

# HEELIS & LODGE

Local Council Services • Internal Audit

## **Internal Audit Report for Rumburgh 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: £4,586.46    Expenditure: £4,760.18    Reserves: £7,166.08

### AGAR Completion:

Section One: **Yes – unsigned**

*The Council has not undertaken a review of risks or internal controls and should therefore declare 'No' in Box 5, Section 1 of the AGAR.*

Section Two: **Yes - unsigned**

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

Certificate of Exemption: **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. 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.*

**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: **6/3/2024 (Ref: 8)**

Financial Regulations in place:    **Yes**

Reviewed: **6/3/2024 (Ref: 9)**

VAT reclaimed during the year: **Yes**    Registered: **Yes**

General Power of Competence: **No**

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

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## Risk Assessment

Appropriate procedures in place for the activities of the council  
Compliance with Data Protection regulations

Internal Control document in place: Yes  
Data Protection registration: Yes (Ref: ZA314170)

Privacy Policy published: Yes

*Insurance was in place for the year of audit. There was no evidence that the Risk Assessment or Internal Controls had been reviewed during the year.*

**Recommendation:** *It is a requirement to undertake a review of the risk assessment and internal controls during the year of audit. It is noted that this was carried out on 1/5/2024, outside of the year of audit.*

*The Council have satisfactory 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 during the year (Ref: 15/11/2023 – 7).*

Fidelity Cover: £25,000

*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: Yes

Website: <https://rumburgh.onesuffolk.net/>

- a) all items of expenditure above £100  
*Published – Yes – contained within the minutes*
- b) annual governance statement (By 1 July)  
*2023 Annual Return, Section One Published – Yes*
- c) end of year accounts (By 1 July)  
*2023 Annual Return, Section Two Published – Yes*
- d) internal audit report (By 1 July)  
*2023 Annual Return, Section Four Published – Yes*
- e) list of councillor or member responsibilities  
*Published – Yes*
- f) the details of public land and building assets (By 1 July)  
*Published – Yes*

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g) minutes, agendas and meeting papers of formal meetings  
*Published – Yes*

*The Council have met the requirements of the Transparency Code for smaller councils.*

Under **The Local Audit (Smaller Authorities) Regulations 2015 9(6 & 7)** a smaller council having certified itself as an Exempt Authority must publish on their website:

Certificate of Exemption  
*Certificate of Exemption 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: *2/6/2023* 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: £4,000 (2023-2024) Date: 16/11/2022 (Ref: 6)  
Precept: £4,400 (2024-2025) Date: 30/11/2023 (Ref: 5)

*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.*

**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: **120/NA61065**  
P60s issued: **Yes**

*The Council continue to operate RTI in accordance with HMRC regulations. Payroll was outsourced for part of the year and is now carried out in house (Ref: 3/1/2024 – 7). Supporting paperwork is in place and P60s have been produced as part of the year end process.*

*It is noted that the Council undertook a review of salaries at a meeting held on 15/11/2023 (Ref: 7) where the National Pay Award was noted.*

**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 £6,988.27 / £24,765.00 respectively. The figure in the asset register (£14,154) does not correspond with the figure in Section 2, Box 9 of the AGAR.*

**Recommendation:** *To ensure that the figure if Box 9, Section 2 of the AGAR corresponds with the asset register.*

**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>xxxx9401</i>	<i>£2,024.95</i>
<i>Barclays Deposit</i>	<i>xxxx8378</i>	<i>£5,389.46</i>

**Reserves**

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

*The Council have adequate general reserves of £5,666.08 and have identified earmarked reserves of £1,500 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 10/5/2023 (Ref: 10).*

*A review of the effectiveness of the Internal Audit was carried out on 1/5/2024 as part of the review of Internal Controls.*

*Heelis & Lodge were appointed as Internal Auditor at a meeting held on 5/10/2023 (Ref: 8).*

**External Audit**

*The Council formally approved the 2023 AGAR at a meeting of the full Council held on 10/5/2023 (Ref: 11 & 12).*

*The Council declared themselves Exempt at a meeting held on 10/5/2023 (Ref: 13).*

**Additional Comments/Recommendations**

- The Annual Parish Council meeting was held on 10/5/2023. 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 her assistance during the course of the audit work



**Heather Heelis**  
**Heelis & Lodge**  
25 May 2024

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# HEELIS&LODGE

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

## INVOICE

**To:**

Rumburgh Parish Council  
Lodge Farm  
New Road  
Rumburgh  
Halesworth  
Suffolk  
IP19 0NJ

Invoice No: HL9476  
Date: 25 May 2024

Details	Quantity	Amount (£)	Total (£)
To carry out year end Internal Audit for Rumburgh Parish Council for the year ended 31 March 2024	1	85.00	85.00
Total			85.00

Please make cheques payable to: Heelis & Lodge

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

Terms – 14 days

Thank you.

**HEELIS&LODGE**

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