**Helhoughton Parish Council**

Internal Audit Report

For Helhoughton Parish Council

Financial Year 22/ 23

Prepared by Di Dann, CiLCA , FILCA qualified

5th May 2023

T 01328 878196

E mail didann@outlook.com

I have completed an internal audit of the accounts for Helhoughton Parish Council for the year ending 31st March 2023.

My findings are detailed below using the tests provided in the **Governance and Accountability (England) March 2022.**

**I would like to thank the Clerk/RFO for providing me with all the information required for the Internal Audit.**

| **Internal control** | **Test** | **Observations** |
| --- | --- | --- |
| Proper bookkeeping | Is the cashbook maintained and up to date? | Yes |
| Is the cashbook arithmetically correct? | Yes |
| Is the cashbook regularly balanced? | Yes |
| Standing Orders, Financial Regulations and payment controls | Has the council formally adopted Standing Orders and Financial Regulations? | Yes |
| Date Standing Orders last reviewed | April 2021 |
| Date Financial Regulations last reviewed | April 2021 |
| Has a Responsible finance officer been appointed with specific duties? | Yes |
| Have items or services above the de minimus amount been competitively purchased? | Yes |
| Are payments in the cashbook supported by purchase orders, invoices, authorised and minuted? | Yes |
| Has VAT on payments been identified, recorded and reclaimed? | Yes  Reclaimed to 3/22 |
| Is s137 expenditure separately recorded and within statutory limits? |  |
| Have S137 payments been approved and included in the minutes as such? |  |
| Risk management arrangements | Does a review of the minutes identify any unusual financial activity? | No |
| Do minutes record the council carrying out an annual risk assessment or review of their risk management scheme? | Agreed April 2021 |
| Is insurance cover appropriate and adequate? | Yes |
| Are internal financial controls documented and regularly reviewed? | ICO appointed – reporting to council meetings as per Fin Regs. |
| Budgetary controls | Has the council prepared an annual budget in support of its precept and has this been minuted as being approved? | Yes |
| Has the precept been calculated from the budget and been approved? | Yes |
| Does the budget include an actual completed year? | Yes |
| Is actual expenditure against budget regularly reported to the council? | Yes – at half year point |
| Are there any significant unexplained variances from budget? | No |
| Income controls | Is income properly recorded and promptly banked? | Yes |
| Does the precept recorded agree to the Council Tax authority’s notification? | Yes |
| Does the Clerk have delegated authority (s1010 | Yes - £500 |
| Payroll controls | Do all employees have contracts of employment with clear terms and conditions? | Yes |
| Do salaries paid agree with those approved by the council? | Yes |
| Are salaries above the National Living Wage/Minimum Wage? | Yes |
| Are other payments to employees reasonable and approved by the council? | Yes |
| Have PAYE/NIC been properly operated by the council as an employer? | Yes |
| Asset controls | Does the council maintain a register of all material assets owned or in its care? | Yes |
| Are the assets and Investments registers up to date? When were these last reviewed? | Yes |
| Do asset insurance valuations agree with those in the asset register? | Yes |
| Bank reconciliation | Is there a bank reconciliation for each account and is this reported to council? | At year end |
| Is a bank reconciliation carried out regularly and in a timely fashion? | Yes |
| Are there any unexplained balancing entries in any reconciliation? | No |
| Is the value of investments held summarised on the reconciliation? | Working Balance at year end |
| Year-end procedures | Are year-end accounts prepared using the correct accounting basis (Receipts and Payments or Income and Expenditure)? | Yes ( R & P) |
| Do accounts agree with the cash book? | Yes |
| Has a year-end bank reconciliation been undertaken? | Yes |
| Is there an audit trail from underlying financial records to the accounts? | Yes |
| Where appropriate, have debtors and creditors been properly recorded? | N/A |
| Procedural | Have points raised on the last Internal Audit report been considered by council and actioned? | Yes |
| Policy documents routinely updated? | Yes |
| Transparency: For smaller councils with turnover under £25,000 | Minutes for whole year on website? | Yes |
| Agendas for whole year on website? | Yes |
| Payments over £100 detailed on website?  Bank Reconciliation for year end?  Reasons for Variations? | Detailed in minutes  Yes  Yes |
| Electors’ rights advertised on website? | No – see below |
| Councillors’ responsibilities detailed on website? | No – see below |
| Last financial year’s AGAR on website? | Yes |
| Land and building assets details on website? (Description, location, owner/leaseholder, date and cost of acquisition and present use) | Included on Asset Register which is on the website |
| Burial Authorities only | Are fees levied in accordance with the Council’s approved scale of fees and charges? | Yes |
| Have fees for the cemetery been reviewed and agreed by Council? | Yes - May 2022 |
| Were comparisons made with other cemeteries prior to setting the fees? | Yes |
| Have burial books been kept up to date and are they safely stored? | Yes |
| General Data Protection Regulation (compliance from 25 May 2018)  FOI Publication Scheme | Has the Council put in place a privacy policy?  Is it on the website? | Yes  Yes |
| Is there an FOI Publication Scheme?  Is it on the website?  Is it updated? | Yes  Yes  Yes Nov 2021 |

**Summary of my recommendations:**

**Electors Rights**

RFO to note this should be advertised for at least the full year.

**Invoices**

Issue invoices to Funeral Directors. The Invoices should be kept for future reference – not just financial but to locate families, via the Funeral Director. e.g. in the event of unstable memorials.

**Risk Management Policy**

Include the Cemetery in the Policy.