

ACTON BRIDGE
PARISH COUNCIL
INTERNAL AUDIT 2023-2024
YEAR-END REPORT

4th May 2024

Signed: *Jo O'Donoghue* FSLCC

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Internal Audit Forum
THE VOICE FOR LOCAL COUNCIL AUDIT

The internal audit of Acton Bridge Parish Council has been carried out by undertaking the following tests as specified in the JPAG (Joint Panel on Accountability and Governance) guidelines 2023.

- Checking that books of account have been properly kept throughout the year
- Checking a sample of payments to ensure that the Council's financial regulations have been met, payments are supported by invoices, expenditure is approved, and VAT is correctly accounted for
- Reviewing the Council's risk assessment and ensuring that adequate arrangements are in place to manage all identified risks
- Verifying that the annual precept request is the result of a proper budgetary process; that budget progress has been regularly monitored and that the council's reserves are appropriate
- Checking income records to ensure that the correct price has been charged, income has been received, recorded and promptly banked and VAT is correctly accounted for
- Checking that salaries to employees have been paid in accordance with Council approvals and that PAYE and NI requirements have been properly applied

AGAR certificate reference	Comments	Recommendation	ABPC Response/action
<p>A. Appropriate accounting records have been properly kept throughout the year. AND Periodic bank account reconciliations were properly carried out during the year.</p>	<ul style="list-style-type: none"> Bank reconciliations should be prepared routinely, and be subject to independent scrutiny and sign-off by members 	<ol style="list-style-type: none"> A member, other than the Chairman, should be appointed to verify bank reconciliations (for all accounts) produced by the RFO. The member should sign the reconciliations and the original bank statements (or similar document) as evidence of verification. 	
<p>B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT appropriately accounted for.</p>	<ul style="list-style-type: none"> Review the procedures for receipt of invoices Finance regulations are out of date 	<ol style="list-style-type: none"> A suitably designed certification stamp should be in place providing for evidencing of checks and payment authorisation and applied to all invoices. The updated Finance Regulations 2024 were published by NALC on 8th May 2024 and it is recommended that council formally review the regulations and adopt the model document. 	
<p>C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.</p>	<ul style="list-style-type: none"> Appropriate levels of insurance cover are in place. The risk assessment is out of date and should be reviewed. 	<ol style="list-style-type: none"> An up to date risk assessment needs to be made available on the website as a matter of urgency. This should be regularly reviewed. It is recommended that the 	

		council approve a Risk Management Policy.	
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	The RFO has reviewed the budget performance at the financial year-end and provided explanations for any significant or unanticipated variances.		
E. Expected income was fully received based on correct prices, properly recorded and promptly banked; and VAT appropriately accounted for.	An up to date list of burial fees is available online.	6. It is recommended that the council provide the cemetery regulations online.	
F. Petty Cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for	NA		
G. Salaries to employees and allowances to members were paid in accordance with the authority's approvals, and PAYE and NI requirements were properly applied.	The Clerk does not have an employment contract. This does not comply with employment guidelines and any new clerk should be provided with an employment contract and job description by day 1 of	7. The council is advised to adopt the Model Contract of Employment for the Clerk as published by NALC/SLCC (2023) 8. Salaries should be paid on a set day of the month and not have to wait for a meeting to be	

	employment.	approved. They are contractual arrangements. Salaries should be paid by direct debit.	
H. Asset and investment registers were complete and accurate and properly maintained.	<ul style="list-style-type: none"> • The RFO is maintaining a formal asset register within the accounting spreadsheet. • Once recorded on the asset register, the value of assets must not change from year to year until disposal. Concepts of depreciation and impairment adjustments are not appropriate for local councils (Governance and Accountability for Local Councils: A Practitioner's Guide (England) 2014, para. 3.69). It is fine to increase the insurance value (as long as you inform your insurers and are aware that the cost of the policy could increase). 	<p>9. The asset register must be published on the website.</p> <p>10. Additions and disposals records should allow tracking from the prior year to the current.</p>	
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure),	Accounting statements were prepared on a receipts and payments basis, agreed to the cashbook and supported by an adequate audit trail from underlying records.		

<p>agreed to the cashbook, supported by an adequate audit trail from underlying records.</p>			
<p>K. If the authority certified itself as exempt from a limited assurance review in the prior year, it met the exemption criteria and correctly declared itself exempt.</p>	<p>ABPC met the criteria and correctly declared itself exempt.</p>		
<p>L. The authority publishes information on a free to access website / web page, up to date at the time of the internal audit in accordance with the relevant legislation</p>	<p>I have reviewed the Council's website and not all required documentation is published in accordance with the relevant legislation.</p>	<p>11. The website requires an accessibility statement and privacy notice. 12. Payments over £100 should be published on the website. 13. Associated meeting documents should be published on the website. 14. Postal contact details for the council should be provided on the website. This can include a Royal Mail post box address.</p>	
<p>M. The authority, during the previous year, correctly provided for the period for the exercise of public rights as required</p>		<p>15. It is recommended that the council formally approve the dates at the same time as approving the AGAR.</p>	

by the Accounts and Audit Regulations.			
N. The authority complied with the publication requirements for the prior year AGAR.	Whilst the prior year's AGAR is displayed on the website all requirements have not been met as detailed on the front page of the AGAR.	16. The authority must formally approve Section 1 Annual Governance Statement before approving Section 2 Accounting Statements. Both actions must be minuted.	
O. Trust funds (including charitable) - the Council met its responsibilities as a trustee	NA		

OTHER COMMENTS:

1. It is recommended that the council provide .gov emails for staff and councillors (NALC briefing provided).
2. Where a council does not have the General Power of Competence any expenditure should be referenced in the minutes by the appropriate power/legislation (reference document provided).
3. All supporting documents for a meeting should be made available, online, to members of the public and provided to all councillors with the summons to the meeting.
4. The current clerk has resigned with effect from 31/03/2024 and has agreed to complete the AGAR 2023-24.
5. The council should advertise the vacancy for a Clerk/RFO and appoint a Clerk with a legal contract of employment (NALC/SLCC Model Employment Contract).
6. This document, together with the AGAR, must be published on the website under statutory requirements under the transparency code.

COMMENDMENTS

Many thanks to Carole Robinson (Clerk/RFO) for providing an excellent set of comprehensive accounts.