

HEELIS&LODGE

Local Council Services • Internal Audit

Internal Audit Report for Wortwell Parish Council – 2024/2025

The following Internal Audit was carried out on the adequacy of systems of control in accordance with the requirements of the Audit and Accounts Regulations 2015 and the guidance and instruction in the Practitioners Guide 2024. The following recommendations/comments have been made:

Income: £39,788 Expenditure: £40,025 Ear Reserves: £18,000 General: £1,993

AGAR 2024 / 2025 Completion:

Section One: **Yes - unsigned**

Section Two: **Yes – signed by RFO**

Annual Internal Audit Report 2024 / 2025: **Yes**

Certificate of Exemption: **No**

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: **January 2024, not within the year of Audit.**

Financial Regulations in place: **Yes**

Reviewed: **27th January 2025 (Ref: 25.111)**

VAT reclaimed during the year: **Yes** Registered: **No**

General Power of Competence: **No** Policy Review Schedule in place: **No**

There were no tenders during the year that exceeded the £30,000 Public Contract Regulations threshold.

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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 – C1599866 Expiry 11/10/25

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. It is advised that, due to the financial risk associated with the new Data Protection Regulations, this should form part of the Council's Risk Assessment.

Recommendation (1): *To include a reference to GDPR in the Council's Risk Assessment.*

Privacy Policy published: *No*

Recommendation (2): *Publish the council's privacy policy on the website.*

Insurance was in place for the year of Audit.

There was no evidence in the minutes that the Risk Assessment, including Internal Controls, had been reviewed during the year of Audit.

Recommendation (3): *To undertake and minute a review of the Risk Assessment and Internal Controls during the year of audit.*

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 reference meetings on 20th May 2024 (Ref: 25.1) & 29th July 2024 (Ref: 25.44.2).

Fidelity Cover: £150,000

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.wortwellpc.norfolk.parishes.gov.uk

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

Under **The Accounts & Audit Regulations 2015 13(1a&b)** councils must publish on their website:

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

2024 Annual Return, Section One Published – Yes

2024 Annual Return, Section Two Published – Yes

2024 Annual Return, Section Three Published – No

Under the requirements of the **Accounts and Audit Regulations 2015 13(2b)** a council is required to display AGAR's for the five years 2019-20, 2020-21, 2021-22, 2022-23 and 2023-24 on their website. The council has complied with this requirement.

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

Publication Date: 28/06/24 Start Date: 01/07/24 End Date: 09/08/24

Budgetary controls

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

Precept: £????? (2024 / 2025) Date: 8th January 2024 (Ref: 77)

Precept: £39,575 (2025 / 2026) Date: 6th January 2025 (Ref: 25.98)

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 <i>Income controls were checked and income received and banked cross-referenced with the Cash Book and bank statements.</i>				
Petty Cash	Associated books and established system in place <i>A satisfactory expenses system is in place with supporting paperwork. No Petty Cash held.</i>				
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: 531/MZ72396 P60's issued: Yes <i>The Council continue to operate RTI in accordance with HMRC regulations. Payroll is outsourced. All supporting paperwork is in place and a P60 and a P45 have been produced as part of the year-end process.</i> <i>Eligible employees joined the nominated pension scheme. No evidence was provided of the declaration of compliance with the Pensions Regulator.</i> <i>New Clerk was appointed at the meeting on 30th September 2024 (Ref: 25.48).</i>				
Asset control	Inspection of asset register and checks on existence of assets Cross-checking on insurance cover <i>A separate asset register is in place. Values are recorded at cost value. The total value of assets is recorded at £168,594. The figure in the asset register corresponds with the figure in Section 2, Box 9 of the AGAR.</i> <i>The asset register was approved at the meeting on 20th May 2024 (Ref: 25.17.1).</i>				
Bank Reconciliation	Regularly completed and cash books reconcile with bank statements <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> <i>Reconciled Bank Balances were confirmed as:</i> <table> <tr> <td><i>Lloyds Current</i></td><td><i>£ 2,833.35</i></td></tr> <tr> <td><i>Lloyds Business</i></td><td><i>£17,419.47</i></td></tr> </table>	<i>Lloyds Current</i>	<i>£ 2,833.35</i>	<i>Lloyds Business</i>	<i>£17,419.47</i>
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Reserves

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

*The Council has a **very low level of general reserves** (£1,993) and has identified earmarked reserves in its year-end accounts.*

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 a Trustee of:

- *Wortwell Parish Lands – Charity 284783*
- *Wortwell Old Playing Fields – Charity 304124*

The last annual submission of the accounts for both charities for the year ending 31st March 2024 was on 16th December 2024.

Internal Audit Procedures

The 2024 Internal Audit report was considered by the Council at a meeting held on 20th May 2024 (Ref: 25.13.1).

A review of the effectiveness of the Internal Audit was carried out on 30th September 2024 (Ref: 25.53.4)

Heelis & Lodge were appointed as Internal Auditor at a meeting held on 30th September 2024 (Ref: 25.53.4)

External Audit

The Council formally approved the 2024 AGAR at a meeting of the full Council held on 20th May 2024 (Ref: 25.13.1 & 2).

The External Auditor's report was considered at a meeting held on 30th September 2024 (Ref: 25.53) & 21st October 2024 (Ref: 25.70).

Additional Comments/Recommendations

- The Annual Parish Council meeting was held on 20th May 2024. 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 the quality of documentation presented in the Audit File.



Dave Crimmin PSLCC
Heelis & Lodge
12th May 2025