

HEELIS & LODGE

Local Council Services • Internal Audit

Internal Audit Report for Rushmere St Andrew 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: £222,512.86 Expenditure: £266,079.09 Reserves: £331,726.06

AGAR Completion:

Section One: **Yes - unsigned**

Section Two: **Yes - unsigned**

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

Certificate of Exemption: **No**

Proper book-keeping Cash Book, regular reconciliation of books and bank statements. Supporting vouchers, invoices and receipts

All were found to be in order. LGAs137 and VAT payments are tracked and identified within the year end accounts.

The cashbook is referenced providing a clear audit trail. Supporting paperwork is in place and well referenced. It is noted that the Council will be moving to Scribe in the 2024-2025 financial year.

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: **12/10/2023 (Ref: 9.o)**

Financial Regulations in place: **Yes**

Reviewed: **8/2/2024 (Ref: 6.f)**

VAT reclaimed during the year: **Yes (2022-2023 £9,926.02)**

Registered: **No**

General Power of Competence: **No**

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An examination was undertaken on the frequency of policy reviews. The following documents have been reviewed during the year:

General Revenue Reserves Policy – 8/2/2024 (Ref: 6.a)
Display Screen Equipment Workstation Checklist – 8/2/2024 (Ref: 6.d)
Councillor Code of Conduct – 8/2/2024 (Ref: 6.e)
Policy on Committees, Working Panels and Representatives – 11/1/2024 (Ref: 12.a)
Protocol for Pre-planning Application Developments – 11/1/2024 (Ref: 12.c)
Accident Reporting Policy and Procedures – 9/11/2023 (Ref: 7.a)
Climate Awareness and Environment Policy - 9/11/2023 (Ref: 7.b)
Data Protection Policy - 9/11/2023 (Ref: 7.d)
Community Engagement Strategy - 9/11/2023 (Ref: 7.c)
Document and Electronic Data Retention Policy - 9/11/2023 (Ref: 7.e)
Flexible Working - 9/11/2023 (Ref: 7.f)
Health & Safety Policy - 9/11/2023 (Ref: 7.g)
Holiday Policy - 9/11/2023 (Ref: 7.h)
IT and Communications System Policy - 9/11/2023 (Ref: 7.i)
Notice of Reporting at Meetings of the Council or Committee - 9/11/2023 (Ref: 7.j)
Subject Access Request Policy - 9/11/2023 (Ref: 7.k)
Travel and Expenses Policy - 9/11/2023 (Ref: 7.m)
Volunteer Policy - 9/11/2023 (Ref: 7.n)
Website Accessibility Statement - 9/11/2023 (Ref: 7.o)
Anti-Corruption and Bribery Policy – 12/10/2023 (Ref: 9.a)
Co-option of Councillors - 12/10/2023 (Ref: 9.b)
Freedom of Information Policy - 12/10/2023 (Ref: 9.d)
Internet Banking Policy - 12/10/2023 (Ref: 9.g)
IT and Electronic Communications Policy - 12/10/2023 (Ref: 9.h)
Photography Policy - 12/10/2023 (Ref: 9.i)
Privacy Policy - 12/10/2023 (Ref: 9.j)
Protocols for Reporting at Council Meetings & Committee Meetings - 12/10/2023 (Ref: 9.l)
Protocols for Public Participation in Council Meetings - 12/10/2023 (Ref: 9.k)
Sickness & Absence Policy for Employees of the Council - 12/10/2023 (Ref: 9.m)
Staff Appraisal Policy - 12/10/2023 (Ref: 9.n)
Training and Development Policy - 12/10/2023 (Ref: 9.p)
Whistleblowing Policy - 12/10/2023 (Ref: 9.q)
Anti-Harassment and Bullying Policy – 14/9/2023 (Ref: 12.a)
Complaints Procedure - 14/9/2023 (Ref: 12.b)
Disciplinary Policy - 14/9/2023 (Ref: 12.c)
Disciplinary Procedure - 14/9/2023 (Ref: 12.d)
Dispensation Policy - 14/9/2023 (Ref: 12.e)
Donation and Grants Policy - 14/9/2023 (Ref: 12.f)
Emergency/Dependants Leave Policy - 14/9/2023 (Ref: 12.g)
Equal Opportunity Policy - 14/9/2023 (Ref: 12.h)
Grievance Procedure - 14/9/2023 (Ref: 12.i)
Information Security Incident Policy - 14/9/2023 (Ref: 12.j)
Lone Worker Policy - 14/9/2023 (Ref: 12.k)

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Noticeboard Content Policy - 14/9/2023 (Ref: 12.l)
Meeting Attendance Policy - 14/9/2023 (Ref: 12.m)
Media Policy - 14/9/2023 (Ref: 12.n)
Member/Officer Protocol - 14/9/2023 (Ref: 12.o)
Safeguarding Policy - 14/9/2023 (Ref: 12.p)
Social Media Policy - 14/9/2023 (Ref: 12.q)

The Council have a comprehensive suite of policies in place. A review procedure is in place and is an effective method of keeping policies relevant and up to date.

There was no evidence of tenders during the year that exceeded the £30,000 Public Contract Regulations threshold.

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: ZA105690)

Data Protection

The General Data Protection Regulations have changed and the new Regulations came into force on 25 May 2018. It is likely that this will affect the way in which the Council handles its data. Due to the financial risk associated with the General Data Protection Regulations, the Council have included this in their Risk Assessment.

Privacy Policy published: Yes

Insurance was in place for the year of audit. The Risk Assessment was reviewed at a meeting held on 8/2/2024 (Ref: 6). Internal Controls were reviewed on 12/10/2023 (Ref: 9.f).

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. An examination was undertaken on the authorisation of internet payments. Both payment lists and corresponding invoice are initialled and audit trails were clear with no issues found.

Bank signatories were reviewed and appointed at the meeting held on 11/5/2023 (Ref: 9.f).

The annual play area inspection has been undertaken during the year. The Playground Risk Assessment was reviewed at a meeting held on 8/2/2024 (Ref: 6.c).

Fidelity Cover: £500,000

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://rushmerestandrew.onesuffolk.net/>

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

Publish Date: [4/6/2023](#) Start Date: [5/6/2023](#) End Date: [14/7/2023](#)

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: £123,300 (2023-2024)

Date: 12/1/2023 (Ref: 7)

Precept: £126,300 (2024-2025)

Date: 14/12/2023 (Ref: 8.b)

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.

Allotment fees were reviewed at a meeting held on 14/9/2023 (Ref: 11).

Cemetery fees were reviewed at a meeting held on 20/9/2023 (Ref: 5.b).

Petty Cash

Associated books and established system in place

A satisfactory expenses system is in place with supporting paperwork. No Petty Cash held.

Payroll controls

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

PAYE System in place: **Yes**
Employer's Reference: **245/MZ37472**
P60s issued: **Yes**

The Council continue to operate RTI in accordance with HMRC regulations. Payroll is outsourced. Supporting paperwork is in place and P60s have been produced as part of the year end process. Eligible employees have joined the nominated pension scheme. The Council have completed their re-declaration compliance with the Pension Regulator.

It is noted that the Council undertook a review of salaries at a meeting held on 9/11/2023 (Ref: 5) when the National Award was noted and again on 8/2/2024 (Ref: 15).

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. The total value of assets are recorded at £174,036. The figure in the asset register corresponds with the figure in Section 2, Box 9 of the AGAR. The asset register was reviewed, including insurance values, at a meeting held on 14/3/2024 (Ref: 8).

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 Current</i>	<i>xxxx9681</i>	<i>£148,748.87</i>
<i>Barclays BP</i>	<i>xxxx1224</i>	<i>£55,284.49</i>
<i>Barclays Current (Cemetery)</i>	<i>xxxx9673</i>	<i>£127,692.93</i>

Reserves

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

The Council have adequate general reserves (£56,016) and have identified earmarked reserves of £275,710 in their year end accounts.

The Council had an outstanding PWLB amount of £10,410.25 at 31/3/2024.

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. However, it is noted that the Council will need to move to an Income and Expenditure based accounting system for 2024-2025. This will be introduced at the same time as the Scribe accounting package.

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 11/5/2023 (Ref: 9.d).

A review of the effectiveness of the Internal Audit was carried out on 11/5/2023

Heelis & Lodge were appointed as Internal Auditor at a meeting held on 11/5/2023 (Ref: 9.e).

External Audit

The Council formally approved the 2023 AGAR at a meeting of the full Council held on 11/5/2023 (Ref: 9.c).

The External Auditor's report was considered at a meeting held on 14/9/2023 (Ref: 8.c).

There were no matters arising from the External Audit.

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Additional Comments/Recommendations

- The Annual Parish Council meeting was held on 11/5/2023. The first item of business was the Election of Chairman, in accordance with Standing Orders.
- I would like to take this opportunity to congratulate the Parish Council on their new initiatives during the year. The Remembrance displays and the new Enchanted Tree Trail are both very impressive achievements.
- 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 her assistance during the course of the audit work and for the excellent quality of presentation of documents for the audit.



Heather Heelis
Heelis & Lodge
30 April 2024

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www.heelisandlodge.co.uk

INVOICE

To:

Rushmere St Andrew Parish Council
Parish Office
Tower Hall
5 Broadlands Way
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Ipswich IP4 5SU

Invoice No: HL9434
Date: 30 April 2024

Details	Quantity	Amount (£)	Total (£)
To carry out Internal Audit for Rushmere St Andrew Parish Council for the year ended 31 March 2024	1	320.00	320.00
Total			320.00

Please make cheques payable to: Heelis & Lodge

Terms – 14 days

Bank Details: Account 02539349 Sort Code 72-00-00

Thank you.

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