

# HEELIS&LODGE

## Local Council Services • Internal Audit

### Internal Audit Report for Westhall 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: £4,113

Expenditure: £4,223

Reserves: £8,950

#### AGAR 2023 / 2024 Completion:

Section One: Yes - signed

Section Two: Yes - signed

Annual Internal Audit Report 2023 / 24: Yes

Certificate of Exemption: Yes - signed

**Proper book-keeping** Cash Book, regular reconciliation of books and bank statements. Supporting vouchers, invoices and receipts

*All were found to be in order. LGAs137 and 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 well 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: 22<sup>nd</sup> May 2023 (Ref: 8)

Financial Regulations in place: Yes

Reviewed: 22<sup>nd</sup> May 2023 (Ref: 8)

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.*

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## 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 – ZA218208 Expiry 11/12/2024

### 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. 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 and Internal Controls were reviewed at a meeting held on 11<sup>th</sup> March 2024 (Ref: 12).*

*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.westhall.onesuffolk.net](http://www.westhall.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 13<sup>th</sup> June 2023 Start Date 19<sup>th</sup> June 2023 End Date 28<sup>th</sup> July 2023

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

Precept: £4,009.95 (2023 / 2024) Date: 9<sup>th</sup> January 2023 (Ref: 7c)

Precept: £4,100.00 (2024 / 2025) Date: 8<sup>th</sup> January 2024 (Ref: 6c)

*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.*

### 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.*

### 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/YE47220

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.*

*It is noted that the Council undertook a review of salaries at a meeting held on 13<sup>th</sup> November 2023 (Ref: 14).*

### Asset control

Inspection of asset register and checks on existence of assets

Cross-checking on insurance cover

*A separate asset register is in place. Values are recorded at cost value. The total value of assets is recorded at £10,461. The figure in the asset register corresponds with the figure in Section 2, Box 9 of the AGAR.*



## Bank Reconciliation

Regularly completed and cash books reconcile with bank statements

*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.*

*Reconciled Bank Balances were confirmed as:*

*Barclays Current £8,949.27*

*Barclays Premium £ 1.00*

## Reserves

General Reserves are reasonable for the activities of the Council

Earmarked Reserves are identified

*The Council have adequate general reserves (£4,490.99) and have identified earmarked reserves (£4,459.05) in their year-end accounts.*

## Year-end procedures

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.

*End-of-year accounts are prepared on a Receipts & Payments basis.*

## Sole Trustee

The Council has met its responsibilities as a trustee

*The Council is a Trustee of the Recreation Ground Charity (Reg. 304833).*

*The last annual submission of the accounts for the year ended 31<sup>st</sup> March 2023 was on the 21<sup>st</sup> April 2024.*

*It is noted that the Charity bank account is in the name of Westhall Parish Council and that the trustee is not named as the sole trustee of the charity on the Charity Commission website, instead individual councillors are named as trustees.*

**Recommendation (1):** *As sole trustee of a charity, it is recommended that the council change the name of the Charity bank account to the Charity Name and register the Parish Council as the sole trustee with the Charity Commission.*

## Internal Audit Procedures

*The 2023 Internal Audit report was considered by the Council at a meeting held on 11<sup>th</sup> September 2023 (Ref: 7c).*

**Recommendation (2):** *When applicable, the council's response to the Internal Audit recommendations should be contained in the minutes of the meeting.*

*The council reviewed the effectiveness of Internal Audit on 11<sup>th</sup> March 2024 (Ref: 12).*

*Heelis & Lodge were appointed as Internal Auditor at a meeting held on 11<sup>th</sup> March 2024 (Ref: 8c).*

## External Audit

*The Council formally approved the 2023 AGAR at a meeting of the full Council held on 22<sup>nd</sup> May 2023 (Ref: 6a-e)*

*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 22<sup>nd</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*

**Dave Crimmin PSLCC**

**Heelis & Lodge**

3<sup>rd</sup> June 2024