

# HEELIS & LODGE

Local Council Services • Internal Audit

## **Internal Audit Report for Woodham Walter Parish Council – 2023/2024**

The following Internal Audit was carried out on the adequacy of systems of control in accordance with the requirements of the Audit and Accounts Regulations 2015 and the guidance and instruction in the Practitioners Guide 2023. The following recommendations/comments have been made:

Income: £32,413.42 Expenditure: £30,333.55 Reserves: £25,871.33

### AGAR Completion:

Section One: **No**

Section Two: **Yes – draft figures**

Annual Internal Audit Report 2023/2024: **Yes**

Certificate of Exemption: **No/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. VAT payments are tracked and identified within the year end accounts. The Council hold the General Power of Competence and LGAs137 does not apply.*

*The cashbook is referenced providing a clear audit trail. Supporting paperwork is in place and well referenced. The Council use the Scribe accounting package.*

**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: **15/5/2023 (Ref: 2942.1)**

Financial Regulations in place: **Yes**

Reviewed: **15/5/2023 (Ref: 2942.3)**

VAT reclaimed during the year: **Yes**

Registered: **No**

Submission Period:	Amount:	Submission Date:
<b>1/4/2022-31/3/2023</b>	<b>£1,902.67</b>	<b>3/4/2024</b>

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General Power of Competence: Yes      Adopted: 15/5/2023 (Ref: 2942.2)

*There were no tenders during the year that exceeded the £30,000 Public Contract Regulations threshold.*

*The Council reviewed the following documents during the year of audit:*

*Maldon Code of Conduct – 15/5/2023 (Ref: 2941)*

*8/1/2024 (Ref: 3113.4)*

- *Banking Policy*
- *Financial Risk Assessment*
- *Investment Strategy*
- *Other Financial Policies*

*15/5/2023 (Ref: 2942.3)*

- *Complaints Procedure*
- *Equality and Diversity Policy*
- *Media Policy*
- *Staff Appraisal Policy & Staffing Committee*
- *Staffing Sub Committee Terms of Reference*
- *Council's Freedom of Information procedure and publication scheme*
- *Investment Strategy*
- *Banking Policy*
- *Reserves Policy*
- *Fixed Assets Policy*
- *Direct Debits and Regular Payments*
- *Annual Contributions to Local organisations and Grants to Local Organisations*
- *Community Engagement Strategy*
- *Business Continuity Plan*
- *Data Breach Process / Data Protection Policy*
- *GDPR Privacy Notice and Policies*
- *Annual Contributions to Local Organisations and Grants Policy*
- *Safeguarding Policy*
- *Privacy Policy*
- *Training and Development Policy*
- *Health & Safety Policy*
- *Grievance & Disciplinary Policy*
- *Neighbour Consultations Policy*
- *Biodiversity Policy*
- *Climate Action Statement*
- *Crime and Disorder Policy*
- *Vexatious Complaints Policy*

## 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: ZA089351

*The link on the website to policy documents appears not to be working.  
<https://onedrive.live.com/?authkey=%21AH%5FeueT8U2qSfPk&id=CFAE6B1277B42B9F%2122689&cid=CFAE6B1277B42B9F>*

Privacy Policy published: Yes  
Link: <https://woodhamwalter-pc.gov.uk/wp-content/uploads/2024/01/Privacy-Policy.May-2023.pdf>

*Insurance was in place for the year of audit. The Financial Risk Assessment was reviewed at a meeting held on 8/1/2024 (Ref: 3113.4) and at the annual meeting on 15/5/2023 (Ref: 2942.3) along with the Risk Management Policy.*

*The Council have effective 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.*

*The annual play area inspection has been undertaken during the year.*

*Bank signatories were reviewed at a meeting held on 11/3/2024 (Ref: 3162.3) where it was resolved that authorisation would be the Clerk plus one councillor and on 11/12/2023 (Ref: 3094.4) where the signatories for the Unity Trust bank accounts were approved.*

*Bank statements, credit card statements and account sheets are reviewed regularly by a councillor and reported back to full Council. (Ref: 11/3/2024 – 3162.4).*

Fidelity Cover: £250,000

*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: No  
Website: <https://woodhamwalter-pc.gov.uk/>

*The Council is not subject to the requirements of the Transparency Code for smaller Councils. The Transparency Code for Councils with a turnover exceeding £200,000 is not covered as part of the Internal Audit.*

Under **The Accounts & Audit Regulations 2015 15** councils must publish on their website:

External audit report

*2023 Annual Return, Section One Published – Yes*

*2023 Annual Return, Section Two Published – Yes*

*2023 Annual Return, Section Three 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

Publication Date: 16/6/2023

Start Date: 19/6/2023 End Date: 28/7/2023

Under the requirements of the **Accounts and Audit Regulations 2015 13(2b)** council are required to display AGARs for the five years 2018-19, 2019-20, 2020-21, 2021-22 and 2022-23 on their website.

*The Council have met the publication requirements.*

### **Budgetary controls** supporting documents

Verifying the budgetary process with reference to council minutes and

Precept: £28,665 (2023-2024)

Date: 9/1/2023 (Ref: 2865.4)

Precept: £31,245 (2024-2025)

Date: 8/1/2024 (Ref: 3113.6)

*Effective 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 a sample of 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.*

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## Payroll controls

PAYE and NIC in place where necessary.  
Compliance with Inland Revenue procedures  
Records relating to contracts of employment and pensions

PAYE System in place: Yes  
Employer's Reference: 120/VA56289  
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. Eligible employees have joined the nominated pension scheme.*

*An annual staff review has taken place during the year (Ref: 11/12/2023 – 3095.4). A contract of employment was issued on 6/1/2021.*

*It is noted that the Council undertook a review of salaries at a meeting held on 13/11/2023 (Ref:3073.7) where the National Pay Award was approved.*

## Asset control

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

*A separate asset register is in place. Values are recorded at cost value/insurance value. The total value of assets are recorded at £84,200. 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:*

<i>Barclays Business Reserve</i>	<i>xxxx2818</i>	<i>CLOSED</i>
<i>Barclays Community</i>	<i>xxxx8876</i>	<i>CLOSED</i>
<i>Unity Trust Current</i>	<i>xxxx2957</i>	<i>£25,294.71</i>
<i>Unity Trust Instant Access</i>	<i>xxxx2960</i>	<i>£717.96</i>

*It is noted that the Council closed the Barclays Current and Business Reserve accounts on 29/12/2023 (Ref: 3113.4) and funds were transferred to the new Unity Trust accounts.*

## Reserves

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

*The Council have adequate general reserves of £20,535.70 and have identified earmarked reserves of £5,335.63 in their year end accounts.*

**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 2023 Internal Audit report was considered by the Council at a meeting held on 12/6/2023 (Ref: 2971.4.e).*

*A review of the effectiveness of the Internal Audit was carried out on*

*Heelis & Lodge were appointed as Internal Auditor at a meeting held on 11/3/2024 (Ref: 3162.6).*

**External Audit**

*The Council formally approved the 2023 AGAR at a meeting of the full Council held on 12/6/2023 (Ref: 2971.4.h & i).*

*The External Auditor's report was considered at a meeting held on 11/9/2023 (Ref: 3018.6)*

*There were no matters arising from the External Audit.*

**Additional Comments/Recommendations**

- The Annual Parish Council meeting was held on 15/5/2023. The first item of business was the Election of Chairman, in accordance with Standing Orders.
- 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 their assistance during the course of the audit work and the quality of documentation provided for the audit.



**Heather Heelis  
Heelis & Lodge**  
7 June 2024

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[www.heelisandlodge.co.uk](http://www.heelisandlodge.co.uk)

## INVOICE

**To:**

Woodham Walter Parish Council  
Burnt House  
Burnt House Road  
Woodham Walter  
Maldon  
Essex  
CM9 6RS

Invoice No: HL9494  
Date: 7 June 2024

Details	Quantity	Amount (£)	Total (£)
To carry out Internal Audit for Woodham Walter Parish Council for the year ended 31 March 2024	1	220.00	220.00
Banding £25,001 - £50,000			
Courier	2	20.00	40.00
Total			260.00

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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