

SUTTON PARISH COUNCIL

Internal Audit Report Year Ended 31st March 2024

1. Summary

- 1.1 During the year the Council maintained effective Governance The financial information in the new format meets with my approval
- 1.2 By examination of the 2023/24 accounts and supporting documentation it was confirmed that the Clerk, in the role of the Council's Responsible Financial Officer (RFO), satisfactorily undertook the administration of the Council's Financial Affairs.
- 1.3 I have reviewed the Annual Governance and Accountability Return (AGAR) which is complete. I have agreed the figures in Section 2 with the Accounting Records. Sections 1 and 2 of the AGAR were signed and passed to the Clerk. Section 5 Governance was completed and reviewed by the Council in meeting along with the rest of the AGAR report, signed as appropriate with the minute ref that applies.
- 1.4 The following Internal audit work was carried out on the adequacy of the systems of Internal Control, comments and any recommendations are given below.
- 1.5 ***"Protected Rights" Bank Account.***
As indicated in last years report it was the intension to clear the Account Balance to the Current Account the following year, this does not appear to have happened as yet, could you please advise as to when this is likely to be completed.

2. Proper Book-keeping

- 2.1 The cash book spreadsheet is well referenced and provides a clear audit trail to the financial statements.
The source documents, annotated with payment (cheque) receipt details have been initialled by the cheque signatories,

In accordance with your Financial Regulations (5e) payments to be made have been individually identified at each Parish Council meeting and minuted accordingly.

3. Governance, Standing Orders and Financial Regulations

3.1 Standing Orders and Financial Regulations presented are the Model regulations, the PC have amended these to meet their own needs.

3.2 The Council is registered with the Information Commissioners Office, as required under Data Protection Regulations. Current Certificate of Registration confirmed.

4 Internal control and Management of Risk.

4.1 The council has completed a Risk Assessment and confirmed that adequate Insurance Cover is in place. There is a schedule of Assets value £12,106, it is not clear whether these Assets need to be specified in your Policy detail. ***To be investigated.***

4.2. A schedule of Internal Control guidelines is in operation and has been approved by the PC in committee.

5 Transparency Code (Compliance for Smaller Councils with income/expenditure under £25,000)

Sutton Parish Council is designated as a “Smaller Council”. The Council’s web-site is: sutton.onesuffolk.net/parish-council

Smaller Councils should publish on their website: **(NOT UP TO DATE)**

- a) All items of expenditure above £100 Included with the published Minutes and Reports to Council meetings
- b) Annual Governance Statement 2023/24 AGAR Annual return Section One
- c) End-of-Year accounts: 2023/24 AGAR Section Two

- d) Annual Internal Audit Report within AGAR
- e) List of Councillors
- f) Minutes, agendas and meeting papers of formal meetings.

6 Budgetary Control

There is no existence of evidence that an adequate system of Budgetary Control leading to the setting of an appropriate Precept is present.

7 Income Controls

Income controls were checked and income received and banked cross referenced to the cash book.

CIL receipts are subject to Special Reporting/Transparency requirements which are detailed on the East Suffolk Website. In addition, the website gives an indication as to appropriate expenditure of such receipts. Care should be taken to ensure that these monies are only expended on “Qualifying Expenditure” CIL Movements are correctly reported on the Council Website.

8 Petty cash

No petty cash is held

9 Payroll Controls (Still unclear)

The current arrangements regarding payments of the Parish Clerk are unclear as to the payment of Income Tax as no payroll records are available or planned. Please advise the intended reporting to HMRC. I have received information from the Parish Clerk about this and understand it is in process but require evidence to support this.

10 Asset Control

I have had sight of the Councils Asset Register which appears accurate

11 VAT

VAT does not appear to have been accounted for or claimed, needs to be investigated.

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