

**Goosnargh Parish Council – Internal Audit 2023/24**

|         | <b>Control Objectives</b>  | <b>Agreed?</b>          | <b>Evidence</b>  |                          |            |                   |                         |                          |            |         |                         |    |         |                    |         |   |        |         |   |    |          |                         |            |   |         |                   |   |    |         |             |           |   |         |         |   |
|---------|--|-------------------------|--|--------------------------|------------|-------------------|-------------------------|--------------------------|------------|---------|-------------------------|----|---------|--------------------|---------|---|--------|---------|---|----|----------|-------------------------|------------|---|---------|-------------------|---|----|---------|-------------|-----------|---|---------|---------|---|
| A       | Appropriate accounting records have been properly kept throughout the financial year.  | Yes                     | <p>The Clerk maintains a computerised cash book, which is updated regularly and reported to Committee on a quarterly basis along with a comparison of progress against budget.</p> <p>For each payment the cash book records the transaction date, payee, method of payment, minute number, expenditure type, gross, net and VAT amounts. For receipts, the precept, grants, VAT and other income are itemised separately.</p>   |                          |            |                   |                         |                          |            |         |                         |    |         |                    |         |   |        |         |   |    |          |                         |            |   |         |                   |   |    |         |             |           |   |         |         |   |
| B       | This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for. | Yes                     | <p>The Council's Financial Regulations were updated and adopted on 27/11/23. Standing Orders were updated and adopted on 26/6/23</p> <p>The orders require each payment to be authorised by the Council and minuted. Cheques and on-line payments are required to be authorised by 2 members of the Council and approved for payment at the next available parish meeting. There is one direct debit set up for website costs.</p> <p>The following selective assessment of 3 payments (10%) has been checked and found to be in compliance with the Council's financial regulations:</p> <table border="1"> <thead> <tr> <th>Pmnt No</th> <th>Date</th> <th>Payee</th> <th>Amount</th> <th>Invoice Recorded in A/cs</th> <th>VAT Amount</th> <th>Minuted</th> <th>VAT correctly reclaimed</th> </tr> </thead> <tbody> <tr> <td>11</td> <td>25/9/23</td> <td>Nurture Landscapes</td> <td>£273.67</td> <td>✓</td> <td>£45.61</td> <td>25/9/23</td> <td>✓</td> </tr> <tr> <td>22</td> <td>27/11/23</td> <td>Burnley Borough Council</td> <td>£4,484.40*</td> <td>✓</td> <td>£747.40</td> <td>22/5/23, 27/11/23</td> <td>✓</td> </tr> <tr> <td>29</td> <td>25/3/24</td> <td>M Scrambler</td> <td>£1,470.00</td> <td>✓</td> <td>£245.00</td> <td>25/3/24</td> <td>✓</td> </tr> </tbody> </table> <p>There were no <u>net</u> purchases in excess of £3,000 in 2023/24 requiring 3 quotations.<br/>* Payment 22 is made up of a number of items including £1,500 for the website.</p> | Pmnt No                  | Date       | Payee             | Amount                  | Invoice Recorded in A/cs | VAT Amount | Minuted | VAT correctly reclaimed | 11 | 25/9/23 | Nurture Landscapes | £273.67 | ✓ | £45.61 | 25/9/23 | ✓ | 22 | 27/11/23 | Burnley Borough Council | £4,484.40* | ✓ | £747.40 | 22/5/23, 27/11/23 | ✓ | 29 | 25/3/24 | M Scrambler | £1,470.00 | ✓ | £245.00 | 25/3/24 | ✓ |
| Pmnt No | Date   | Payee                   | Amount   | Invoice Recorded in A/cs | VAT Amount | Minuted           | VAT correctly reclaimed |                          |            |         |                         |    |         |                    |         |   |        |         |   |    |          |                         |            |   |         |                   |   |    |         |             |           |   |         |         |   |
| 11      | 25/9/23  | Nurture Landscapes      | £273.67  | ✓                        | £45.61     | 25/9/23           | ✓                       |                          |            |         |                         |    |         |                    |         |   |        |         |   |    |          |                         |            |   |         |                   |   |    |         |             |           |   |         |         |   |
| 22      | 27/11/23   | Burnley Borough Council | £4,484.40*   | ✓                        | £747.40    | 22/5/23, 27/11/23 | ✓                       |                          |            |         |                         |    |         |                    |         |   |        |         |   |    |          |                         |            |   |         |                   |   |    |         |             |           |   |         |         |   |
| 29      | 25/3/24  | M Scrambler             | £1,470.00  | ✓                        | £245.00    | 25/3/24           | ✓                       |                          |            |         |                         |    |         |                    |         |   |        |         |   |    |          |                         |            |   |         |                   |   |    |         |             |           |   |         |         |   |
| C       | This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.                               | Yes                     | <p>The Council maintains a comprehensive risk management policy statement which is reviewed annually. The activities of the Council do not present any significant risks. The 2023/24 risk management policy and risk register were approved on 25th March 2024.</p> <p>The Council has adequate insurance cover as follows:</p>   |                          |            |                   |                         |                          |            |         |                         |    |         |                    |         |   |        |         |   |    |          |                         |            |   |         |                   |   |    |         |             |           |   |         |         |   |

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|   |   |     | <p>Public Liability      £10m<br/> Employer liability    £10m<br/> Fidelity guarantee   Not covered (Highest balance £64k)<br/> Property damage      Replacement cost.</p> <p>It is recommended that the Council considers Fidelity Guarantee insurance which is the norm for public sector organisations and covers the Council against loss of money or property incurred by improper acts by employees.</p>                         |
| D | The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate. | Yes | <p>The annual precept for 2023/24 was based on a comprehensive budget; expenditure for 2023/24 in most areas was in line with budget. The clerk has reported progress against budget to the Council on a quarterly basis.</p> <p>Reserves at the year-end were £48,829. Excluding the Community Infrastructure Levy funds of £38,243, there were general reserves of £10,586 which represents 176% of the 2023/24 annual precept.</p>  |
| E | Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.                      | Yes | <p>All income has been received by BACS which is best practice.</p> <p>The Council submits a VAT return annually. The VAT identified in section B above had been correctly reclaimed.</p>  |
| F | Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.                             | Yes | <p>The Council does not have petty cash. The Clerk keeps a record of all expenses incurred on Parish Council business and reclaims the amount periodically.</p> <p>The expense claim of £15.22 reimbursed on 22/3/24 was checked against the Clerk's contract of employment. There was no VAT incurred on the expenses.</p> <p>Mileage allowance claimed at 45ppm and the home working allowance are not taxable.</p>                  |
| 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.      | Yes | <p>The Clerk's hours are agreed at 5 hours per week with effect from 20<sup>th</sup> March 2023. 11/1/24). The payment for March 2024 was checked and is in accordance with current NALC pay scales (effective from 1/4/23) and the Clerk's contract of employment.</p> <p>PAYE is calculated using HMRC software and is deducted at source and paid to HMRC. Employer's NI and Workplace pension scheme payments are not payable.</p> |

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|           |  |             |   |  |   |           |                  |  |                  |
| H         | Asset and investments registers were complete and accurate and properly maintained.  | Yes         | <p>The PROW sign boards purchased in year have been added to the asset register.</p> <p>The current asset register was approved by the Council on 14<sup>th</sup> March 2024.</p> <p>It is recommended that the asset register is approved annually by the Council.</p>   |  |   |           |                  |  |                  |
| I         | Periodic bank account reconciliations were properly carried out during the year.   | Yes         | <p>The Clerk reconciles the accounts to the bank statements on a regular basis.</p> <p>Balances at 31/3/24 reconcile to the accounts:</p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td></td> <td style="text-align: right;">£</td> </tr> <tr> <td>Account 1</td> <td style="text-align: right;"><u>48,828.68</u></td> </tr> <tr> <td></td> <td style="text-align: right;"><u>48,828.68</u></td> </tr> </table> |  | £ | Account 1 | <u>48,828.68</u> |  | <u>48,828.68</u> |
|           | £  |             |   |  |   |           |                  |  |                  |
| Account 1 | <u>48,828.68</u>   |             |   |  |   |           |                  |  |                  |
|           | <u>48,828.68</u>   |             |   |  |   |           |                  |  |                  |
| J         | Accounting statements prepared during the year were prepared on the correct accounting basis (receipts & payments or income & expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records, and where appropriate debtors and creditors were properly recorded. | Yes         | <p>Year end accounts have been prepared on a receipts and payments basis and agree to the cash book. The Clerk has maintained a comprehensive and well organised file, which along with the Councils minutes, provide a full and detailed audit trail.</p> <p>The Clerk has produced a statement of variances to submit with the accounts to the external auditor.</p>  |  |   |           |                  |  |                  |
| 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.  | Not covered |   |  |   |           |                  |  |                  |
| L         | The authority published the required information on a website / web page up to date at the time of the internal audit in accordance with the relevant legislation.   | Yes         | The Council's website is free to access and the 22/23 accounts, expenditure analysis and external report are published and easily accessible.   |  |   |           |                  |  |                  |
| M         | In the year covered by this AGAR, the authority correctly provided for the period for the exercise of public rights as required by the Accounts and  | Yes         | The notice of public rights for 2022/23 is published on the Council's website.  |  |   |           |                  |  |                  |

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|   | Audit Regulations (during the 2022-23 AGAR period, were public rights in relation to the 2021-22 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 | 2022/23 AGARs are published on the Council's website. |
| O | (For local councils only)<br>Trust Funds (including charitable) –<br>The council met its responsibilities as a trustee.   | N/A |   |

**Signed**

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SANDRA WISEMAN ACMA CGMA

**Date**

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12/5/24