

Herefordshire Association of Local Councils (HALC)

Internal Audit Service

INTERNAL AUDIT REPORT

Humber, Ford and Stoke Prior Group Parish Council 2023/24

1. Introduction

2. 2022/23 Internal Audit recommendations

3. Findings of the Audit

	Scope	Observation	Pass	Rec
3.A	Appropriate accounting records have been properly kept throughout the financial year		Yes	
3.B	This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for.		Yes	
3.C	This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	It is noted that several attempts have been made to align the assets with the cover provided by the insurance company – but no response has ever been received. It may be prudent to switch provider. The gas BBQ needs an annual service – this is being checked by the clerk.	Yes	R1 R2
3.D	The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	The precept is set in January while the budget is set in March. The budget needs to be set first. There is no Reserves Policy	No	R3 R4
3.E	Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.		Yes	
3.F	Petty cash payments were properly supported by receipts, all petty cash expenditure was approved, and VAT appropriately accounted for.		N/A	
3.G	Salaries to employees and allowances to members		Yes	

	Scope	Observation	Pass	Rec
	were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied			
3.H	Asset and investments registers were complete and accurate and properly maintained.		Yes	
3.I	Periodic and year-end bank account reconciliations were properly carried out.		Yes	
3.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.		Yes	
3.K	IF the authority certified itself as exempt from a limited assurance review in 2022/23 it met the exemption criteria and correctly declared itself exempt. <i>(If the authority had a limited assurance review of its 2022/23 AGAR tick "not covered")</i>		N/A	
3.L	The Authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with legislation		Yes	
3.M	In the year covered by the AGAR the authority correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations (during the 2023/24 AGAR period were public rights in relation to the 2022/23 AGAR evidenced by a notice on the website and /or authority approved		Yes	

	Scope	Observation	Pass	Rec
	minutes confirming the dates set)			
3.N	The authority has complied with the publication requirements for 2022/23 AGAR		Yes	
3.O	Trust funds(including charitable) The council met its responsibility as a trustee		N/A	
3.P	Annual Return Complete		Yes	

4. Recommendations

- 4.1 Change insurance provider to allow cover to be in line with the asset register.
- 4.2 Ensure the gas BBQ is serviced annually
- 4.3 Set the budget before the precept.
- 4.4 Adopt a Reserves Policy

5. Annual Return- Internal Control Objective

	Objective	Yes	No	Not Covered	Rec No
A	Appropriate accounting records have been properly kept throughout the financial year	√			
B	This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for.	√			
C	This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	√			R1 R2
D	The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.		√		R3 R4
E	Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	√			
F	Petty cash payments were properly supported by receipts, all petty cash expenditure was approved, and VAT appropriately accounted for.			√	
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.	√			
H	Asset and investments registers were complete and accurate and properly maintained.	√			
I	Periodic and year-end bank account reconciliations were properly carried out.	√			
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.	√			

	Objective	Yes	No	Not Covered	Rec No
K	If the authority certified itself as exempt from a limited assurance review in 2022/23 it met the exemption criteria and correctly declared itself exempt. <i>(If the authority had a limited assurance review of its 2022/23 AGAR tick "not covered")</i>			√	
L	The Authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with legislation	√			
M	In the year covered by the AGAR the authority correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations (during the 2023/24 AGAR period were public rights in relation to the 2022-23 AGAR evidenced by a notice on the website and /or authority approved minutes confirming the dates set)	√			
N	The authority has complied with the publication requirements for 2022/23 AGAR	√			
O	Trust funds (including charitable) The council met its responsibility as a trustee	N/a			

HALC Internal Audit Services

24th June 2024