

**SUBJECT:** Internal Audit Report for the Financial Year 2023 to 2024  
**TO:** Cleeve Parish Council  
**FROM:** Clerk of Kenn Parish Council  
**DATE COMPLETED:** 09 May 2024

In completing the Annual internal Audit Report section (*page 3*), I have carried out the following:

- An inspection of the accounts for the year 2023/24.
- Cross referenced these with the minutes of and reports to the Parish Council against the Parish Council's bank statements, receipts and payment account books, Payroll records etc.
- Checked brought forward figures from the 2022/23 against those recorded in the 2023/24 return.
- Also checked the Parish Council's transparency regarding their web site.

<b>Response</b>	<b>Required Control Objectives</b>	<b>Internal Audit Observations</b>
<b>A Yes</b>	Appropriate accounting records have been kept properly throughout the year.	The accounting records have been regularly managed, updated and are kept properly.
<b>B Yes</b>	This authority complied its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	<ul style="list-style-type: none"> <li>• For policy I referenced Cleeve PC's Financial Regulations on their website.</li> <li>• Cross referenced minutes for approval, with the documents and statements etc</li> <li>• VAT was easy to identify in the accounts and VAT reclaims were being made.</li> <li>• The minutes recorded expenditure or grant giving under an identifiable heading.</li> </ul>
<b>C Yes</b>	This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	<ul style="list-style-type: none"> <li>• Current Risk Policy provided and risks (and other policy documents) are assessed annually and results recorded.</li> </ul>
<b>D Yes</b>	Precept or rates requirement resulted from an adequate budgetary process; progress against the budget is regularly monitored; and reserves were appropriate.	<ul style="list-style-type: none"> <li>• Finance information was provided for Cleeve PC to prepare its budget for 2023/24.</li> <li>• There was good evidence of regular monitoring against the agreed budget for the year.</li> </ul>
<b>E Yes</b>	Expected income was fully received, based on correct prices, properly recorded, banked; and VAT was accounted for.	Income was properly received. I crossed referenced checks against bank statements, accounts and remittance documents.
<b>F n/a</b>	Petty cash payments were properly supported by receipts, all petty cash expenditure was approved, and VAT appropriately accounted for.	<ul style="list-style-type: none"> <li>• Petty cash payments are not used.</li> <li>• The Clerk applies for refunds of expenditure and supplies a breakdown of these.</li> <li>• VAT for these purchases reclaimed.</li> </ul>
<b>G Yes</b>	Salaries to employees and allowances to members were paid in accordance with this smaller authority's approval, and PAYE/NI requirements properly applied.	<ul style="list-style-type: none"> <li>• Checked minutes for approval of payments and decisions related to salary increases.</li> <li>• Also copies of HMRC's P60 reporting were included in the docs for audit reference.</li> </ul>
<b>H Yes</b>	Asset, investments registers were complete, accurate and maintained.	Copy of Assets Register provided and checked.
<b>I Yes</b>	Periodic & year-end bank account reconciliations properly carried out.	Evidence of regular bank reconciliations undertaken were provided.

<b>J Yes</b>	Accounting statements prepared on the correct accounting basis (receipts and 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.	<ul style="list-style-type: none"> <li>• Receipts and payments basis applied and could be audited.</li> <li>• The HMRC final quarter payment for 2022/23 was made during 2023/24. Also, the final salary payment for 2023/24 was included in the accounts but paid in the following financial year. Both these may have been due to an account transition correction.</li> </ul>
<b>K n/a</b>	If the authority certified itself as exempt from limited assurance review in 2022/23, it met the exemption criteria and correctly declared itself except.	Proof was provided that a limited assurance review of the accounts was carried out, this did not apply to Cleeve.
<b>L Yes</b>	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.	<ul style="list-style-type: none"> <li>• end of year accounts, bank reconciliations, fixed assets, precept budgeting✓</li> <li>• annual governance statement✓</li> <li>• internal audit report✓</li> <li>• the details of public land and building✓</li> <li>• Minutes, agendas and meeting papers of formal meetings✓</li> <li>• list of expenditure above £100 found</li> </ul>
<b>M Yes</b>	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 (	Copies of all the notices were provided on the website.
<b>N n/a</b>	The authority has complied with the publication requirements for 2022/2023 AGAR	On reading the guidance this appears to have been complied with.
<b>O n/a</b>	Trust Funds – Not applicable to Cleeve Parish Council	

Notes:

1. An annual Action Plan is considered and provided on the website for public access, found this very interesting and first-rate practice.
2. Grants: there is a Grant Awarding Policy on the website and details of the terms of grants, along with a form to be completed by any applicant. This is a useful additional facility for anyone considering making an application to the parish council.
3. I enquired about some of the claimed expenses being identified, which seemed to be at variance in relation to the Home Office allowance as being claimed by the clerk for using his home as the Parish Council office. The clerk advised the expense claim related to a dedicated mobile phone; the clerk agreed to adjust the heading to reflect this.
4. Earmarked Reserves are identified in the Actual Budget report, could not locate easily any identified expenditure against the sums held – which might be useful for councillors' information.

Except for items identified (the second bullet point in 'J' above and in 3 & 4 in the notes) this report, based on my checks, as carried out and reported above, in my opinion the Council's accounts for the Financial Year 2023/24 have been managed and present a fair and accurate picture of the Parish Council's activities.

Internal Audit conducted by: Eleanor Wade, Kenn Parish Clerk

Signature:.....*Eleanor E. Wade*..... Dated:.....9 May 2024.....