

HEELIS & LODGE

Local Council Services • Internal Audit

Internal Audit Report for Campsea Ashe Parish Council – 2022/2023

The following Internal Audit was carried out on the adequacy of systems of control. The following recommendations/comments have been made:

Income: £17,243.08 Expenditure: £16,093.29 Reserves: £10,876.20

AGAR Completion:

Section One: [Yes – to be signed](#)

Section Two: [Yes – to be signed](#)

Annual Internal Audit Report 2022/2023: [Yes](#)

Certificate of Exemption: [Yes](#)

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: [21/3/2023 \(Ref: 5\)](#) and [17/5/2022 \(Ref: 7\)](#)

Financial Regulations in place: [Yes](#)
Reviewed: [21/3/2023 \(Ref: 5\)](#) and [17/5/2022 \(Ref: 7\)](#)

VAT reclaimed during the year: [Yes](#) Registered: [No](#)

General Power of Competence: [No](#)

There were no tenders during the year that exceeded the £25,000 Public Contract Regulations threshold.

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The Council reviewed and adopted the Code of Conduct, GDPR Policies and Transparency Code at a meeting held on 21/3/2023 (Ref: 5).

The Council reviewed and approved the Equality and Diversity Policy at a meeting held on 17/5/2022 (Ref: 22.10.3).

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 (Ref: ZA453464)

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: *To include reference to GDPR in the Council's Risk Assessment.*

Privacy Policy published: *No*

Recommendation: *To publish the Council's Privacy Policy on the website.*

Insurance was in place for the year of audit and was reviewed at a meeting held on 27/9/2022 (Ref: 22.37). The Risk Assessment and Internal Controls were reviewed at a meeting held on 21/3/2023 (Ref: 5).

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.

Bank signatories were reviewed and approved at the annual meeting held on 17/5/2022 (Ref: 3).

The annual play area inspection has been undertaken during the year (Ref: 26/9/2022).

Fidelity Cover: £50,000

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: <http://campseaashe.onesuffolk.net/parish-council/>

- a) all items of expenditure above £100
Published – Yes – contained within the minutes
- b) annual governance statement (By 1 July)
2021 Annual Return, Section One Published – Yes
- c) end of year accounts (By 1 July)
2021 Annual Return, Section Two Published – Yes
NB The Council should ensure they declare Charity status in Box 11
- d) internal audit report (By 1 July)
2021 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 Transparency requirements.

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 Accounts & Audit Regulations** councils must publish on their website:

Notice of period for the exercise of public rights

Published – Yes

Period of Exercise of Public Rights

Start Date *13/6/2022*

End Date *22/7/2022*

Under the requirements of the **Accounts and Audit Regulations 2015 13(2b)** council are required to display AGAR's for the five years 2017-18, 2018-19, 2019-20, 2020-21 and 2021-22 on their website.

The Council should ensure that they meet the publication requirements.

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Budgetary controls
supporting documents

Verifying the budgetary process with reference to council minutes and

Precept: £6,000 (2023-2024) Date:17/1/2023 (Ref: 22.63.2)
Precept: £6,000 (2022-2023) Date:18/1/2022 (Ref: 21.47.2)

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.

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 expenses 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**
Employer's Reference: [120/LA59050](#)
P60s issued: **Yes**

The Council continue to operate RTI in accordance with HMRC regulations. Payroll is outsourced. Supporting paperwork is in place and a P60 has been produced as part of the year end process. Salaries have been reviewed during the year.

Asset control

Inspection of asset register and checks on existence of assets
Cross checking on insurance cover

A separate asset register is in place and was reviewed at the meeting held on 21/3/2023 (Ref: 5) and 27/9/2022 (Ref: 22.37). Values are recorded at cost value/insurance value. The total value of assets are recorded at £103,473. 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.

Bank Balances at 31 March were confirmed as:

		Bank Rec	Bank Statement
Barclays Community	xxxx7299	£7,430.10	£7,430.07
Barclays Savings	xxxx5066	£3,693.20	£3,693.15

There appears to be a minor discrepancy between the bank account balances at 31/3/2023 in the bank reconciliation and the bank accounts.

Recommendation: *That the bank reconciliation should reflect the figures in the bank accounts at 31/3//2023.*

Reserves General Reserves are reasonable for the activities of the Council
Earmarked Reserves are identified

The Council have general reserves (£3,404) and have identified earmarked reserves (£7,472) in in their year end accounts. General Reserves are just of half the precept. It is suggested that a small Council would be looking to hold general reserves nearer to 9-12 months running costs.

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 not a sole trustee.

Internal Audit Procedures

The 2022 Internal Audit report was considered by the Council at a meeting held on 17/5/2022 (Ref: 3) and 17/5/2022 (Ref: 22.10.2).

Heelis & Lodge were appointed as Internal Auditor at a meeting held on 21/3/2023 (Ref: 5).

External Audit *The Council formally approved the 2022 AGAR at a meeting of the full Council held on 17/5/2022 (Ref: 3).*

The Council declared themselves Exempt from External audit for the 2021-2022 financial year. The 2022 Exemption Certificate was agreed and signed at a meeting held on 17/5/2022 (Ref: 3).

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Additional Comments/Recommendations

- The Council held the Annual Parish Council meeting was held on 17/5/2022. The first item of business was the Election of Chairman, in accordance with Standing Orders.
- The website would benefit from updating. A number of documents are old and out of date, these should be removed or replaced. A little bit more structure would be beneficial and make the website more user-friendly. Document labelling could be improved to ensure it is clear what the document is.
- 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 his assistance during the course of the audit work



Heather Heelis
Heelis & Lodge
14 May 2023

HEELIS&LODGE

Local Council Services • Internal Audit

www.heelisandlodge.co.uk

INVOICE

To:

Campsea Ashe Parish Council

Invoice No: HL9336

Date: 14 May 2023

Details	Quantity	Amount (£)	Total (£)
To carry out Year End Audit for Campsea Ashe Parish Council for the year ended 31 March 2023	1	130.00	130.00
Total			130.00

Please make cheques payable to: Heelis & Lodge

Bank Details: Account 02539349 Sort Code 72-00-00

Terms – 14 days

Thank you.

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