

INTERNAL AUDIT REPORT
FOR
THURLASTON PARISH COUNCIL
FOR THE FINANCIAL YEAR
2022 - 2023

Prepared by: Bill Robinson

Issued April 2023

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Statement of Responsibility

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

This report has been prepared solely for Thurlaston 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.

Thurlaston Parish Council Internal Audit

The Internal audit was carried out Friday 21st April 2023 with the Clerk/RFO of Thurlaston Parish Council.

Accurate book keeping

- Entries to the cashbook spreadsheet were checked and found to be up to date.
- Bank reconciliation – this was checked for the following accounts and found to be correct and reconciled at the 31 March 2023
- In addition, an audit trail for the following cheques was checked across all Parish Council accounts, and the results noted below.

For financial year 1st April 2022 to 31st March 2023: -

Expenditure current account

Date	Payment	Minute ref.	Payee	Amount
01/04/22	BACS	04/05/22 – 7	WALC	£149.00
05/04/22	BACS	04/05/22 – 7	Npower	£253.33
22/05/22	BACS	28/06/22 – 7	Bernhards	£108.00
03/10/22	BACS	03/10/22 – 7	Wel Medical	£95.88
03/10/22	BACS	03/10/22 – 7	W.Robinson	£122.50
03/10/22	BACS	03/10/22 – 7	Cornerstone	£3600.00
03/10/22	BACS	03/10/22 – 7	BHIB	£584.46
03/10/22	BACS	03/10/22 – 7	HMRC	£200.00
03/10/22	BACS	03/10/22 – 7	Cornerstone	£4800.00
03/10/22	BACS	03/10/22 – 7	HMRC	£200.00
03/10/22	BACS	14//11/22 – 7	Cornerstone	£4800.00
03/10/22	BACS	14//11/22 – 7	R.Robinson	£1200.00
03/10/22	BACS	14//11/22 – 7	Npower	£176.06
05/01/23	D.Debit	05//01/23 – 7	ICO	£35.00
05/01/23	BACS	05//01/23 – 7	J. Lewis	£749.98
05/01/23	BACS	05//01/23 – 7	Vision ICT	£78.00
13/04/23	BACS	13//04/23 – 7	Nuneaton Signs	£183.00
13/04/23	BACS	13//04/23 – 7	HMRC	£439.60
13/04/23	BACS	13//04/23 – 7	Staff	£140.15

All payments listed above were found to have been dealt with in a correct manner.

The year end accounts were checked and found to be arithmetically correct to all bank statements at 31 March 2023.

The internal auditor report for the AGAR 2022-2023 was signed by this internal auditor.

AGAR 2022/23

It was noted that the Annual Governance Statement, and Annual Accounting Statement will be signed at the Annual Meeting of the Parish Council in May 2023 and a copy sent to this internal auditor

Budget and Precept

It was noted that an income and expenditure account prepared by the Clerk/RFO was passed to all Cllrs., prior to the bi-monthly meetings – this is good practice,

All budget controls were checked and found to be satisfactory

Bank reconciliation checked and found satisfactory.

Balances and reserves were checked satisfactorily.

It was noted that the accounts are reconciled and presented on a bi-monthly basis to Parish Councillors – this is good practice.

It was noted in minutes of the meeting on 14th November 2022 that the budget and precept for the financial year 2023-2024 was discussed and a proposal will be put to Thurlaston Parish Council at the January meeting.

It was noted in the minutes of the meeting on 5th January 2023 item 7 that a precept for the financial year 2023-2024 was approved by the Parish Council.

Agendas

It was noted that all agendas were properly signed by the Clerk to make them a lawful summons to the meeting.

Income Control

It was noted that receipts were banked promptly, and the paying in amounts satisfactorily checked against the spreadsheet.

It was noted that all VAT repayments are made on an annual basis.

Payroll

All employment and tax records were seen and found to be satisfactory, with taxes properly made to HMRC using the basic PAYE tools system.

It was noted that all pension obligations have been met.

It was noted that the Parish Council now has a Staffing and HR committee

Sec.137 Payments

It was noted that in the 2022 -2023 financial year there were no items of Sec.137 expenditure.

Minutes of Parish Council meetings

All minutes were checked, and found to be satisfactory, properly signed by the Chair, and with no evidence of any unusual activity.

It was noted in minute 9th April 22 item 5 that a grass mowing contract was approved – it is good practice to formally approve all Parish Council contracts.

It was noted in minute 28th June 22 item 7 that the street light maintenance contractor will remain the same

It was noted in minute 3rd October 22 item 5 that a resident has put a parking notice on a car in the Parish Council's name. It should be made clear to all residents that the only person who can put any notice in the Parish Council is the Clerk/RFO (The Proper Officer).

It was noted in minute 3rd October 22 item 7 that a bank reconciliation was circulated to all Cllrs – this is good practice.

Roles and Responsibilities

It was noted in the minutes of the meeting on 6th May 2021 item 6 that the Roles and Responsibilities for Cllrs was reviewed and approved with a list at the end of the minutes indicating the roles.

It would be a good idea to note that where the Chairman of the Parish Council attends a committee or sub committee and is not the Chair then it should indicate that the Chair attendance is “ex officio”.

Financial Regulations

It was noted that these regulations were seen online and that the regulations were formally adopted in September 2019, it is good practice for all council policies to be reviewed regularly (yearly or every two years for example).

It might be in the Parish Councils interest to look at the latest NALC set of model Financial Regulations.

Standing Orders

It was noted these orders were seen online that the regulations were formally adopted in January 2019, it is good practice for all council policies to be reviewed regularly (yearly or every two years for example).

It might be in the Parish Councils interest to look at the latest NALC set of model Standing Orders.

Internal Audit

It was noted that the internal auditors report for the financial year 2021-2022 was reviewed by the Parish Council for effectiveness - this is good practice and the Parish Council is to be commended

Insurance

It was noted in minute 28th June 22 item 7 that quotes for the Parish Council insurance will be obtained.

It was noted in minute 3rd October 22 item 7 that insurance quotes were received, reviewed, and a company chosen – this is good practice.

The insurance levels were checked and found to be standard for the Parish Council requirements.

Asset Register

It was noted that the asset register was reviewed, updated and approved – this is good practice

The asset register was seen online and it was noted that the value of assets has been simplified and therefore much easier to understand and accurately reflects the value of the assets as shown in Box 9 of the AGAR for the financial year 2022/2023.

Risk Assessment

It was noted that the Risk Management policy was seen online and that it has been formally reviewed and adopted in July 2021.

The policy is a good document, but should be reviewed on a regular basis

Staffing Policy

The document was seen but it is unclear what if any powers have been given to this committee or subcommittee.

When a formal committee or subcommittee with delegated powers has been set up, the quorum for that committee to make lawful decisions is 3.

Contracts of Employment

It was noted that the Clerk has a contract of employment.

It was noted in the minutes of the meeting on 14th March 2022 item 8 that an updated contract and job description was in place (in consultation with the Clerk/FRFO) – it is good practice to review all contracts time to time.

Code of Conduct

It was noted in the minutes of the meeting on 12th July 2021 item 12 that the new code of conduct promulgated by Rugby Borough Council will be accepted by Thurlaston Parish Council subject to formal adoption by Rugby Borough Council

It was noted in the minutes of the meeting on 13th September 2021 that the Code of Conduct was formally accepted by Thurlaston Parish Council.

General Power of Competence

It was noted that Thurlaston Parish Council determined that it will not acquire this power.

Transparency code for Smaller Authorities

It is noted that Thurlaston Parish Council website is free to use, and the Council is to be congratulated on the ease of which anyone can access it and its content

Parish Council Policies

It was noted in the minutes of the meeting on 13th September 2021 item 12 that the following policies were reviewed, updated, and approved: -

Communications Policy, Emergency Plan & Manual, Risk Management Policy - it is good practice to review council policies on a regular basis.

It was noted in the minutes of the meeting on 22nd January 2022 item 7 that a new Health and Safety Policy was approved – good practice

It was noted in the minutes of the meeting on 22nd January 2022 item 7 that a new Expenses Policy was approved – good practice so that all are aware of what can be claimed.

Conclusion


The Internal Audit went well and no serious problems were found. Comments from the Internal Auditor are for the Parish Council to evaluate, and implement if it feels that this will help the Parish Council in running its business.

It will be noted that in the Internal Audit Report 2022/23 of the AGAR Return Page 3 the internal auditor marked item F 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 Thurlaston Parish Council it means that there is no petty cash. A letter to Moore to that effect has been added by the internal auditor.

It is apparent that the Parish Clerk is very competent, and the help that she gave the internal auditor shows that she is conversant with the requirements of Local Government Finance, and carries out her duties in a competent fashion

This concludes the 2022 - 2023 Internal Audit for Thurlaston Parish Council

Signed... Dated...24th April 2023
W.J. Robinson