Annual Internal Audit Report 2023/24

HOLME HALE PARISH COUNCIL

https://holmehaleparishcouncil.norfolkparishes.gov.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: 17/4/2024

Name of person who carried out the internal audit: ROBIN GOREHAM

Signature of person who carried out the internal audit: R Goreham

Date: 17th April 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).

HOLME HALE PARISH COUNCIL
Annual Internal Audit Report
(as required by section 151 of the Local Government Act 1972)
Financial Year ended 31st March 2024

I have in the (virtual) presence of Mrs. Sheryl Irving (Parish Clerk) inspected the parish council documents as appropriate, and line with, the scope of the audit requested. Sheryl also acts as the Responsible Finance Officer for the council. Cllr. Dr. Andy Scarlett is presently Chairman of the Council. I would like to thank the Parish Clerk for providing me with all the information required to carry out the audit.

Holme Hale Parish Council approved its Annual Budget and Precept of £8,000 (no change from the previous year) at its meeting of 3rd January 2023.
The balance on the Savings Account was £4,887.
There are no significant unexplained variances in the budget.

There were no formal recommendations made in last year's internal audit (May 2023).

The council holds several assets such as three bus shelters, three notice boards, a SAM2 speed sign (a new addition), four village signs and a number of electric pole lamps.

Payments & Receipts is used for the basis of accounting.

The clerk's salary is paid in accordance with members approval and statutory guidance, and documented in the relevant minutes. The clerk's Contract of Employment was submitted for my inspection.

PAYE and NIC have been properly operated (with the use of HMRC Basic Tools).

The bank is reconciled on a monthly basis. The cashbook is balanced monthly and regular financial reports are made to each meeting.

VAT has been properly implemented. £477.71 was reclaimed from HMRC in y/e 31st March 2024. A further claim was submitted on 2nd April 2024.
No petty cash is held.

An exclusively online banking system is being considered but has not yet been implemented. Such a system would, in my opinion, greatly improve accounting systems and offer benefits to the council, bringing it in line with many other administrations who have taken this step.

The Risk Assessment & Management policy was approved in January 2024, Financial Regulations (January 2024) and Standing Orders (March 2024). Risk Management should be reviewed annually; Financial Regulations and Standing Orders at least once during each four year council cycle. All policies are of a good standard.

I have inspected the Assets Register (displayed on the website) and found this to be in order. It was last updated in January 2024. I would suggest that values are reviewed regularly to ensure insurance requirements are met.

The council's website is of a good standard. It clearly displays Agendas, Minutes and Council policies. Policies include Code of Conduct, Health & Safety, Data Protection, Equality & Diversity and Biodiversity. I am pleased to note that a Safeguarding policy has been added. The website is in compliance with the Transparency Code.

£200 was set aside for councillors and/or staff training. The Council holds NALC membership.

I would make no formal recommendations at this time (but please see my comments with regard to online systems, above).

I am satisfied that this parish council is functioning to a good standard and is fully discharging its legal and statutory responsibilities.

Accordingly, I have duly signed and completed the relevant section (Form 2) of the Annual Governance and Accountability Return 2023/24.

ROBIN GOREHAM
(Internal Auditor)

April 2024