations, this should form part of the Council's Risk Assessment.*

**Recommendation (1):** *To include reference to GDPR in the Council's Risk Assessment.*

Privacy Policy published: Yes

*Insurance was in place for the year of audit. The Risk Assessment and Internal Controls were reviewed at a meeting held on 26<sup>th</sup> July 2023 (Ref: 10.4).*

*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.*

*The annual play area inspection has been undertaken during the year as per meeting on 13<sup>th</sup> March 2024 (Ref: 8).*

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: [www.greatmaplesteadpc.co.uk](http://www.greatmaplesteadpc.co.uk)

*The Council is not subject to the requirements of the Transparency Code for smaller Councils.*

Under **The Accounts & Audit Regulations 2015 13(1a&b)** councils must publish on their website:

Statement of Accounts, External Audit report and Annual Governance statement.

*2023 Annual Return, Section One Published – Yes*

*2023 Annual Return, Section Two Published – Yes*

*2023 Annual Return, Section Three 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 / No*

Period of Exercise of Public Rights

Published 1<sup>st</sup> June 2023 Start Date 5<sup>th</sup> June 2023 End Date 14<sup>th</sup> July 2023

## Budgetary controls

Verifying the budgetary process with reference to council minutes and supporting documents

Precept: £11,000 (2023 / 2024) Date: 11<sup>th</sup> January 2023 (Ref: 8.6)

Precept: £12,500 (2024 / 2025) Date: 17<sup>th</sup> January 2024 (Ref: 9.2)

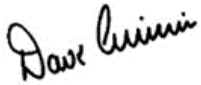
*Good budgetary procedures are in place. The precept was agreed in full council and the precept decision and amount has been clearly minuted. The Clerk ensures the council are aware of responsibilities, commitments, forward planning and the need for adequate reserves. Budget papers are prepared to ensure councillors have sufficient information to make informed decisions. Budgets are monitored during the year.*

<b>Income controls</b>	<p>Precept and other income, including credit control mechanisms</p> <p><i>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.</i></p>						
<b>Petty Cash</b>	<p>Associated books and established system in place</p> <p><i>A satisfactory petty cash system is in place. A sample of receipts was examined from 01/04/2023 to 31/03/2024 (1 transaction) and the balance at 31<sup>st</sup> March 2024 was £0.00</i></p>						
<b>Payroll controls</b>	<p>PAYE and NIC in place where necessary.  Compliance with Inland Revenue procedures  Records relating to contracts of employment</p> <p>PAYE System in place: <b>Yes – J&amp;M Payroll Services</b>  Employer PAYE Reference: 475/YE15184  P60's issued: Yes</p> <p><i>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 have not joined the LGPS / NEST pension scheme.</i></p> <p><i>It is noted that the Council did not undertake a review of salaries at a meeting held during the year of Audit.</i></p>						
<b>Asset control</b>	<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. The total value of assets is recorded at £120,192. The figure in the asset register corresponds with the figure in Section 2, Box 9 of the AGAR.</i></p> <p><i>The Fixed Asset Register was reviewed by the council on 26<sup>th</sup> July 2023 (Ref: 10.5).</i></p>						
<b>Bank Reconciliation</b>	<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 31<sup>st</sup> March 2024 were confirmed as:</i></p> <table border="0" style="margin-left: 40px;"> <tr> <td><i>Nat West Business</i></td> <td style="text-align: right;"><i>£2,230.68</i></td> </tr> <tr> <td><i>Nat West Reserve ****7055</i></td> <td style="text-align: right;"><i>£6,005.26</i></td> </tr> <tr> <td><i>Nat West Reserve ****1392</i></td> <td style="text-align: right;"><i>£7,505.70</i></td> </tr> </table>	<i>Nat West Business</i>	<i>£2,230.68</i>	<i>Nat West Reserve ****7055</i>	<i>£6,005.26</i>	<i>Nat West Reserve ****1392</i>	<i>£7,505.70</i>
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<b>Reserves</b>	<p>General Reserves are reasonable for the activities of the Council Earmarked Reserves are identified</p> <p><i>The Council have adequate general reserves of £8,236 and have identified earmarked reserves of £7,505 in their year-end accounts.</i></p>
<b>Year-end procedures</b>	<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 &amp; Payments basis.</i></p>
<b>Sole Trustee</b>	<p>The Council has met its responsibilities as a trustee</p> <p><i>The Council is not a sole trustee.</i></p>
<b>Internal Audit Procedures</b>	<p><i>The 2023 Internal Audit report was considered by the Council at a meeting held on 17<sup>th</sup> May 2023 (Ref: 13.2).</i></p> <p><i>Heelis &amp; Lodge were appointed as Internal Auditor at a meeting held on 13<sup>th</sup> March 2024 (Ref: 9.3).</i></p>
<b>External Audit</b>	<p><i>The Council formally approved the 2023 AGAR at a meeting of the full Council held on 17<sup>th</sup> May 2023 (Ref: 13.3 &amp; 4).</i></p> <p><i>The External Auditor's report was not considered at a meeting held during the year of Audit.</i></p> <p><i>The following matters were brought to the attention of the Council:</i></p> <p><i>The council had not provided an adequate explanation for the variance between the prior and current year values in Box 9 of Section 2.</i></p> <p><b><i>Recommendation (2):</i></b> <i>It is a requirement that the External Auditor's report be reviewed at a meeting which is to be recorded in the minutes along with any actions to be taken.</i></p>

### **Additional Comments/Recommendations**

- The Annual Parish Council meeting was held on 17<sup>th</sup> 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**

24<sup>th</sup> April 2024

# HEELIS&LODGE

Local Council Services • Internal Audit

[www.heelisandlodge.co.uk](http://www.heelisandlodge.co.uk)

## INVOICE

**To:**

Great Maplestead Parish Council  
New House  
Saint Giles Close  
Great Maplestead  
Halstead  
CO9 2RW

Invoice No: HLD2315  
Date: 24<sup>th</sup> April 2024

Details	Quantity	Amount (£)	Total (£)
To carry out Year-end Internal Audit for Great Maplestead Parish Council for the year ended 31 March 2024.	1	220.00	220.00
Total			220.00

**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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Lynne Lodge Dip HE Local Policy