

HEELIS & LODGE

Local Council Services • Internal Audit

Internal Audit Report for Barking 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: £26,704.67

Expenditure: £19,052.30

Reserves: £53,797.85

AGAR 2021 / 2022 Completion:

Section One: No

Section Two: Yes electronically not signed. Section 7 does not equal (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

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: 29th July 2021 (Ref: 34/21)
Financial Regulations in place: Yes
Reviewed: 29th July 2021 (Ref: 33/21)

VAT reclaimed during the year: Yes Registered: No

General Power of Competence: No

There were no tenders during the year that exceeded the £25,000 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 – ZA048094 Expiry 18/05 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 17th March 2022 (Ref: 116/21b).

The Council have good internal financial controls in place. Cheque stubbs and invoices are initialled by signatories. 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 at meetings on 27th May 2021 (Ref: 19/21) and 18th November 2021 (Ref: 77/21).

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.barking.onesuffolk.net

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 14th June 2021

End Date 23rd July 2021

Budgetary controls

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

Precept: £11,000 (2021 / 2022)

Date: 21st January 2021 (Ref: 178/20c)

Precept: £12,395 (2022 / 2023)

Date: 20th January 2022 (Ref: 97/21c)

Good 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 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 - PAYE Tools**
Employer PAYE Reference: 475/LA56110
P60's issued: Yes

The Council continue to operate RTI in accordance with HMRC regulations. All supporting paperwork is in place and a P60 has been produced as part of the year-end process. The Council has not joined the LGPS / NEST pension scheme.

It is noted that the Council undertook a review of salaries at meetings held on 18th November 2021 (ref: 75/21e) and 17th March 2022 (Ref: 114/21d).

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 is recorded at £34,691. 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

The Bank Reconciliation for 31st March 2022 has an incorrect amount stated for Balance b/f 1st April 2021. It should be £16,146.88.

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 31st March were confirmed as:

<i>Barclays Community</i>	<i>£19,479.36</i>
<i>Barclays Active Saver</i>	<i>£ 1.35</i>
<i>Barclays Community</i>	<i>£ 83.65</i>
<i>Barclays Rate Reward</i>	<i>£35,288.49</i>

Bank signatories were changed at meetings held on 16th September 2021 (Ref: 51/21b) and 18th November 2021 (Ref: 75/21b)

Reserves

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

The Council have adequate general reserves (£53,797.85).

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 27th May 2021 (Ref: 14/21b).

A review of the effectiveness of the Internal Audit was carried out on 29th July 2021 (Ref: 29/21b).

Heelis & Lodge were appointed as Internal Auditor at a meeting held on 29th July 2021 (Ref: 29/21b).

External Audit

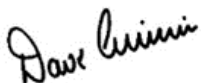
The Council formally approved the AGAR at a meeting of the full Council held on 27th May 2021 (Ref: 14/21d & e).

The External Auditor's report was considered at a meeting held on 16th September 2021 (Ref: 51/21b).

There were no matters arising from the External Audit.

Additional Comments/Recommendations

- The Annual Parish Council meeting was held on 27th 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 and the quality of documentation presented in the Audit File.



Dave Crimmin PSLCC

Heelis & Lodge

19th April 2022

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

Tel: 07732 681125

Email: heather@heelis.eu

Heather Heelis Dip HE Local Policy PILCM

Lynne Lodge Dip HE Local Policy

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www.heelisandlodge.co.uk

INVOICE

To:

Barking Parish Council
2 Northfield Road
Onehouse
Stowmarket
IP14 3EY

Invoice No: HLD2111

Date: 19th April 2022

Details	Quantity	Amount (£)	Total (£)
To carry out Year-end Internal Audit for Barking Parish Council for the year ended 31 March 2022.	1	140.00	140.00
Total			140.00

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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