

## INTERNAL AUDIT FOR HARESCOMBE PARISH COUNCIL.

Report by Mrs Irena Litton BEM

Dated 23<sup>rd</sup> February 2025 & 6<sup>th</sup> March 2025

	<b>Comments and Recommendations</b>
1. Accounting records	<p>Adequately kept on a payments and receipts system.</p> <p>Cashbook is regularly maintained.</p> <p>Members can access records online and receive regular updates as recorded in the minutes.</p>
2. Payments, Receipts & Budget	<p>A budget for Financial Year 2024/2025 was prepared and minuted. Min Ref 06/11.23.10</p> <p>A copy of the budget is published on the Councils website.</p> <p>Payments are clearly recorded in the Minutes.</p> <p>Receipts are clearly recorded in the Minutes.</p> <p>Spending and Quotes are duly considered in line with the Councils Financial Regulations.</p>
3. Budget vs spend.	<p>The half yearly review of the budget was considered in the November 2024 meeting. Min Ref 24.94</p> <p>An overspend on Village Maintenance was recorded.</p>
4. Bank reconciliations	<p>Bank reconciliations are regularly recorded in the minutes and are verified as part of the internal controls.</p>
5. Investments and Petty Cash	<p>£11,000 was invested in a savers account. Min Ref: 24.54</p> <p>The Council does not hold Petty Cash.</p>
6. Reserves	<p>Ear Marked Reserves were reviewed and clearly defined as part of the budget report. Min Ref 24.126</p> <p>General Reserves are reasonable and again are clearly defined as part of the budget report.</p>

7. Precept	<p>For FY 2024/25 was clearly recorded in the minutes. Min Ref: 06/11.23.10</p> <p>Precept demand for £5,250.</p>
8. Asset Register	<p>The Fixed Asset Register was reviewed in May 2024. Min Ref: 24.05.11.1</p> <p>A copy of the Fixed Asset Register is published on the Council's website</p>
9. Insurance	<p>The Council is in the 2<sup>nd</sup> year of 3 year agreement. Min Ref: 24.05.11.11</p> <p><b>Recommend</b> that the Council minute that they have reviewed that the cover meets their needs prior to renewal.</p> <p>Insurance Cover is with Community First Insurance (Zurich Insurance).</p>
10. Risk Assessment Policy	<p>Risk Assessment Policy, last reviewed July 2022.</p> <p>Clerk advises this is to be reviewed in the March 2025 meeting.</p> <p>A copy is published on the Councils Website.</p>
11. Assets Maintained	<p>Reporting of asset maintenance is recorded in the minutes. Examples include Defibrillator maintenance, winter plan including grit bins and noticeboard.</p>
12. Financial Regulations	<p>Most recent NALC adapted version adopted in September 2024. Min Ref: 24.65</p> <p>A copy of the Financial Regulations are published on the Councils website.</p>
13. Standing Orders	<p>Most recent NALC adapted version were adopted in reviewed in September 24. Min Ref: 24.66</p> <p>A copy of the Standing Orders are published on the Councils website.</p>
14. Powers to Spend	<p>The Council doesn't have the General Power of Competency, however it has used appropriate powers for expenditure.</p>

15. S.137 spending & Grants	<p>Expenditure was within the limits (£10.81 per electorate, for Financial Year 2024/2025).</p> <p>The Council have adopted a Grants Awarding Policy in November 2023</p> <p>Grants were awarded included £250 to Cotswold Wardens, £250 to Air Ambulance and £200 to Sunflower.</p>
16. VAT	<p>VAT of £24 reclaimed July 2024.</p> <p>Clearly recorded in the minutes. Min Ref: 24.29</p>
17. Borrowing	<p>There are no Loan arrangements.</p>
18. Internal Control	<p>Internal Financial Checks carried out regularly, which are clearly recorded in the minutes.</p> <p>Council reviewed their annual statement of effectiveness in their September 2024 meeting. Min Ref: 24.55</p>
19. Direct Debits/Regular Payment List	<p>Council approved a pre-authorised payment list.</p> <p>Min Ref: 24.05.11.9</p>
20. Bank Signatories	<p>Council resolved to add Cllr Richards and remove Cllr Pritchard as a signatories. Min Ref: 07/04.24.06 and 24.28</p>
21. Employment	<p>Council is registered with HMRC. There are no new employees. Contract for the Clerk is in place. Salary is paid in line with contract.</p> <p>External Payroll provider (PATA).</p> <p>Annual Pay Award was recorded in the minutes. Min Ref: 24.91</p>
22. Pension	<p>The new Clerk declined a Pension.</p> <p>Auto Enrolment declaration next due November 2025.</p>
23. Councillor Allowances/Expenses	<p>The Councillors are not paid an allowance.</p> <p>Expenses are clearly recorded in the minutes. (See Min Ref 24.26)</p>
24. End of Year Accounts	<p>Approved and correctly recorded in the minutes. Min Ref: 24.05.11.7</p>

25. AGAR Section 1 Governance Statement	<p>Approved and correctly recorded in the minutes. Min Ref: 24.05.11.5</p> <p>Copy is published on the Councils website.</p>
26. AGAR Section 2 Accounting Statement	<p>Approved and correctly recorded in the minutes. Min Ref: 24.05.11.8</p> <p>Copy is published on the Councils website.</p>
<p>27. a. Internal Audit Report / AGAR</p> <p>b. Internal Audit Report – reviewed and actions taken.</p> <p>c. Appointment of Internal Auditor for Financial Year ending 31<sup>st</sup> March 2024</p>	<p>a. AGAR – correctly recorded in the minutes. Min Ref: 24.11.05.11.4</p> <p>A copy is published on Councils website</p> <p>b. Report reviewed and recommended actions have been carried out. Min Ref: 07/04,24.07</p> <p>c. Council approved the appointment of a competent and independent Internal Auditor. Min Ref:24.117</p>
28. External Audit Report / AGAR OR Certificate of Exemption.	<p>Council correctly certified that it is exempt from a limited assurance review. Min Ref: 24.05.11.2</p> <p>A copy is published on the Councils website.</p>
29. Exercise in Public Rights	<p>The Council complied with the Notice of Exercise in Public Rights.</p> <p>Dates were reported 3<sup>rd</sup> June – 12<sup>th</sup> July 2024. Min Ref: 24.56</p> <p>A copy of the notice is published on the Councils website.</p>
30. Policies & Data Security.	<p>The following Policies regarding Data Protection are published on the Councils website:</p> <p>Privacy Notice, Staff, Councillors and other role Holders (last reviewed January 2022)</p> <p>General Privacy Statement (last reviewed August 2018).</p> <p><b>Recommend</b> the Council consider updating using the GDPR regulations.</p>

	Council has registered with the ICO.
31. Accessibility Statement	The website complies with the 2018 Accessibility Regulations.
32. Agendas and Summons	Agendas are issued and published within regulations.  Agendas clearly show the appropriate summons.
33. Code of Conduct, DPIs , Members responsibilities and Minutes	Code of Conduct – adopted January 2023.  Minutes clearly record DPIs  Members Register of Interests are published on Stroud District Councils website but can be accessed by a link from the Parish Councils website.  Members responsibilities are published on the Councils website.  Minutes are published in draft form on Councils website within 28 days.  Minutes are duly signed as a true record.
34. Other Observations.	a. Council is changing domain to '.gov', as per JPAG 2023.  b. The Council is not a burial authority.  c. The Council is not responsible for Managing Trusts.  d. Congratulations to Mr Simon Hale, on successfully completing his Cilca qualification.  As a result the Council may like to consider adopting the General Power of Competence (if it meets the other criteria) and applying for accreditation from the Local Government Award Scheme. For further information see link <a href="https://www.nalc.gov.uk/support/local-council-award-scheme.html">https://www.nalc.gov.uk/support/local-council-award-scheme.html</a>

### Sampling carried out on the 6<sup>th</sup> March 2025

<b>Description</b>	<b>Payer</b>	<b>Date</b>	<b>Amount</b>
CIL (receipt)	Stroud District Council	22 <sup>nd</sup> April 2024	£159.74
VAT Refund (receipt)	HMRC	21 <sup>st</sup> May 2024	£24.00
Subscription (payment)	GAPTC	5 <sup>th</sup> December 2024	£62.36
Payroll Admin (Payment)	PATA	8 <sup>th</sup> April 2024	£16.85
Grant (Payment)	Cotswold Wardens	4 <sup>th</sup> April 2024	£250.00
Website provision (Payment)	Hugo Fox	1 <sup>st</sup> July 2024	£122.38 (£20.38 VAT)

### Additional Documents viewed:

- Clerks contract checked, in the IA for FY 2023/24
- Insurance Schedule with Community First (Zurich Insurance).
- 11<sup>th</sup> November 2024, signed minutes viewed.
- Cashbook viewed (separate column for S.137 payments)
- Bank Statements and copy invoices viewed.
- Copy of Internal Checkers Report viewed.