

## Bradford-on-Tone Parish Council Internal Audit Report Financial Year 2023-24

Internal audit carried out by:

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Date of audit: 23<sup>rd</sup> and 24<sup>th</sup> June 2024

Smaller authorities are required by the Accounts and Audit Regulations 2015 to 'undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance'.

This report details the results of the Internal Audit for Bradford on Tone Parish Council which has been carried out in accordance with the requirements as detailed within the Joint Panel on Accountability and Governance Practitioners Guide 2023.

General Information	Yes/No	Comments
Was the higher of gross income or gross expenditure £25,000 or less? Does the Council meet the qualifying criteria and wishes to certify itself as exempt from a limited assurance review?	N/A	Receipts and payments are below £25,000 for 2023-24 and the Council will meet the qualifying criteria this year.
Does the Council have the General Power of Competence?	No	
Have the accounting statements prepared during the year been prepared as Receipts and Payments or Income and Expenditure?		Receipts and Payments
Tests	Yes/No	Comments and recommendations
Financial		
Are there Financial Regulations in place? Have they been reviewed recently? Are they using the most recent version of the NALC Model Financial Regulations?	Yes Yes Yes	Reviewed 09.01.24 – no changes
Was the process for agreeing the budget for 2022-23 documented and was the budget approved?	Yes	Budget agreed at Parish Council meeting held on 05.01.23 item 103. Report circulated for councillors to consider. Discussion included ear marked reserves
Has the Council considered the establishment of specific earmarked reserves and did it review the level and	Yes	The following ear-marked reserves were agreed as part of the budget setting process: £5,500 general contingency fund £2,500 election contingency

purpose of these as part of the budget setting process?		£5,000 staffing contingency
Does the Council have adequate reserves taking into account any earmarked reserves?	Yes	General reserves are within the appropriate level of a Smaller Authorities General Reserve. (It is recommended that this should be maintained at between three and twelve months of the precept. The smaller the council the nearer twelve months this should be).
Does the Council have a General Reserves Policy?	Yes	Approved at the meeting held on 16.05.23 and reviewed on 09.01.24
Was the 2022-23 precept approved by the Council? Was the amount requested, recorded in the minutes?	Yes	Precept agreed at Parish Council meeting held on 05.01.23 item 104 Minuted that £10,250 was agreed.
Does the precept received match the amount requested on the submission form for 2022-23?	Yes	£10,250 received
Has the correct balance been carried forward from 2022-23?	Yes	
Was all expected income fully received based on correct prices, was it properly recorded in the Cashbook and promptly banked	Yes	All expected income fully received, properly recorded and all payments made into the Council's bank account.
Is there a procedure for checking the accuracy of supplier invoices before they are presented for payment?	Yes	Minuted that the invoices have been checked for accuracy
Are payments correctly authorised in line with the Council's payment controls?	Yes	Payments approved at meetings
Are all payments included in the minutes?	Yes	
Does the Clerk have a debit or credit card? If so, what are the monthly and individual transaction limits? Are there appropriate controls over the physical security and usage of the card/s.	No	
Are all payments correctly recorded in the Cashbook?	Yes	
Is VAT correctly accounted for in the Cashbook?	Yes	Checked against invoices
Are any payments made using S137 correctly identified?	Yes	Poppy appeal
Is the arithmetic in the Cashbook accurate?	Yes	
Are payments made by cheque, online banking or both?	N/A	Cheque payments with 2 signatures. Parish Council has agreed to move its banking from NatWest Bank to Lloyds Bank.

Is the payment procedure the same as agreed in the Council's Financial Regulations?	Yes	
Does the Council have any petty cash payments?	No	Expense claims are made
Are bank reconciliations prepared routinely and are they subject to independent scrutiny and sign off by members?	Yes	Bank reconciliations are presented at Parish Council meetings. Minuted that bank statement presented at meeting on 12.09.23. There was an issues with a bank statement not being provided by the bank and therefore a bank reconciliations couldn't be produced for a meeting.
Does the bank balance at 31 March 2024 agrees to the accounts and AGAR Section 2, line 8 for 2023-24?	Yes	
Does the Council have bank balances in excess of £100,000? If so, does it have an appropriate investment strategy?	No	
Are VAT reclaims prepared and submitted in a timely manner in line with the underlying records and in accordance with current HMRC requirements?	Yes	
Does the Council regularly review and monitor its spending against its budget and are monitoring reports produced?	Yes	Regular reviews are carried out with reports considered.
Are there procedures in place for acquisition of formal tenders and quotes? Are they in line with the Council's Standing Orders and Financial Regulations (Which should be based on the latest version)? Are consistent values in place for the acquisition of formal tenders between Standing Orders and Financial Regulations?	Yes  Yes  Yes	No formal tenders needed   Values have not been updated in line with new thresholds
<b>Tangible fixed assets</b>		
Are asset and investment registers complete and accurate and properly maintained?	Yes	Asset Register reviewed 16.05.23 and play equipment and coronation bench added.
Borrowing and Lending:	N/C	No loans
<b>Risk management</b>		
Insurance cover in place Has the policy been reviewed this year and has that been minuted? Does the Council have the appropriate level of cover for: <ul style="list-style-type: none"> <li>• Land (if any)</li> </ul>	Yes	Council agreed a 5 year long term agreement with Zurich Municipal commencing on 01.06.22. Query raised regarding land the play equipment is on.

<ul style="list-style-type: none"> <li>• Buildings (if any)</li> <li>• Public liability</li> <li>• Employers' liability</li> <li>• Fidelity Guarantee</li> </ul>		<p>No land owned by the Council</p> <p>No buildings owned by the Council</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>
Does the Council have more than £85,000 in its bank accounts and, if so, are these accounts all with the same bank?	No	Below £85,000. Accounts covered by FSCS
Has the Council reviewed the effectiveness of its internal controls?	Yes	Reviewed at Parish Council meeting on 16.05.23 item 137
Is there a Risk register in place, is it up to date and has it been reviewed within last 12 months?	Yes	There is a risk register in place but not reviewed during 2023-24. The one on the website is very out of date.
Are appropriate arrangements in place for monitoring play areas? Are such reviews undertaken by appropriately qualified external inspectors or, if by officers or members, have they received the appropriate training and accreditation?		Regular weekly play area inspections are carried out.
<b>Employment</b>		
Do the Clerk and any other Council employee have a Contract of employment in place? Have there been any changes to the contract and, if so, is there a letter confirming the changes?		The Council only has one employee, the Clerk. Appointed on 01.01.23. Contract of Employment in place.
Is the gross pay due calculated in accordance with the appropriate spinal point/hourly rate on the NJC scale and contracted hours. Is the correct tax code being applied for each employee	Yes	National annual pay award for Clerk/RFO approved at meeting held on 09.01.24.
Are payroll procedures carried out correctly and PAYE, NI and pension correctly accounted for?	Yes	HMRC payroll software used
Does the Clerk receive a tax free working from home allowance, as allowed by HMRC?	No	
Are staffing costs correctly recorded in Section 2, line 4 of the 2022-23 Accounting Statements?	Yes	
Has the Clerk received any training in year?	Not covered	The Clerk is CILCA qualified
Does the Council have an Absence and Sickness Policy and if not, are arrangements included in Contracts of Employment?	No	Information included in Contract of Employment

Does the Council have an Annual Leave Policy and if not, are arrangements included in a Contract of Employment?	No	Information included in Contract of Employment
Does the Council have a Grievance and Disciplinary Policy and if not, are arrangements included in a Contract of Employment?	No	included in Contract of Employment
<b>Compliance with the publication requirements under the Accounts and Audit Regulations 2015. Authorities must publish the following information on the authority website/webpage:</b>		<b>AGAR Form 2 – These tests only apply to Councils that had a Limited Assurance Review</b>
Was a notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited published on the website?	Yes	Publication date 29 June. Period for inspection 29 June to 9 August was correct number of days and included first 10 working days of July
Is AGAR Section 1 - Annual Governance Statement 2021/22, approved and signed, published on the website?	Yes	
Is AGAR Section 2 - Annual Governance Statement 2022/23, approved and signed, published on the website?	Yes	
Is the AGAR Annual Internal Audit Report for 2022-23 published on the website? (Recommended as best practice)	Yes	
Have documents required under the Transparency Code been published on the website	Mostly	Payments over £100 in 2022-23 not published
<b>Members</b>		
Is the Council's Code of Conduct in place, has it been reviewed recently and is it up to date?	Yes	Not reviewed in year. Councillors previously agreed not to adopt the LGA Code of Conduct
Are all councillors' Register of interests up to date?	Yes	Details on website
<b>Other policies and procedures (are they in place and up to date?)</b>		
Standing Orders	Yes	09.01.24
Anti-fraud and Corruption	No	
Data Protection	Yes	2018
Privacy Notice/s	No	
Awarding of Grants	No	
Equality	No	Equality Statement on agendas
Complaints	No	
Safeguarding	No	
Information Publication Scheme	Yes	May 2018. Suggest updating as more information could be provided by email
<b>Other matters</b>		

Did the Council take appropriate action on all matters raised in reports from internal and external audit?	Yes	Plan put in place
What are the arrangements for website management?	N/A	Website provider provides support.
Does the website have an accessibility statement?	No	Accessibility statement needs to be added to the website.
Are there arrangements in place for IT backup?	Yes	The Clerk has a laptop and back up hard drive.

I have carried out the internal audit for 2023/24 in accordance with what I have considered to be this authority's needs and planned coverage. Good progress on the Parish Council's governance has continued during 2023-24 and the Council has met all the internal control objectives in 2023-24.

Signed: *Jee Larcambe*

Date: 23/06/24 and 24/06/24