

Woodplumpton Parish Council – Internal Audit 2022/23

	Control Objectives	Agreed?	Evidence																																																																																								
A	Appropriate accounting records have been properly kept throughout the financial year.	Yes	<p>The Clerk maintains a computerised cash book, which is updated regularly and reported to Committee on a quarterly basis along with a comparison of progress against budget.</p> <p>For each payment the cash book records the transaction date, payee, method of payment, minute number, expenditure type, gross, net and VAT amounts. For receipts, the precept, grants, VAT and other income are itemised separately.</p>																																																																																								
B	This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	Yes	<p>The Council's Financial Regulations were updated and adopted on 15th February 2021. Standing Orders were updated and adopted in July 2020.</p> <p>The orders require each payment to be authorised by the Council and minuted. Cheques and on-line payments are required to be authorised by 2 members of the Council and approved for payment at the next available parish meeting. All payments are made online with the exception of one to Lancashire County Council for £252,345.12. This has been initialled by two members</p> <p>The following selective assessment of 10 payments (10%) has been checked and found to be in compliance with the Council's financial regulations:</p> <table border="1" data-bbox="882 906 2157 1417"> <thead> <tr> <th>Pmnt No</th> <th>Date</th> <th>Payee</th> <th>Amount</th> <th>Invoice Recorded in A/cs</th> <th>VAT Amount</th> <th>Minuted</th> <th>VAT correctly reclaimed</th> </tr> </thead> <tbody> <tr> <td>10</td> <td>26/4/22</td> <td>HMRC</td> <td>£83.70</td> <td>✓</td> <td>£0.00</td> <td>25/4/22</td> <td>N/A</td> </tr> <tr> <td>18</td> <td>19/5/22</td> <td>Community Garden</td> <td>£1500.00</td> <td>✓</td> <td>£0.00</td> <td>16/5/22</td> <td>N/A</td> </tr> <tr> <td>23</td> <td>19 & 30/5/22</td> <td>JPP Media Ltd</td> <td>£156.60</td> <td>✓</td> <td>£26.10</td> <td>20/6/22</td> <td>✓</td> </tr> <tr> <td>33</td> <td>11/7/22</td> <td>Preston Grasshoppers</td> <td>£30.00</td> <td>✓</td> <td>£5.00</td> <td>20/6/22</td> <td>✓</td> </tr> <tr> <td>46</td> <td>2/9/22</td> <td>Barry Hill</td> <td>£900.00</td> <td>✓</td> <td>£0.00</td> <td>26/9/22</td> <td>N/A</td> </tr> <tr> <td>62</td> <td>21/10/23</td> <td>Greenway Electricals</td> <td>£174.24</td> <td>✓</td> <td>£29.04</td> <td>21/11/22</td> <td>✓</td> </tr> <tr> <td>75</td> <td>16/12/22</td> <td>M Entwistle</td> <td>£25.89</td> <td>✓</td> <td>£0.00</td> <td>16/1/23</td> <td>✓</td> </tr> <tr> <td>84</td> <td>17/1/23</td> <td>Barry Hill</td> <td>£72.35</td> <td>✓</td> <td>£12.05*</td> <td>16/1/23</td> <td>✓</td> </tr> <tr> <td>98</td> <td>10/3/23</td> <td>Bullen Conservation</td> <td>£4,031.95</td> <td>✓</td> <td>£671.99</td> <td>20/3/23</td> <td>✓</td> </tr> <tr> <td>108</td> <td>30/3/23</td> <td>Wickes</td> <td>£82.49</td> <td>✓</td> <td>£3.75</td> <td>17/4/23</td> <td>Add to next claim</td> </tr> </tbody> </table> <p>*Donation to community garden at gross cost</p>	Pmnt No	Date	Payee	Amount	Invoice Recorded in A/cs	VAT Amount	Minuted	VAT correctly reclaimed	10	26/4/22	HMRC	£83.70	✓	£0.00	25/4/22	N/A	18	19/5/22	Community Garden	£1500.00	✓	£0.00	16/5/22	N/A	23	19 & 30/5/22	JPP Media Ltd	£156.60	✓	£26.10	20/6/22	✓	33	11/7/22	Preston Grasshoppers	£30.00	✓	£5.00	20/6/22	✓	46	2/9/22	Barry Hill	£900.00	✓	£0.00	26/9/22	N/A	62	21/10/23	Greenway Electricals	£174.24	✓	£29.04	21/11/22	✓	75	16/12/22	M Entwistle	£25.89	✓	£0.00	16/1/23	✓	84	17/1/23	Barry Hill	£72.35	✓	£12.05*	16/1/23	✓	98	10/3/23	Bullen Conservation	£4,031.95	✓	£671.99	20/3/23	✓	108	30/3/23	Wickes	£82.49	✓	£3.75	17/4/23	Add to next claim
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			There were no new <u>net</u> purchases in excess of £25,000 in 2022/23 requiring 3 tenders.
C	This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	Yes	<p>The Council maintains a comprehensive risk management policy statement which is reviewed annually. The activities of the Council do not present any significant risks. The 2022/23 risk management policy and risk register were approved on 20th March 2023.</p> <p>The Council has adequate insurance cover as follows:</p> <p>Public Liability £10m Employer liability £10m Fidelity guarantee £250k (Highest balance £728k) Officials Indemnity £500k Legal expenses £250k Property damage Replacement cost.</p> <p>It is recommended that the Council review the level of fidelity guarantee insurance to cover the highest balance.</p>
D	The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	Yes	<p>The annual precept for 2022/23 was based on a comprehensive budget; expenditure for 2022/23 in most areas was in line with budget. The clerk has reported progress against budget to the Council on a quarterly basis.</p> <p>Reserves at the year-end were £536,071. Excluding the Community Infrastructure Levy funds of £499,506 there were general reserves of £36,565 which represents 87% of the 2022/23 annual precept.</p>
E	Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	Yes	<p>All income has been received by BACS which is best practice.</p> <p>The Council submits a VAT return annually. The VAT identified in section B above had been correctly reclaimed, with the exception of payment 108. There is a VAT receipt on file for the lengthsman expenses. VAT can be reclaimed on employee / contractor's expenses provided that the purchase is intended for Council use and the cost is reimbursed in full. It is recommended that the VAT amount be added to the next VAT return.</p>
F	Petty cash payments were properly	Yes	The Council does not have petty cash. The Clerk keeps a record of all expenses incurred

	supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.		<p>on Parish Council business and reclaims the amount periodically.</p> <p>The expense claim of £89.44 reimbursed on 18/10/22 was checked against the Clerk's contract of employment. There was no VAT incurred on the expenses.</p> <p>Mileage allowance claimed at 45ppm and the home working allowance are not taxable.</p>								
G	Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	Yes	<p>The Clerk's hours are agreed at 20 hours per week with effect from April 2016. The scale of annual remuneration is effective from November 2015. The payment for November 22 was checked and is in accordance with current NALC pay scales (effective from 1/4/22) and the Clerk's contract of employment.</p> <p>PAYE is calculated using HMRC software. PAYE and NI have been deducted at source and paid to HMRC along with Employers NI. Pension contributions have also been deducted at source and paid along with the employer's contribution to the workplace pension scheme.</p> <p>The lengthsman is paid 15 hours per week at £15 per hour for 48 weeks. The payment for weeks 48 for 51 was checked and agrees to the contract.</p>								
H	Asset and investments registers were complete and accurate and properly maintained.	Yes	<p>The community information signs purchased in year have been added to the asset register. These have been gifted to local schools and consequently have been added to the asset register as community assets at a notional cost of £1.</p> <p>The current asset register was approved by the Council on 20th March 2023.</p>								
I	Periodic bank account reconciliations were properly carried out during the year.	Yes	<p>The Clerk reconciles the accounts to the bank statements on a regular basis.</p> <p>Balances at 31/3/23 reconcile to the accounts:</p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td></td> <td style="text-align: right;">£</td> </tr> <tr> <td>Account 1</td> <td style="text-align: right;">38,328.78</td> </tr> <tr> <td>Public Sector Deposit Fund</td> <td style="text-align: right;"><u>497,742.38</u></td> </tr> <tr> <td></td> <td style="text-align: right;"><u>536,071.16</u></td> </tr> </table>		£	Account 1	38,328.78	Public Sector Deposit Fund	<u>497,742.38</u>		<u>536,071.16</u>
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J	Accounting statements prepared during the year were prepared on the correct accounting basis (receipts &	Yes	<p>Year end accounts have been prepared on a receipts and payments basis and agree to the cash book. The Clerk has maintained a comprehensive and well organised file, which along with the Councils minutes, provide a full and detailed audit trail.</p>								

	payments or income & expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records, and where appropriate debtors and creditors were properly recorded.		The Clerk has produced a statement of variances to submit with the accounts to the external auditor.
K	If the authority certified itself as exempt from a limited assurance review in 2021/22, it met the exemption criteria and correctly declared itself exempt.	Not covered	
L	The authority published the required information on a website / web page up to date at the time of the internal audit in accordance with the relevant legislation.	Yes	The Council's website is free to access and the 21/22 accounts, expenditure analysis and external report are published and easily accessible.
M	In the year covered by this AGAR, the authority correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations (during the 2022-23 AGAR period, were public rights in relation to the 2021-22 AGAR evidenced by a notice on the website and / or authority approved minutes confirming the dates set).	Yes	The notice of public rights for 2021/22 is published on the Council's website.
N	The authority has complied with the publication requirements for 2021/22 AGAR (See AGAR page 1 guidance notes)	Yes	2021/22 AGARs are published on the Council's website.
O	(For local councils only) Trust Funds (including charitable) – The council met its responsibilities as a trustee.	Yes	The Parish Council is the custodian Trustee for the land at 62 - 64 Woodplumpton Road, Woodplumpton which is currently a community garden. The Trustees are responsible for maintenance and planting of the land. The community garden has been maintained with all costs covered by the annual payment from the council. All risks have been assessed and insured.

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Signed

SANDRA WISEMAN ACMA CGMA

Date

29/5/23