



Internal Audit Report.

This audit report is to read in conjunction with the Annual Internal Audit Report in the Annual Governance and Accountability Return.

Council:	Wildmore Parish Council
Internal Auditor:	Carl Thomas
Year Ending:	31/03/2024
Date of Report	10 th July 2024

Internal audit is the periodic independent review of a council's internal controls resulting in an assurance report designed to improve the effectiveness and efficiency of the activities and operating procedures under the council's control. Managing the council's internal controls should be a day-to-day function of the council through its staff and management and not left for internal audit. It would be incorrect to view internal audit as the detailed inspection of all records and transactions of a council to detect error or fraud. This report is based on the evidence made available to me and consequently the report is limited to those matters set out below.

The council is required to take appropriate action on all matters raised in reports from internal and external audit and to respond to matters brought to its attention by internal and external audit. Failure to take appropriate action may lead to a qualified audit opinion.

I have completed a thorough audit of Wildmore Parish Council primarily limited to systems and procedures and financial balancing. I have not undertaken an indepth audit of the accounts but would be happy to do so if required.

From what I have seen I do not consider that such an audit is necessary.

PREVIOUS AUDIT

The reported has been seen and recommendations were made to review various policies which have not been undertaken. There is also references to recommendations from 2021/22 audit.

GOVERNANCE

All policies including Standing Orders, Financial Regulations and Publication Scheme are significantly out of date and will require reviewing as a matter of urgency.

There are no terms of reference to the personnel committee.

The Council have had no Clerk for some time and this has been covered by the Chairman who has done a very good job in ensuring governance but obviously limited. A Clerk has now been appointed which will help in improving governance.

Recommendation:

- All policies and term of reference require review.
- There is no Publication Scheme which is a legal requirement.
- Would also suggest adopting an Internal Control Policy and Scheme of Delegation.

TRANSPARENCY

Compliant other than 4 years of annual returns are present on the website instead of 5 years.

The website is not easy to navigate or find information. Accounting information for 2023/24 is available but you cannot access this via the home or sub pages.

Recommendation

- You may wish to review your website, primarily the navigation to appropriate pages.

ACCOUNTING

There are limited accounting transactions and these are recorded within the minutes. .

Limited internal control albeit no concerns raised.

No claims or VAT have been made for some time.

Recommendations:-

- VAT claim requires submitted as a matter of urgency for this and previous financial years.

DUE PROCESS

Agenda's correct and available.

Minutes correct and available.

List of Members Interests available.

RISK MANAGEMENT

No unusual activity identified within the minutes.

Insurance has been reviewed. There is no schedule of insurance so appropriate cover has not been able to be reviewed.

Internal control is limited but with no concerns. It may be wise to introduce an Internal Control policy.

Bank balances are reported to every meeting..

Section 137 payments are separately identified within the accounts.

There is no back up system for electronic files.

There are only two bank signatories and this needs addressing urgently.

Recommendations:-

- Introduce a back up system
- Consider introducing an Internal Control Policy.
- Additional bank signatories need adding to the bank mandate.

BUDGET

No budget has been prepared for the period covered. Whilst I appreciate the very limited financial transactions budgets should be prepared and regularly reviewed.

Reserves do not seem to be reviewed.

PAYROLL

No concerns raised. HMRC Basic payroll system utilised.

ASSET CONTROL

An assets register is available but appears to have not been approved or presented to a council meeting.

BANK RECONCILIATIONS

These are undertaken regularly and reported to every council meeting.

YEAR END PROCEDURES

No areas of concern.

Annual return correctly signed and submitted in previous year.

Notice of Public Rights correctly recorded.

SUMMARY

The Council has appointed a new Clerk recently and she has inherited a lot of out dated policies and areas where improvements could be made.

Recommendations from previous audits do not appear to have been carried out.

There have been no VAT returns submitted for some time.

Risk does is not being addressed with no risk management policy/register in place. Various areas of concern have bene highlighted which does place the council at risk.

The new Clerk does seem to be aware of many of the problem areas and keen to resolve these. Appropriate training should be afforded to her so that these matter scan be addressed correctly and promptly.

I would also like to thank Sarah Phillips for her co-operation and prompt attention to matters whilst undertaking and conducting this audit.

Carl Thomas

10th July 2024