

# Keith Robertson

## Internal Audit Services

### WARBLETON PARISH COUNCIL

#### Internal Audit Report 2023-24

#### Introduction

In accordance with the Internal Audit Plan, Controls and Procedures have been tested. The tests were to the standards and practices defined in the Governance and Accountability for Smaller Authorities 2023 and meet the needs of the Council. I confirm that I do not have any role within the Council and have carried out my duties without bias.

The audit was completed on 29<sup>th</sup> April 2024 at the Ruslake Green Village Hall Clerk/RFO and Council Chairman present.

The audit confirmed that the financial management and internal controls applied in 2023-24 were good order. There are no issues that require noting on the IA for 2023-24.

The report below highlights the findings of the audit with reference to the Internal Control Objectives and Governance Statements in the Annual Return.

#### Update on Items reported in the Audit 2022-23

**Internal Audit** – No issues reported by the external review.

**D.1** Clarity on budgeting and reporting of reserves. **Completed.**

**D.3** Reporting of actual data reconciling with the cash book. **Completed.**

#### Internal Audit Report 2023-24

##### **A. Appropriate Accounting Records.**

- A.1 The cash book is held in Excel and is kept up to date. The data held for each transaction is correct; the cash book is arithmetically correct and regularly balanced. Vat is properly accounted for.
- A.2 Financial year end reports produced agree to the financial records and the AGAR.

##### **B. Financial Regulations, documentation and approvals.**

- B.1 Standing orders and Financial regulations were re-adopted in 2023
- B.2 Expenditure Approval. All of the items chosen in the sample of payments from the cash book were supported by invoices/supporting documentation and VAT was correctly accounted for.
- B.3 Invoices for payment are processed by the Clerk, presented to Cllrs at meetings for approval. When approved, on line payments are entered by the clerk and approved by Cllrs. Supporting documents are initialled by Cllrs.
- B.4 Expenditure authorisation is minuted and refers to payments listed.
- B.5 Agendas & Minutes are sent out in time and are well presented.
- B.6 VAT is correctly accounted for and are up to date. Noted a small underclaim for 2022-23 but this does not change the reported R&P.
- B.7 Bank reconciliations were carried out monthly and approved in the minutes.

##### **C. Risk**

- C.1 A formal risk register is held and is adequate for the needs of the Council.
- C.2 Internal Audit Effectiveness. The F&GP committee regularly review controls
- C.3 Insurance – The Parish Council's Insurance cover is more than adequate for the asset values listed in the register.
- C.4 Data is backed up using Microsoft Cloud with recovery procedures in place.

**D. Budgeting & Precept**

- D.1 Budgetary Control – An annual budget is prepared in support of the precept, which considers prior year actual, actual to date and a forecast of R&P and reserves. The budget review process is robust and well managed via the F&GP. Budgets and the precept were properly approved by the Council
- D.2 Reporting. Actual expenditure is reported and is compared to the budget by quarter. Any significant variances are explained.

**E. Receipts.** Receipts are primarily from the precept and Cil with adequate controls in place.

**F. Petty Cash** – No petty cash is held.

**G. Employee Costs**

- G.1 Staff Wages – Sample checks on salary payments confirmed that these were properly accounted for and approved by the Council. Payroll data sampled reconciled to the cash book. Cash book staff costs agree to the AGAR.

**H. Assets**

- H.1 An Asset register has been created to list all assets and apply values. The total of assets reported agrees to the AGAR. Year on year changes noted.

**I. Bank Reconciliations.**

- I.1 Bank Reconciliations are completed monthly and reviewed by the Council. Bank reconciliations as 31-3-24 were reviewed in this audit and confirmed as correct.

**J. Accounting Statements.**

- J.1 The accounts are maintained on a receipts and payments basis using a Excel spreadsheet and agree to the financial reports and the Annual Return.
- J.2 There is an audit trail through the financial records with all items sampled being properly reported and approved.
- J.3 Reserves total £21.8K. Earmarked reserves were £8.9K including £5.8K of CiL General reserves of £12.9K are considered adequate by the Council.

**K. Limited Assurance Review Exemption.**

The Council did not exempt itself in 2022-23

**L. Information required to be published the on a website/webpage.** The Council did correctly publish this information for 2022-23 in 2023-24

**M. Notice of Public Rights 2022-23.** The Council correctly posted this notice on its website in 2023-24

**N. Publication requirements 2022-23 AGAR.** The Council correctly published the required documents in 2023-24

**O. Trustees.** The Council is not a trustee.

Keith Robertson FCMA  
Internal Auditor

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