Annual Internal Audit Report 2023/24

OLD DENABY PARISH COUNCIL

WWW.OLDDENABYPC.ORG.UK

During the financial year ended 31 March 2024, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2023/24 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.			NO PETTY CASH
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic bank account reconciliations were properly carried out during the year.	✓		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K. If the authority certified itself as exempt from a limited assurance review in 2022/23, it met the exemption criteria and correctly declared itself exempt. *(If the authority had a limited assurance review of its 2022/23 AGAR tick "not covered")*	✓		
L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.	✓		
M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations *(during the 2023-24 AGAR period, were public rights in relation to the 2022-23 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).*	✓		
N. The authority has complied with the publication requirements for 2022/23 AGAR *(see AGAR Page 1 Guidance Notes).*	✓		

	Yes	No	Not applicable
O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken: 15/05/2024

Name of person who carried out the internal audit: JOANNE HALSALL

Signature of person who carried out the internal audit: JHalsall

Date: 15/04/2024

*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

INTERNAL AUDIT SERVICE FOR OLD DENABY PARISH COUNCIL

AUDIT PROGRAMME - PERIOD ENDING: 31ST MARCH 2024

I certify that I have carried out the tests detailed below in accordance with the suggested approach contained in the 2011 edition of "Governance and Accountability in Local Councils in England and Wales - A Practitioners Guide".

Signed .... Date 16/5/24

Name & qualifications JOANNE HALSALL

1 Internal Control	2 Tests	3 Initial Yes	4 Initial No	5 Comments-date checked
Previous Internal *Audit* Report	Do the minutes record that Council has considered the Internal Audit Report for the previous year and the matters arising addressed?	JH		2 YEAR APPROVAL
Proper bookkeeping	Is the cashbook maintained and up to date?	JH		
	Is the cashbook arithmetically, correct?	JH		
	Is the cashbook regularly balanced?	JH		
Standing Orders and Financial Regulations	Has the Council formally adopted Standing Orders and Financial Regulations?	JH		
	Has a Responsible Financial Officer been appointed?	JH		
	Have items or services above a de minimis amount been competitively purchased?	JH		
	Are payments in the cashbook supported by invoices and have they been authorised and minuted?	JH		
	Has VAT on payments been identified, recorded, and reclaimed?	JH		STILL TO CLAIM
	Is Section 137 expenditure separately recorded and within statutory limits?	JH		
Risk Management Arrangements	Does a scan of the minutes identify any unusual activity?		JH	

1 Internal Control	2 Tests	3 Initial Yes	4 Initial No	5 Comments-date checked
Risk Management Arrangements (contd)	Do the minutes record the Council carrying out an annual risk assessment?	JA		
	Is insurance cover appropriate and adequate?	JA		
	Are internal financial controls documented and regularly reviewed?	JA		
Budgetary Controls	Has the Council prepared an annual budget in support of its precept?	JA		20/21 ON WEBSITE NEEDS UPDATING
	Is actual expenditure against the budget regularly reported *to* Council?	JA		
	Are any significant variances from budget explained?	JA		
Income Controls	Is income properly recorded and promptly banked?	JA		
	Does the precept recorded in the cashbook agree to the Council Tax Authority's notification?	JA		
	Are security controls over cash adequate and effective?	JA		
Petty Cash Procedures	Is petty cash spent recorded, and supported by receipts?			NO PETTY CASH
	Is petty cash expenditure reported to each Council Meeting?			
	Is petty cash reimbursement carried out regularly?			
Payroll Controls	Do salaries paid agree with those approved by Council?	JA		
	Are any other payments to the Clerk/other staff reasonable and approved by Council?	JA		

1 Internal Control	2 Tests	3 Initial Yes	4 Initial No	5 Comments-date checked
Payroll Controls (contd)	Has PAYE/NIC been properly operated by the Council as an employer?	JA		
	Do all employees have contracts of employment with clear terms + conditions?	JA		
Assets Controls	Does the Council keep an Assets Register of all material assets owned?	JA		
	Are the Assets & Investments Register up to date?	JA		NEED TO ADD NEW LAPTOP PURCHASED 14/4/23
	Do asset insurance valuations agree with those in the Asset Register?	JA		
Bank Reconciliation	Is there bank reconciliation for each bank account?	JA		
	Is the bank reconciliation carried out regularly on the receipt of statements?	JA		
	Are there any unexplained balancing entries in any reconciliation? Is the value of investments summarised on the reconciliation?		JA	
Year-End Procedures	Are year-end accounts prepared on the correct accounting basis?	JA		
	Do accounts agree with the cashbook?	JA		
	Is there an audit trail from underlying financial records to the accounts?	JA		
	Where appropriate, have debtors and creditors been properly recorded?	JA		NOT APPLICABLE