

Internal Audit Report 2022/2023 – Sampford Courtenay Parish Council

Town and Parish Councils are required to implement an independent examination of its accounts, accounting processes and internal controls.

This report aims to check whether Sampford Courtenay Parish Council's (SCPC) systems of financial and other internal controls are adequate and effective.

Sampling testing has been undertaken and the Internal Audit has been undertaken in accordance with the requirements as detailed within the Joint Panel on Accountability and Governance (JPAG) Practitioners Guide. The report also provides recommendations for the improvement of internal processes and a general summary for the consideration of SCPC.

General

- SCPC has tested internal control systems regularly
- The Financial Regulations were last amended in May 2021 and appear to be in order. It is recommended that they are reviewed and readopted by council annually.
- Standing Orders were last reviewed in May 2021 and are in order. It is recommended that they are reviewed and readopted by council annually.
- A Code of Conduct is in place and was last updated in May 2021 and is in order. It is recommended that it is reviewed and readopted by council annually.
- The Transparency Code applies as the annual turnover is above £25,000
- A website is in place and documents are available in PDF. A reminder that documents added to the website should be WCAG 2.1 compliant. This has not been checked as part of the Internal Audit.

Public Funds

- Payment controls are in place and all payments are taken to SCPC on a monthly basis
- Purchase and payment documentation has been checked with the accounts and were in order
- VAT reclaims have been undertaken in line with appropriate procedure
- There is no petty cash held
- There is no borrowing
- There are no trusts held
- The Accounts are kept up to date and in order. Section 137 payments are clearly defined in the spreadsheet
- The Accounts record the Receipts and Payments method as is required
- A Grant Policy is in place
- A Training Policy is in place
- All 'other' income has been correctly accounted for.

Risk Management and Budget Control

- A Financial Risk Assessment is in place and appears to be in order
- A Statement of Control is not in place, and it is recommended that this is adopted as soon as possible

- SCPC's insurance policy has been regularly reviewed and is in order
- The 2022/23 budget document is in good order and has been used to set the precept
- The precept has been set by a meeting of SCPC and is adequately recorded within the minutes
- Reserves appear to be in order
- A check of whether IT and website backup has not been undertaken but it is recommended that this is done regularly and overseen by SCPC
- It is a legal requirement that the date when the agenda is published, to evidence that the statutory three clear days' notice has been given. This has been undertaken appropriately
- Minutes are in good order
- Annual membership of the Information Commissioners Office (ICO) has been confirmed
- The 2018 General Data Protection Regulations update has been adhered to and a Privacy Notice is in place. A Complaints Policy and Anti-Fraud Policy are also in place, which evidences good practice. However, I would recommend that a Publication Scheme be adopted by SCPC.

Employment

- The Clerk is the only employee and there is a Contract of Employment in place
- SCPC has a contract with a self-employed cleaner for the toilets
- PAYE is dealt with in house and no issues were identified with the records
- Staff appraisals and pay reviews should take place annually, with salary increases being documented as is required. It is pleasing to note that SCPC issued a new contract to the Clerk in line with NJC salary scale points.

Asset Control

- SCPC's Asset Register is in order

Banking and Bank Reconciliations

- Bank reconciliations are produced with checks made by SCPC
- All payments are made via internet banking (Unity Trust Bank), with two councillors authorising payments set up by the Clerk
- Authorised signature numbers should be reviewed annually.

Year End

- The completed 2021/22 External Audit documents evidenced no issues of concern
- The year-end documents, to 31st March 2023, have been prepared and the Parish Clerk has confirmed full understanding of the Audit requirements.

I confirm that I am satisfied that SCPC has acceptable levels of internal control and are undertaking accounting procedures in an acceptable manner and am pleased to see many of the recommendations made last year have been enacted.

Rachel Avery PSLCC FdA, CertHE