

INTERNAL AUDIT REPORT

FOR

WILLOUGHBY PARISH COUNCIL

FOR THE FINANCIAL YEAR

2023 - 2024

Prepared by: Bill Robinson

Issued May 2024

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Statement of Responsibility

The audit work I have undertaken was carried out based upon the Internal Audit Scope agreed with Willoughby Parish Council

This report has been prepared solely for Willoughby Parish Council's use and should not be quoted in whole or in part. No responsibility to any third party is accepted as the report has not been prepared, nor is intended, for any other purpose.

The matters raised in this report are only those which came to my attention during the course of the audit and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. The Parish Council should assess recommendations for improvements for their full impact on the Parish Council's budget, financial regulations, standing orders, risk assessments, and any other activities before they are implemented.

The responsibility for a sound system of internal control rests with the Parish Council and therefore audit work performed by the Internal Auditor should not be relied upon to identify all circumstances of fraud or irregularity should there be any, although these internal audit procedures are designed so that any material irregularity has a reasonable probability of discovery. Even sound systems of internal control may not be proof against collusive fraud. Internal audit procedures are designed to focus on areas that are considered to be of greatest risk and significance. Effective implementation of Internal Audit recommendations by the Internal Auditor to the Parish Council is important for the maintenance of a reliable internal control system.



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Willoughby Parish Council Internal Audit for the Financial Year 2023 – 2024

The Internal audit was undertaken with the Clerk/RFO of Willoughby Parish Council on 22nd April 2024, and online

Accurate book keeping

- Entries to the cashbook / spreadsheet were checked and found to be up to date and correct.
- Bank reconciliation – this was checked and found to be correct.
- In addition an audit trail of the following payments was carried out.

Payments

For year 1st April 2023 to 31st March 2024

Inv.	Payment	Amount	Payee	Min. ref.
3	BACS	£96.48	Brunel Engraving	18/4/23-9.1
1	D.Debit	£115.94	N.Power	18/4/23-9.1
4	BACS	£543.23	Zurich Insurance	16/5/23-9.1
5	BACS	£234.60	Smith of Derby	16/5/23-9.1
11	BACS	£545.00	Greenstone	13/6/23-9.1
12	BACS	£285.00	M.Cox	13/6/23-9.1
17	BACS	£560.00	Greenstone	11/7/23-9.1
18	BACS	£11.75	R.Honess	11/7/23-9.1
19	D.Debit	£92.63	N.Power	08/8/23-9.1
20	BACS	£48.00	W'by V.Hall	08/8/23-9.1
25&26	BACS	£32.97	A.Ogle	12/9/23-9.1
30	BACS	£118.80	Numbers Plus	12/9/23-9.1
32	BACS	£252.00	Moore	10/10/23-9.1
37	BACS	£96.00	Thomas of Flecknoe	10/10/23-9.1
41	BACS	£984.00	Arbolution	14/11/23-9.1
42	BACS	£346.80	Kirkwells Ltd.	14/11/23-9.1
50	BACS	£312.00	ROSPA	12/12/23-9.1
53	D.Debit	£124.17	N.Power	12/12/23-9.1
55	BACS	£158.40	Wix.com	09/1/24-9.1
57	BACS	£77.39	The Defib.Pad	09/1/24-9.1
59	BACS	£162.89	W'by V.Hall	13/2/24-9.1
60	D.Debit	£129.72	N.Power	09/4/24-9.1

61 D.Debit £114.14 N.Power 09/4/24-9

All payments listed were matched to the individual invoice, bank statement and minute reference.

All payment audit trails were satisfactory

Receipts.

It was noted that all receipts were properly accounted for

Minutes of the Parish Council meetings

All minutes were checked, and found to be satisfactory, with no unusual activity.

It should be remembered that the Chair initial each individual page when minutes are approved (see LCA 7.40; LGA 1972 Sch12 para 41(2))

The designation Draft should be removed when the minutes are approved and signed.

It was noted in the minutes of the meeting on 14 March 23 item 9.4 that the cost of the CiLCA qualification for the Clerk has been approved – good practice to have a qualified Clerk.

Parish Council Agendas

It was noted that all hard copy agendas were properly signed by the Clerk, dated and with no unusual activity listed

Budget Controls

It was noted in the minutes of the meeting on 16th May 2023 item 9,2 that the Parish Council Bank mandate was formally altered – good practice to formally record all changes to the mandate.

It was noted in minute of the meeting of 11/7/23 item 12 that a review of Parish Council bank statements for the quarter to 30/6/23 was carried out by a named Cllr. – it is good practice to formally review bank statements.

It was noted in the minutes of the meeting of 14/11/23 item 9.3 that the budget for the financial year 24/25 have been drafted and presented to the meeting for consideration – this is good practice.

It was noted in the minutes of the meeting of 09/1/24 item 9.3 that the budgets and precept for the financial year 2024/25 were formally approved – good practice.

It was noted in the minutes of the meeting on 9th January 2024 item 9.3 that two quotes for the parish mowing have been invited, one has been received and the other pending – good practice to have more than one contractor.

Income Control

It was noted that all receipts are banked promptly, and satisfactorily checked against the bank statements.

Payroll

It was noted that responsibility for the payment of taxes, NICS, and pensions are still being undertaken by the Parish Council.

It was noted that the Parish Council fulfilled its pension obligations

Receipts and payments spreadsheet

The receipts and payments spreadsheet was checked and found to be accurate to the figures shown

Year end Accounts

The year end accounts were checked and found to be arithmetically correct.

AGAR 2023-2024

It was noted that the Annual Governance and Annual Accounting Statements will be formally approved by the Parish Council, and properly signed by the Chairman and the Clerk/RFO, at the next meeting

The internal auditor completed and signed page 3 of the AGAR 2023-2024 from Moore.

Sec.137 payments

It was noted that Willoughby Parish Council payments under this power totalled £511.86 well within the statutory limits of £3356.31.

Internal audit

It was noted in minute of the meeting on 16th May 2023 item 9.3 that the Internal Audit report for the year ending 31st March 2023 was received and reviewed by Willoughby Parish Council, it is good practice to formally look at all internal audit reports.

It was noted in the minutes of the meeting on 14th November 2023 that the original internal auditor will not carry out the audit and another internal auditor will be approached.

PWLB Loan

It was noted in the extraordinary meeting on 31st January 2024 item 7.1 and 7.2 that the drawdown request for the PWLB, and the signing of the Direct Debit to service the loan were formally approved.

Financial Regulations

It was noted in the minutes of the meeting on 18/4/23 item 11.1 that Willoughby Parish Council's Financial Regulations were formally adopted - good practice from the Parish Council in reviewing regularly

Standing Orders

It was noted in the minutes of the meeting on 18/4/23 item 11.2 that Willoughby Parish Council's Standing Orders were formally adopted - good practice from the Parish Council in reviewing regularly

Code of Conduct

It was noted in the minutes of the meeting on 18/4/23 item 11.3 that Willoughby Parish Council's Code of Conduct was formally adopted - good practice from the Parish Council in reviewing regularly

Insurance

It was noted that Zurich has been chosen as the Parish Council insurer.

It was noted in the minutes of the meeting on 14/3/23 items 12.1 and 12.2 that the flood Action Group and the Street Lighting Action Group meet on a regular basis, it should be noted that it would be in the Parish Council's interest to clarify the position of all volunteers and public liability insurance with the Council insurer – it is good practice for the Parish Council to be aware of the insurance implications for volunteers.

Risk Register

It was noted in the minutes of the meeting on 14th March 2023 item 11.1 that the Parish Council Risk register was formally approved with no updates.

It was noted in the minutes of the meeting on 10th October 2023 item 8.6 that a named Cllr carried out a monthly inspection of the playground, it should be noted that this inspection should be formally recorded, and the Clerk to keep these records.

The Parish Council should ask its insurer if this monthly inspection record is acceptable.

It was noted in the minutes of the meeting on 9th January 2024 item 8.3 that a RoSPA annual inspection report was received which noted no concerns other than low risk for some findings. A named Cllr. will obtain quotes for the minor repairs. It would be in the Council's interest to have the Clerk obtain these quotes and then the Council can determine which quote to take thus removing individual Cllrs from any potential Conflicts of Interest.

It might be in the Parish Council's interest to ask its insurer about a "key worker" policy to cover the extra cost of employing a locum Clerk should the incumbent be ill for any length of time.

Asset Register

The asset register was held on the financial spreadsheet and the figures agreed with the amount shown on the AGAR box 9 - the council is to be congratulated on the clarity of its register.

VAT

It was noted in the minutes of the meeting on 9th April 2024 that the VAT claim for Willoughby Parish Council was properly made.

Asset Register

The Asset Register was checked and found to match the figure detailed in the AGAR Box 9.

Parish Council Policies

It was noted in the minutes of the meeting on 9th May -2022 –item 6 that all Parish Council policies have been approved. All policies have been seen on the Parish Council website

Contracts

It was noted in minute 2022-9-12.i that a mowing contract has been approved – good practice to formally agree all contracts.

It was noted in minute 2022-9-12.ii that terms of reference with DWF Law LLP have been agreed.

It was noted in minute 2022-60-12.2b that the street light maintenance contract was renewed.

Website

It was noted that all Parish Council policies were reviewed online and found to be satisfactory
The Parish Council is to be congratulated on the clarity and content of its website and the ease of usage.

Conclusion

Whilst undertaking the Internal Audit, it is apparent that the Clerk/RFO is carrying out her responsibilities in a manner consistent with the standards required by Local Government Finance Regulations.

Where I have commented on future actions, these are only for Willoughby Parish Council to consider, and implement only if the Council feels that they will improve the Council's procedures.

It will be noted that in the Internal Audit Report 2023/24 of the AGAR Return 2022/23 Part 3 the internal auditor marked item F and K as Not Covered. This does not imply that there is anything untoward regarding the Parish Council accounts, rather this is a response required by the external auditor and in the case of Willoughby Parish Council it means that there is no petty cash, neither is item K applicable to Willoughby Parish Council. A letter to Moore to that effect has been added by the internal auditor.

This concludes the Internal Audit.

Signed.....



Dated 8th May 2024

