

**Creech St Michael Parish Council Interim
Internal Audit Report Financial Year 2022-23**

Internal audit carried out by:
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Tests	Yes/No	Comment
Financial		
Responsible Financial Officer (RFO)- is the appointment minuted	Yes	Andrew Williams was appointed as Clerk/RFO at the meeting held on 16.05.23
Does the Council meet the criteria to declare itself exempt from a limited assurance review or will it need a limited assurance review.?	No	Receipts and payments will be over £25,000 and the Council will have a limited assurance review.
Are the accounts prepared as Receipts and payments or Income and expenditure	N/A	Receipts and payments
Are there Financial Regulations in place and have they been reviewed recently?	Yes	Agreed 07.04.22. Minute ref: 10.11
Has the Council reviewed the effectiveness of its internal controls ?	Yes	Agreed 07.03.22 Minute ref: 10.7 and reviewed on 25 th May 2023 by the Finance Committee. Minute 7.
Has the Council reviewed the of Effectiveness of Internal Audit?		This is best done in 2023-24 when the Council will be able to review the success of the Internal Audit Plan written 2021-22 and the work on governance the new Clerk/RFO has put in since his appointment.
What are the Council's banking arrangements? Does it use online banking?		The Council is now banking with Unity Trust Bank and making mostly online payments. There is more than £85,000 in the Unity Trust Bank account which means there is money that is not protected by the Financial Services Compensation Scheme. The Council is also missing out on bank interest by not having a second account that gives interest.
Is there any petty cash? If yes, is there a procedure in place to manage it?	No	The Clerk/RFO has a Soldo prepaid debit card to pay for expenses
Accounts – arithmetic check	Yes	Cashbook spreadsheet checked.
Are payments correctly authorised in line with the Council's payment controls?	Yes	Schedule of payments circulated and signed when agreed by Chair as set out in the Financial Regulations

Are staffing costs correctly recorded for the Accounting Statement?		Not checked
Are all payments included in the minutes?	Yes	Selection checked against spreadsheets
Are all payments correctly recorded?	Yes	
Are any payments made using S137 correctly identified?	N/A	No S137 payments during 2022-23
Is income correctly recorded?	Yes	Remittances provided
Was the process for agreeing the budget for 2022-23 documented and was the budget approved?	Yes	Budget circulated prior to meeting on 10.01.22. Only minuted that the precept agreed
Was the 2022-23 precept approved and recorded in the minutes?	Yes	Precept of £68,000 approved at Council meeting held on 10 th January 2022. Minute ref: 8.4
Does the Council regularly review and monitor its spending against its budget and are monitoring reports produced?	Yes	Regularly reported to the Finance Committee who review the reports and take appropriate action. The Finance Committee report on this at Council meetings
Is there evidence of regular bank reconciliations and are these checked by a councillor?	Yes	Reported at Finance Committee meetings.
Has VAT been correctly accounted for?	Yes	Spreadsheet checked
Is the VAT return accurate and completed?		VAT reclaimed up to 31.10.22.
Does the Council have adequate reserves taking into account any earmarked reserves?	Yes	£77,000 general reserves which is more than 100% of precept
Does the Council have a General Reserves Policy? Has it reviewed the level and purpose of its earmarked reserves?	Yes	The Council does have a policy. Reserves are regularly reviewed by the Finance Committee.
Risk management		
Does the Council have adequate insurance cover for its needs?	Yes	5 year agreement with Zurich. This is the third year.
Does the Council have an Employer liability certificate?	Yes	
Is there a Risk register in place, is it up to date and has it been reviewed within last 12 months?	Yes	Reviewed by Finance Committee on 04.03.22 and adopted by Council on 07.03.22. While it wasn't reviewed in 2022-23 this was shortly before year end 2021-22 and was very thorough. It will need to be reviewed for 2023-24.
Transparency Code (Information on website)		
Agendas – are they published on the website? Are agenda items clear on the decisions councillors need to make?	Yes	Agendas are published on the website and the agendas are clear on the decisions councillors need to make.

Minutes – are they adequately numbered, are decisions clear and do they include the payments that have been approved?	Yes	Payments were included in the minutes. Now the signed payment list is an annex to the minutes
Is the Annual Governance Statement 2021-22 published on the website?	Yes	
Is the Accounting Statement 2021-22 on the website?	Yes	
Is the Asset Register on the website?	Yes	
Is the bank reconciliation at 31.03.22 on the website?		
Is there evidence of Exercise of Public Rights in accordance with the requirements of the Accounts and Audit Regulations?	Yes	Notice published on 1 st June. Period of inspection 13 th June – 1 st August and includes the first 10 working days of July
Staffing		
Does the Clerk and any other Council employee have a Contract of employment in place?	Yes	The Council gives all employees a contract of employment
Are payroll procedures carried out correctly and PAYE and NI correctly accounted for?	Yes	HMRC payroll software used
Are employees automatically enrolled in a pension scheme if they qualify?	Yes	NEST pension scheme
Has the Clerk and any other employee received a Year end P60?	Yes	Copies of P60's for Clerk/RFO and Caretaker provided
Has the Clerk received any training in year?	Yes	Audit training. Signed up for CILCA
Have other members of staff required the training necessary for their role	Yes	Both the Caretaker and Grounds and Maintenance Operative are working through a range of training activities. <ul style="list-style-type: none"> • Fire Safety Awareness • Fire Extinguisher Training • Health and Safety Training For Employees • Needles and Sharps Training • Slips, Trips & Falls Online Training Course • Personal Protective Equipment (PPE) Training • Spill Management Training • Control of Substances Hazardous to Health (COSHH) Training Course In addition, the Grounds and Maintenance Operative has completed the Brushcutter/Strimmer Training (LANTRA Approved) and Level 2 Safe Handling of Pesticides 021649 & Level 2 Safe Application of Pesticides 021654 (PA1&PA6).
Does the Council have an Absence and Sickness Policy and if not, are arrangements included in Contracts of Employment?	No	Absence and sickness arrangements included within contracts of employment
Does the Council have an Annual Leave Policy and if not, are	No	Arrangements included within contacts of employment.

arrangements included in a Contract of Employment?		
Does the Council have a Grievance and Disciplinary Policy and if not, are arrangements included in a Contract of Employment?	Yes	The Council has a Disciplinary Policy and Procedure and a Grievance Policy and Procedure. They were adopted on 06.02.23
Members		
Is the Council's Code of Conduct in place and up to date?	Yes	LGA Code of Conduct adopted on 16.05.22.
Are councillors' Register of interests on the website?	Partl	Some
Have councillors received any training in year?	Yes	Roles & responsibilities, Code of Conduct and planning
Other policies and procedures (are they in place and up to date?)		
Standing Orders	Yes	Reviewed and approved 06.06.22. Amended 12.07.22
Anti-fraud and Corruption	No	
Data Protection	No	
Privacy Statement/s	Yes	General Privacy Notice (For councillors, employees, volunteers & contractors) approved 05.09.22
Awarding of Grants – Community Development Fund	Yes	Approved 11.04.23
Equality & Diversity	No	
Complaints Policy	Yes	Reviewed and adopted 06.03.23
Information Publication Scheme	Yes	Reviewed and approved 05.09.22
Other matters		
Did the Council take appropriate action on all matters raised in reports from internal and external audit.	Yes	Plan produced following interim internal audit. No points raised by external audit
What are the arrangements for website management?	N/A	The website is hosted by an external provider and back-ups of this are undertaken weekly
Does the website have an accessibility statement?	Yes	Accessibility statement approved 06.03.23
Are there arrangements in place for IT backup?	Yes	The Parish Council's records are backed up to two separate cloud accounts and to a separate hard drive on a monthly basis.

I have carried out the internal audit for 2022/23 in accordance with what I have considered to be this authority's needs and planned coverage. On the basis of the findings in the areas examined above and in accordance with testing strategy there were no matters of non-compliance for the period 1st April – 31st March, financial year 2022/23.

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22nd June 2023

Documentation requested and inspected

Cash book – emailed spreadsheet/s

Copies of invoices and remittances

Bank statements

Bank reconciliations and proof of any councillor checks

Budget preparation documents

Budget monitoring reports

VAT Return

Asset Register

Current Risk Assessment

Statement of Internal Control

Insurance Policy Schedule and Employers Liability Certificate –

Minutes

Financial Regulations

Copies of Contracts of Employment

Payslips

Proof of RTI submissions