

# Internal Audit report

## **Longcot Parish Council**

Year Ending 31 March  
2024

**Internal Auditor: Lisa Wilkinson**

**This internal audit report is based upon the Practitioners' Guide to Governance and Accountability in Local Authorities.**

## Longcot Parish Council Internal audit report 2023-2024

<b>Name of Council</b>	<b>Longcot Parish Council</b>	<b>Name of Clerk to the Council</b>	Tina Brock
<b>No. Of Councillors</b>	5	<b>Name of RFO</b>	Tina Brock
<b>Quorum</b>	3	<b>Precept (for audit year)</b>	<b>£7800</b>
<b>Electorate</b>	<b>436</b>	<b>Gross budgeted income</b>	<b>£8,203</b>

1. Book-Keeping		Comments & Recommendations
1.1	Ledger maintained & up to date?	They were balanced and up to date for Year End
1.2	Arithmetic correct?	Checks of the accounting confirmed that the cashbook arithmetic was correct. Difference between boxes 7 & 8 were explained as per income and expenditure accounting.
1.3	Evidence of internal control?	<ul style="list-style-type: none"> <li>• Internal audit</li> <li>• Risk assessment</li> <li>• Budgetary control and monitoring ((min ref 132/22)</li> <li>• Bank reconciliations are carried out quarterly</li> <li>• Effectiveness of internal control- March 2024</li> </ul>
1.4	VAT evidence, recording and reclaimed?	The Council is able to recover VAT through the Local Authorities and Similar Bodies Scheme. A claim for repayment of VAT is made when the amount to be reclaimed is over £100 The last VAT reclaim was carried out in the first quarter of 2023-4 and was for £164.80.
1.5	Payments in the ledger supported by invoices, authorised & minuted?	See Detailed schedule in Compliance Testing Report. All payments are listed in the minutes. <b>Recommend</b> minute names of councillors who sign off the payments at each meeting so there is a complete trail.
1.6	Is GPC/S137 expenditure separately recorded and within statutory limits?	No specific expenditure this financial year
1.7	Is GPC/S137 expenditure of direct benefit to the electorate?	Yes

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<b>2. Due Process</b>			<b>Comments &amp; Recommendations</b>
<b>2.1</b>	<b>Standing Orders adopted and reviewed regularly?</b>	<b>Yes</b>	Standing orders were last updated in November 2021
<b>2.2</b>	<b>Standing Orders reviewed at Annual Meeting?</b>	<b>Yes</b>	Last reviewed 12/4/2024
<b>2.3</b>	<b>Financial Regulations adopted and properly tailored to Council?</b>	<b>Yes</b>	The current Financial Regulations are based on the latest edition of NALC model Financial Regulations and adapted to suit the specific needs of the Council.
<b>2.4</b>	<b>Equal Opportunities policy adopted?</b>	<b>No</b>	
<b>2.5</b>	<b>RFO appointed?</b>	<b>Yes</b>	Tina Brock is the RFO.
<b>2.6</b>	<b>List of member's interests held?</b>	<b>Yes</b>	The Clerk maintains and updates the list of member's interests as required. The list is held with Vale of White Horse District Council.
<b>2.7</b>	<b>Agendas signed, informative and displayed with 3 clear days' notice?</b>	<b>Yes</b>	The clerk prepares and signs the council meeting agenda, which lists matters for discussion and is posted on the Council's website and on notice boards three clear days in advance of the meetings
<b>2.8</b>	<b>Purchase orders raised for all expenditure?</b>	<b>Yes</b>	Most orders for goods and services are made by or confirmed by email.
<b>2.9</b>	<b>Purchasing authority defined in Financial Regulations?</b>	<b>Yes</b>	The Financial Regulations (item 11) stipulate the purchasing approval: below £50,000 requires 3 quotations, below £3000 and above £500 requires 3 estimates.
<b>2.10</b>	<b>Legal powers identified in minutes and/or ledger?</b>	<b>Yes</b>	
<b>2.11</b>	<b>Committee terms of reference exist and have been reviewed?</b>	<b>No</b>	No committees are in operation.

<b>3. Risk Management</b>			<b>Comments &amp; Recommendations</b>
<b>3.1</b>	<b>Does a scan of the minutes identify any unusual financial activity?</b>	<b>No</b>	Minutes are prepared for all meetings of the Council. No unusual financial activity was found in the minutes reviewed; Council minutes are available to view on the Council's website.

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3.2	Is an annual risk assessment carried out?	Yes	The Council has a formal risk assessment policy in place covering many of the areas of risk the Council may be faced with. The risk assessment policy is maintained by the Clerk and reviewed annually - reviewed and minuted 17 <sup>th</sup> May 2023.
3.3	Is Insurance cover appropriate and adequate?	Yes	The level and range of insurance cover (£10m public) appears to be adequate for the size of the Council.
3.4	Evidence of annual insurance review?	Yes	The insurance is reviewed regularly before renewal in May to ensure best value is obtained. There is no long term agreement currently in place.
3.5	Internal financial controls documented and evidenced?	Yes	Stipulated in the Standing Orders, Financial Regulations and Risk Management and minutes Actual vs expenditure report September 2023 provided. Earmarked reserves report provided.
	Review of effectiveness of internal control	Yes	This was undertaken 21/3/2024
3.6	Minutes initialled, each page identified and overall signed?	Yes	Minutes of all Council meetings are signed by the meeting chair and dated. All items have specific reference number.
3.7	Regular reporting and minuting of bank balances?	No	Recommend that bank balances are presented to Council at each meeting.
3.8	S137/GPC expenditure minuted?	Yes	

4. Budget		Comments & Recommendations	
4.1	Annual budget prepared to support precept and adopted by Council?	Yes	A budget is prepared annually. The budget for this financial year was approved at meeting dated 17/11/2022
4.3	Any reserves earmarked?	Yes	Reserves specified in 3-year plan 2021-2024
4.4	Any unexplained variances from budget?	No	
4.5	Precept demand correctly minuted?	Yes	The approved precept demand of £7800 was forwarded to VHDC by the deadline and was correctly minuted (17 November 2022).
5. Payroll - Clerk		Comments & Recommendations	

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5.1	Contract of employment?	Yes	
5.2	Tax code issued/contracted out?	Yes	
5.3	PAYE/NI evidence?	Yes	January 2024 payslip supplied
5.4	Has Council approved the salary paid?	Yes	Pay rise minuted 183/23

6. Asset Control		Comments & Recommendations	
6.1	Does the Council keep a register of all material assets owned?	Yes	The Clerk is responsible for maintaining the asset register.
6.2	Is the asset register up to date?	Yes	The asset register is up to date. It was reviewed February 2024. No capital items have been bought during this financial year.
6.3	Value of individual assets included?	Yes	All assets have an individual value on the asset register.
6.4	Inspected for risk and health and safety?	Yes	Assets are kept well maintained and minuted when necessary. Play equipment checked annually by ROSPA accredited inspectors.
6.5	Land and Building asset register?	Yes	Land and buildings included in the Register of Assets

7. Bank Reconciliation		Comments & Recommendations	
7.1	Is there a bank reconciliation for each account?	Yes	The Council holds the following bank accounts, all of which were operating at the start of the financial year; Current account ending 92294 Savings account ending 6969 Bank reconciliation for December 2024 was supplied.
7.2	Reconciliation carried out on receipt of statement?	Yes	These are carried out quarterly.
7.3	Any unexplained balancing entries in any reconciliation?	No	
7.4	Is the bank mandate up to date?	Yes	Two signatories (out of 5) are required to authorise payments.

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8. Year-End Procedures			Comments & Recommendations
8.1	Year-end accounts prepared on correct accounting basis?	Yes	Day to day and year-end accounts are prepared on an Income & Expenditure basis.
8.2	Bank statements and ledger reconcile?	Yes	
8.3	Underlying financial trail from records to presented accounts?	Yes	The accounting system provides a satisfactory audit trail to the underlying financial records.
8.4	Where applicable, debtors and creditors properly recorded?	N/A	
8.5	Has Council agreed, signed and minuted sections 1 & 2 of the AGAR (Annual Return)?	Yes	For year 2022-23, Section 1-Annual Governance Statement, Section 2-Accounting Statement and Certificate of Exemption were signed and minuted by Council on 17/05/2023 (min ref 87/23). <b>Recommend</b> minuting that AGAR sections 1 & 2 are signed by the chair.

9. Miscellaneous			Comments & Recommendations
9.1	Have points raised at the last internal audit been addressed?		

10. Miscellaneous			Comments & Recommendations
10.2	Has the Council adopted a Code of Conduct since July 2012?	Yes	Updated 2022
10.3	Is eligibility for the General Power of Competence properly evidenced?	Yes	Adopted 17 May 2023
10.4	Are all electronic files backed up?	Yes	Electronic data is backed up on OneDrive
10.5	Do arrangements for the public inspection of records exist?	Yes	The Transparency Act requires a significant amount of Council data to be available on the Council's website. Notice of public rights is displayed as per external audit instructions.

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11. Charities			Comments & Recommendations
11.1	Charities reported and accounted separately?	N/A	
11.2	Have the Charity accounts been separately audited?	N/A	
11.3	Have the Charity accounts and Annual Return been filed within the legal time limits?	N/A	

12. Burial Authorities			Comments & Recommendations
12.1	All money received corresponds with the number of burials/cremations recorded and memorial permits issued?	N/A	PC is not a burial authority
12.2	Are fees levied in accordance with the Council's approved scale of fees and charges?	N/A	
12.3	Have all statutory books been kept safe and up to date? If electronic copies are held, are these backed up regularly?	N/A	
12.4	Do all internment of ashes have a certificate of cremation?	N/A	
12.5	Have the necessary permits, permissions, and transfer of Exclusive Burial Right (EBR) been completed correctly, documented and approved?	N/A	

13. Income Controls			Comments & Recommendations
13.1	Is income properly recorded and promptly banked?	Yes	
13.2	Does the precept recorded agree to the Council Tax authority's notification?	Yes	The precept was received in the following instalments and recorded in the accounts: April 2023: £3900 (50% of annual precept). September 2023: £3900 (50% of annual precept) The total precept received was £7800 as per the WHDC notification
13.3	Are security controls over cash adequate and effective?	Yes	Cash is received for allotment payments and paid into the bank as soon as possible.

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14. Petty Cash			Comments & Recommendations
14.1	Is all petty cash spent recorded and supported by VAT receipts where applicable?	N/A	No petty cash is used
14.2	Is petty cash expenditure reported to Council?	N/A	
14.3	Is petty cash reimbursement carried out regularly?	N/A	

15. Accessibility/Transparency			Comments & Recommendations
15.1	<p>Are the following documents published on the website as per Transparency Code 2015:</p> <ul style="list-style-type: none"> <li>• Annual governance statement</li> <li>• Internal audit report</li> <li>• List of councillor responsibilities</li> <li>• The details of public land and building assets</li> <li>• Minutes, agendas and meeting papers of formal meetings</li> </ul>	<p>Yes Yes No No Yes</p>	<p><b>Recommend</b> publishing a timetable of PC meetings (as per publication scheme)</p> <p>Up-to-date asset register should be published.</p>
15.2	Is the website accessible as per The Public Sector Bodies (Websites and Mobile Applications) Accessibility Regulations 2018?	Yes	
15.3	Has an Accessibility Statement been published on the website?	Yes	The accessibility statement requires reviewing (stated review is October 2022).

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16. Freedom of Information/GDPR			Comments & Recommendations
16.1	Is the Council registered with ICO?	Yes	
16.2	GDPR: Freedom of Information scheme Data Protection policy Retention and Disposal of Documents policy Privacy Notice	Yes Yes Yes Yes	
15.3	Are the above documents published on the Council's website?	Yes	.

Check No.	<u>1</u>	<u>2</u>	<u>3</u>
<b>Transaction type</b>	Purchase	Purchase	Purchase
<b>Supplier/Customer</b>	Earthline Ltd	MRH Services	Abbey Hill Studio
<b>Invoice/Transaction No.</b>	3312	0462	18618
<b>Invoice/Transaction date</b>	4/11/23	26/4/23	20/8/24
<b>Goods/services supplied</b>	Hardcore	Playground inspection	Website
<b>Ledger date</b>	26/10/2023	26/4/2023	20/8/23
<b>Item/Budget heading</b>	CIL	Playground inspection	Website
<b>Ref/cheque No.</b>			
<b>Authorised by</b>	?	?	?
<b>Payment minute ref</b>	?	May 2024	?
<b>Payment value</b>	264.00	45.00	45.00
<b>Bank Statement value</b>	264.00	45.00	45.00
<b>Payment Date</b>			?
<b>Timely payment</b>			
<b>VAT recorded</b>	Yes	N/A	N/A

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<b><u>GPC recorded in ledger</u></b>	N/A	N/A	N/A
<b><u>GPC minuted</u></b>	N/A	N/A	N/A
<b><u>Notes</u></b>			
<b><u>Pass</u></b>	√	√	√

### Any further comments

The overall internal audit assurance rating is: VERY GOOD.

**Recommend** minuting names of councillors who sign off the payments so there is an audit trail.

**Recommend** publishing a timetable of PC meetings (as per publication scheme)

The accessibility statement requires reviewing (stated review is October 2022).

### BIODIVERSITY DUTY

Public authorities who operate in England must consider what they can do to conserve and enhance biodiversity in England. This is the strengthened 'biodiversity duty' that the Environment Act 2021 introduces.

This means that, as a public authority, you must:

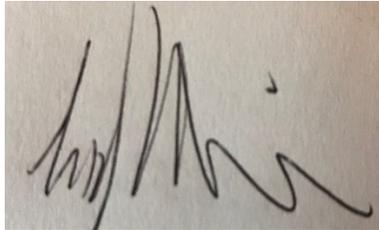
1. Consider what you can do to conserve and enhance biodiversity.
2. Agree policies and specific objectives based on your consideration.
3. Act to deliver your policies and achieve your objectives.

If this has not yet been considered please do it at your earliest convenience: SLCC has a model policy.

**Longcot Parish Council Internal audit report 2023-2024**

**Acknowledgments**

The help and co-operation of Tina Brock, Clerk to the Council is much appreciated by the internal auditor.

<b>Internal audit carried out by</b>	<b>(signed)</b>	<b>(print)</b>
		<b>Lisa Wilkinson</b>
<b>Audit type (delete as appropriate)</b>	<del>INTERIM</del> <b>ANNUAL</b>	
<b>Date 3/5/24</b>		

<b>For internal auditor's use only</b>	
<b>Part 3 of Annual Return form completed and signed</b>	<b>12/5/2024</b>
<b>Internal audit report/letter sent to Council</b>	<b>12/5/2024</b>

## Longcot Parish Council Internal audit report 2023-2024

### Section 2: Compliance Testing Report for Longcot Parish Council Year Ending:

**March 2024**

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<b>2023/4 ANNUAL RETURN</b>		<b>Year Ending 31 March 2023</b>	<b>Year Ending 31 March 2024</b>
<b>1</b>	<b>Balances brought forward</b>	<b>16392</b>	<b>17888</b>
<b>2</b>	<b>Annual precept</b>	<b>7800</b>	<b>7800</b>
<b>3</b>	<b>Total other receipts</b>	<b>389</b>	<b>4181</b>
<b>4</b>	<b>Staff costs</b>	<b>3815</b>	<b>3888</b>
<b>5</b>	<b>Loan interest/capital repayments</b>	<b>0</b>	<b>0</b>
<b>6</b>	<b>Total other payments</b>		<b>10511</b>
<b>7</b>	<b>Balances carried forward</b>	<b>17888</b>	<b>15470</b>
<b>8</b>	<b>Total cash and investments</b>	<b>17888</b>	<b>15715</b>
<b>9</b>	<b>Total fixed assets and long-term assets</b>	<b>29834</b>	<b>35570</b>
<b>10</b>	<b>Total borrowings</b>	<b>0</b>	<b>0</b>
<b>11</b>	<b>The Council acts as a sole trustee for and is responsible for managing Trust funds or assets</b>	<b>No</b>	<b>No</b>

Box 7 & 8 reconciliation provided.