

# HEELIS & LODGE

## Local Council Services • Internal Audit

### **Internal Audit Report for Wroxham Parish Council – 2020/2021**

The following Internal Audit was carried out on the adequacy of systems of control. The following recommendations/comments have been made:

Income: £68,246.55

Expenditure: £77,264.07

Reserves: £61,911

#### AGAR 2020 / 2021 Completion:

Section One: [Yes not signed](#)

Section Two: [Yes not signed](#)

Annual Internal Audit Report 2020 / 21: [Yes](#)

Certificate of Exemption: [N/A](#)

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

*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.*

*When receiving a refund of a payment made in the same financial year, proper practice is to net-off the payment rather than treat the refund as a receipt.*

**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: [3<sup>rd</sup> September 2020 \(Ref: 9.3\)](#)

Financial Regulations in place: [Yes](#)

Reviewed: [23<sup>rd</sup> April 2020 \(Ref: 12a\) Finance Committee](#)

VAT reclaimed during the year: [Yes](#)

Registered: [No](#)

General Power of Competence: [Yes – adopted 4<sup>th</sup> July 2019](#)

*Tenders exceeding the £25,000 threshold have been advertised on the Contract Finders website.*

## 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 – Z2191726 Expiry 22/02/2022

### **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, including Internal Controls were reviewed at a meeting held on 2<sup>nd</sup> July 2020 (Ref: 10.4 & 10.%).*

*The Council have good 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 on 3<sup>rd</sup> September 2020 (Ref: 11).*

Fidelity Cover: £100,000

*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: [www.wroxhamparishcouncil.org](http://www.wroxhamparishcouncil.org)

*The Council is not subject to the requirements of the Transparency Code for smaller Councils.*

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

h) external audit report

*2020 Annual Return, Section Three Published – Yes*

Under **The Accounts & Audit Regulations 2015 15(2b)** councils must publish on their website:

i) notice of period for the exercise of public rights

*Published – Yes*

Period of Exercise of Public Rights

Start Date 6<sup>th</sup> July 2020

End Date 14<sup>th</sup> August 2020

## Budgetary controls

Verifying the budgetary process with reference to council minutes and supporting documents

Precept: £40,825 (2020 / 2021)

Date: 5<sup>th</sup> December 2019 (Ref: 10.3)

Precept: Not minuted (2021 / 2022)

Date: 3<sup>rd</sup> December 2020 (Ref: 9.5)

*Good budgetary procedures are in place. The precept was agreed in full council and the precept decision but not the 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 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.*

Contact details : 1 Hembling Terrace, Mill Lane, Campsea Ashe, Suffolk IP13 0PP

Tel: 07732 681125

Email: [heather@heelis.eu](mailto:heather@heelis.eu)

Heather Heelis Dip HE Local Policy PILCM

Lynne Lodge Dip HE Local Policy

**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 – LGS Services**  
Employer PAYE Reference: 531/BZ53920

*The Council continue to operate RTI in accordance with HMRC regulations. Payroll is outsourced. All supporting paperwork is in place and a P60 has been produced as part of the year end process. The Council have joined the pension scheme.*

**Asset control**

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

*A separate asset register is in place which was reviewed by Finance Committee on 3<sup>rd</sup> December 2020 (Ref: 12). Values are recorded at cost value. The total value of assets are recorded at £276,476. 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.*

*Reconciled Bank Balances as at 31<sup>st</sup> March 2021 were confirmed as:*

<i>Barclays Community</i>	<i>£ 4,321.50</i>
<i>Barclays Premium</i>	<i>£ 7,589.15</i>
<i>Lloyds Treasures</i>	<i>£50,000.00</i>

**Reserves**

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

*The Council have adequate general reserves (£50,000) and have identified earmarked reserves (£11,911) in their budgetary process.*

**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 2019 / 2020 Internal Audit report was considered by the Council at a meeting held on 2<sup>nd</sup> July 2020 (Ref: 10.2.2).*

*A review of the effectiveness of the Internal Audit was carried out on 19<sup>th</sup> November 2020 (Ref: 10) Finance Committee.*

*Heelis & Lodge were appointed as Internal Auditor at a meeting held on 19<sup>th</sup> November 2020 (Ref: 10) Finance Committee*

**External Audit**

*The External Auditor's report was considered at a meeting held on 3<sup>rd</sup> December 2020 (Ref: 9.2).*

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

**Additional Comments/Recommendations**

- Due to the Coronavirus pandemic, the requirement to hold the Annual Parish / Town Council meeting was removed until May 2021.
- 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
- I would like to record my appreciation to the Clerk to the Council for the quality of documentation presented in the Audit File.



**Dave Crimmin PSLCC**  
**Heelis & Lodge**  
21<sup>st</sup> June 2021

# HEELIS&LODGE

Local Council Services • Internal Audit

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

## INVOICE

**To:**

Wroxham Parish Council  
3 Woodside  
School Lane  
Butcher's Common  
Neatishead NR12 8XH

Invoice No: HLD2054

Date: 21<sup>st</sup> June 2021

Details	Quantity	Amount (£)	Total (£)
To carry out Year-end Internal Audit for Wroxham Parish Council for the year ended 31 March 2021.	1		235.00
Pick-up and return courier service	2	15.00	30.00
<b>Total</b>			<b>265.00</b>

Please make cheques payable to: Heelis & Lodge

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

Terms – 30 days

Thank you.

HEELIS&LODGE

Contact details : 1 Hembling Terrace, Mill Lane, Campsea Ashe, Suffolk IP13 0PP  
Tel: 07732 681125  
Email: [heather@heelis.eu](mailto:heather@heelis.eu)

Heather Heelis Dip HE Local Policy PILCM  
Lynne Lodge Dip HE Local Policy