

# **Weasenham Parish Council**

## **Internal Audit Report Financial Year 2023/24**

Including Explanatory Notes for Annual Return  
(where a 'no' has been marked)

Prepared by Peter Strange MBA, BSc, DTS.

3<sup>rd</sup> June 2024

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Name of council	Weasenham Parish Council	
Name of clerk	Gail Robinson	
Phone no for clerk	07881053536	
Name of Chair	Martin Romanovsky	
Total receipts	£40,202.07	
Total payments	£39,693.95	
Reserves	General £6,231	Earmarked £9,000
Website address: <a href="https://www.weasenhamparishcouncil.org/">https://www.weasenhamparishcouncil.org/</a>		
Clerk's e-mail address: <a href="mailto:parishcouncil@weasenham.org">parishcouncil@weasenham.org</a>		
Chair's e-mail address: <a href="mailto:mrweasenhampc@gmail.com">mrweasenhampc@gmail.com</a>		

I have completed an internal audit of the accounts and records for Weasenham Parish Council for the year ending 31st March 2024. My findings are detailed below using the tests provided in the Norfolk ALC training and guidance for Internal Auditors.

I would like to thank the Clerk / RFO for providing me with all the information required for the Internal Audit for providing copies of records and for responding positively to my enquiries.

Weasenham parish council has undergone a great deal of upheaval and change over recent years including a period when control was directly exercised by representatives of the district council. Much progress has been made to improve governance and control in the parish, although some areas remain in need of review and improvement.

<p>A. Appropriate accounting records have been properly kept throughout the financial year</p>	<p>The parish council operates a scribe account as a cash book, supported by paper bank statements.</p> <p>The records are up to date and well maintained. These records are routinely and regularly reconciled and reported to members at the bi-monthly parish council meetings.</p> <p>A member of the council, designated as the internal control officer, plans to audit the accounting records on a three-monthly basis by tracking a selection of invoices and payments through the system and reporting their findings to the full council, one such check has already taken place.</p> <p>Council minutes are up to date and have been initialled.</p> <p><b>I recommend that minutes are dated as well as initialled.</b></p> <p>The Annual meeting for 2023 while carried out properly was not fully minuted as I believe is best practice.</p>
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<p>B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for</p>	<p>The council has in place a set of standing orders and financial regulations that were last reviewed in June 2022 and January 2024. These are based on the NALC 2018 model S.O.s and would benefit to being aligned with the latest versions. In particular, I noted that the threshold limits currently sit at different amounts: £10,000 and £25,000; they should be the same amount and align with current recommendations of £30,000 unless members feel the lower limit is necessary.</p> <p><b>I Recommend that this is reviewed.</b></p> <p>VAT was generally accounted for and reclaimed although I did identify that on 3 occasions the VAT on invoices had not been identified and recorded and hence not reclaimed.</p> <p><b>Care should be taken to ensure all VAT is identified and reclaimed.</b></p> <p>Weasenham only tendered one contract. This was properly advertised although a subsequent offer from a parishioner to carry out the work for free rendered the process unnecessary. Weasenham PC does not operate a debit or charge card.</p>
<p>C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.</p>	<p>The Council carried out an annual risk assessment of their exposure to financial risk at the January 2024 meeting and carries out ad hoc assessments for events. In addition, a risk assessment dated June 2022 is also in place for the Community Hall. However, there are other risks which have not been considered for a while.</p> <p><b>I recommend that a full risk assessment is undertaken and regularly reviewed.</b> (Norfolk ALC inter alia offer suitable training courses.).</p> <p>Open spaces and play areas are inspected annually by RoSPA and the results reported to full council.</p> <p>Insurance cover is appropriate and adequate.</p>

<p>D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate</p>	<p>The precept was agreed at the February 2024 meeting and the request was lodged with the district council in an appropriate and timely fashion.</p> <p>Payments and bank account figures are reported at all meetings, however, there does not appear to be a system for monitoring spend against budget or large variations.</p> <p><b>I recommend that the parish council explicitly monitors actual spend against budget, noting and dealing appropriately with variations.</b></p> <p>Reserves stand at the equivalent of 62% of one year's expenditure, this is considered adequate.</p>
<p>E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for</p>	<p>The main source of income is for lets at the Community Hall. From discussions with the clerk/RFO it would appear that the day-to-day management and collection and banking of cash from fees is dependent on one or two individuals. This approach seems fraught with potential problems.</p> <p><b>I recommend that a more robust system is created to deal with lettings and the administration of cash fees.</b></p> <p>VAT was properly claimed and accounted for (see note in B above).</p>
<p>F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved, and VAT appropriately accounted for.</p>	<p>Weasenham PC do not operate a petty cash system.</p>
<p>G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied</p>	<p>Weasenham PC has 1 employee. Records have been examined, they are properly reported and approved, and PAYE and NI are properly applied and accounted for via the " Basic Pay" software system.</p>
<p>H. Asset and investments registers were complete and accurate and properly maintained</p>	<p>The council maintains an asset register which was last updated in January 2024. Assets are valued at acquisition cost. Historical assets are valued at £0</p> <p>The asset register has valuations/condition statements/comments noted against individual assets. However, these are undated making it difficult to track the exact current condition and value of assets.</p> <p>The council has no loans or investments.</p>

I. Periodic bank account reconciliations were properly carried out during the year	The bank accounts are reconciled monthly and at year end. <b>I would recommend that these reconciliations are explicitly reported and considered by members.</b>
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded	Accounts are based on receipts and payments supported by physical evidence which married to the cash book.
K. If the authority certified itself as exempt from a limited assurance review in 2023/24, it met the exemption criteria and correctly declared itself exempt	Not applicable.
L. 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	Weasenham has properly published relevant information on: <a href="https://www.weasenhamparishcouncil.org/">https://www.weasenhamparishcouncil.org/</a>
M. 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	Public rights have been properly advertised on Weasenham PC's website and are minuted. The availability period was sufficiently long and included the first 10 working days in July
N. The authority has complied with the publication requirements for 2022/23 AGAR	Yes, all items are freely available via the website.
O. Trust funds (including charitable) – The council met its responsibilities as a trustee	The council is the sole trustee of the "Green" charity. It appears to be meeting its obligations as such.

## Summary of recommendations

- Section A I recommend that minutes are dated as well as initialled.
- Section B I recommend that the upper limit for contracts that require no tendering process and the lower limit for those that do, is amended to £30,000.
- Care should be taken to ensure all VAT is identified and reclaimed.
- Section C I recommend that a full risk assessment is undertaken and regularly reviewed.
- Section D I recommend that the parish council explicitly monitors actual spend against budget, noting and dealing appropriately with variations.
- Section E I recommend that a more robust system is created to deal with lettings and the administration of cash fees.
- Section I I would recommend that these reconciliations are explicitly reported and considered by members.

### Last year's internal audit report

I would recommend that the role and function of the "Solar Farm" bank account is considered and regularised.

Peter Strange  
June 2024