

# HEELIS & LODGE

## Local Council Services • Internal Audit

### **Internal Audit Report for Wroxham Parish Council – 2021/2022**

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

Income: £65,400

Expenditure: £76,182

Reserves: £51,129

#### AGAR 2021 / 2022 Completion:

Section One: **Yes electronically not signed**

Section Two: **Yes electronically not signed. Box 7 for 31<sup>st</sup> March 2022 does not equal Boxes (1+2+3) – (4+5+6)**

Annual Internal Audit Report 2021 / 22: **Yes**

Certificate of Exemption: **Not applicable**

**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.*

**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> February 2021 (Ref: 14.3)**

Financial Regulations in place: **Yes**

Reviewed: **Finance Committee 15<sup>th</sup> July 2021 (Ref: 12a)**

VAT reclaimed during the year: **Yes**

Registered: **No**

General Power of Competence: **Yes**

*The tender for the playground exceeded the £25,000 threshold and was advertised on Contract Finders website on the 21<sup>st</sup> October 2021.*

## 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 22/02/2023

### **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 by the council on the 3<sup>rd</sup> February 2022 (Ref: 14.2). The Internal Controls, were reviewed at a meeting of the Finance Committee held on 15<sup>th</sup> July 2021 (Ref 12d)*

*The Council have good internal financial controls in place. Signatories sign the payment schedules. 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.*

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: [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 13(1a)** councils must publish on their website:

Statement of Accounts, External Audit report and Annual Governance statement.

*2021 Annual Return, Section One Published – Yes*

*2021 Annual Return, Section Two Published – Yes*

*2021 Annual Return, Section Three Published – Yes*

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

Notice of period for the exercise of public rights

*Published – Yes*

Period of Exercise of Public Rights

Start Date 1<sup>st</sup> July 2021

End Date 11<sup>th</sup> August 2021

## Budgetary controls

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

Precept: Not minuted (2021 / 2022) Date: 3<sup>rd</sup> December 2020 (Ref: 9.5)

Precept: Not minuted (2022 / 2023) Date: 2<sup>nd</sup> December 2022 (Ref: 8.3)

*Good budgetary procedures are in place. The precept was agreed in full council but the amount has not been 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.*

<b>Petty Cash</b>	<p>Associated books and established system in place</p> <p><i>A satisfactory expenses system is in place with supporting paperwork. No Petty Cash held.</i></p>						
<b>Payroll controls</b>	<p>PAYE and NIC in place where necessary. Compliance with Inland Revenue procedures Records relating to contracts of employment</p> <p>PAYE System in place: <b>Yes – LGS Services</b> Employer PAYE Reference: 531/BZ53920 P60's issued: Yes</p> <p><i>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 has joined the LGPS pension scheme.</i></p> <p><i>It is noted that the Council undertook a review of salaries at a meeting held on 1<sup>st</sup> April 2021 (Ref: 18).</i></p>						
<b>Asset control</b>	<p>Inspection of asset register and checks on existence of assets Cross-checking on insurance cover</p> <p><i>A separate asset register is in place. Values are recorded at cost value. The total value of assets is recorded at £278,514 The figure in the asset register corresponds with the figure in Section 2, Box 9 of the AGAR.</i></p>						
<b>Bank Reconciliation</b>	<p>Regularly completed and cash books reconcile with bank statements</p> <p><i>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.</i></p> <p><i>Reconciled Bank Balances as at 31<sup>st</sup> March 2022 were confirmed as:</i></p> <table border="0" style="margin-left: 40px;"> <tr> <td><i>Barclays Community</i></td> <td style="text-align: right;"><i>£21,128.65 as at 31<sup>st</sup> March 2022</i></td> </tr> <tr> <td><i>Barclays Premium</i></td> <td style="text-align: right;"><i>£ 0.00 as at 3<sup>rd</sup> August 2021</i></td> </tr> <tr> <td><i>Lloyds Treasurers</i></td> <td style="text-align: right;"><i>£30,000.00 as at 2<sup>nd</sup> February 2022</i></td> </tr> </table> <p><b><i>Recommendation (1):</i></b> <i>Use the bank balance as at the 31<sup>st</sup> March for the reconciliation.</i></p>	<i>Barclays Community</i>	<i>£21,128.65 as at 31<sup>st</sup> March 2022</i>	<i>Barclays Premium</i>	<i>£ 0.00 as at 3<sup>rd</sup> August 2021</i>	<i>Lloyds Treasurers</i>	<i>£30,000.00 as at 2<sup>nd</sup> February 2022</i>
<i>Barclays Community</i>	<i>£21,128.65 as at 31<sup>st</sup> March 2022</i>						
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<i>Lloyds Treasurers</i>	<i>£30,000.00 as at 2<sup>nd</sup> February 2022</i>						
<b>Reserves</b>	<p>General Reserves are reasonable for the activities of the Council Earmarked Reserves are identified</p> <p><i>The Council have adequate general reserves (£51,129)</i></p>						

**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 is 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 2021 Internal Audit report was considered by the Council at a meeting held on 30<sup>th</sup> June 2021 (Ref: 8.3.2)*

*A review of the effectiveness of the Internal Audit was carried out at the Finance Committee on the 23<sup>rd</sup> November 2021 (Ref: 7)*

*Heelis & Lodge were appointed as Internal Auditor at the Finance Committee meeting held on the 23<sup>rd</sup> November 2021 (Ref: 7)*

**External Audit**

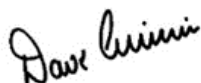
*The Council formally approved the AGAR at a meeting of the full Council held on 30<sup>th</sup> June 2021 (Refs: 8.3.3 & 8.3.4).*

*The External Auditor's report was considered at a meeting held on 7<sup>th</sup> October 2021 (Ref: 8.3)*

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

**Additional Comments/Recommendations**

- The Annual Parish Council meeting was held on 7<sup>th</sup> May 2021. 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
- 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**  
23<sup>rd</sup> May 2022

Contact details : 1 Hembling Terrace, Mill Lane, Campsea Ashe, Suffolk IP13 0PP  
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Heather Heelis Dip HE Local Policy PILCM  
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# HEELIS&LODGE

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

## INVOICE

**To:**

Wroxham Parish Council  
3 Woodside  
School Lane  
Butchers Common  
Neatishead  
Norwich NR128XH

Invoice No: HLD2127

Date: 23<sup>rd</sup> May 2022

Details	Quantity	Amount (£)	Total (£)
To carry out Year-end Internal Audit for Wroxham Parish Council for the year ended 31 March 2022.	1	235.00	235.00
Pick-up and return courier service	2	15.00	30.00
Total			265.00

Please make cheques payable to: Heelis & Lodge

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

Terms – 30 days

Thank you.

HEELIS&LODGE

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