

Stockton Parish Council Internal Audit

Year Ending 1st April 2024

In accordance with the instructions received from the Clerk of Stockton Parish Council, Mr W Robinson, I have conducted an Internal Audit of the Parish records, together with the Annual Governance Statement and Accounting Statements for the period 31st March 2023 to 1st April 2024. The report below sets out my findings and conclusions and I confirm the Internal Audit was completed on 27th May 2024.

I have been informed that Stockton Parish Council updates their web site regularly to include the Government's directive 'Transparency Code for Smaller Authorities' which requires smaller Council's to publish all their policies and procedures, together with their financial records. As part of the Internal Audit, I confirm that I have undertaken a review of the web site as well as the hard copies of the documents provided.

Bookkeeping

- Receipt and payment entries in the cashbook were checked and found to be up to date, correct and supported by the appropriate documentation.
- All payments were properly authorised by two authorised signatories of Stockton Parish Council.
- In addition, an audit trail of the following cheques was carried out: -

Sample Payments reviewed for the Year 31st March 2023 to 1st April 2024

Payments

<u>Cheque Number</u>	<u>Amount</u>	<u>Payee</u>	<u>Invoice date</u>
001623	£ 584.00	WALC Annual Subs	11.04.2023
001633	£ 15.00	R Stephenson/bus shelter clean	18.05.2023
001641	£ 108.00	Pear Technology - Maplink tech	26.06.2023
001656	£ 117.54	SSE Street Light costs	04.09.2023
001666	£ 650.00	G Farmer - village mowing x 2	01.10.2023
001687	£3,540.00	Noralle Homes - Cemetery extension	29.02.2024

Deposits/Receipts

- Most receipts were banked in a timely manner.
- Sample receipts and an audit trail of the following receipts was undertaken: -

Received from	Paying in ref	Amount	Date
Stockton Playing Field Committee	Deposit	£15,094.38	02.05.2023
SDC (first ½ year Precept)	BGC	£15,000.00	26.04.2023
Stockton Playing Field Committee	FPI	£16,692.00	17.07.2023
Stockton Football & Cricket Club	SO	£350.00	02.01.2024
P Noon Ashes Interment	Deposit	£75.00	06.03.2024

Checks were made of all invoices and receipts to the end of year and overall, no discrepancies found. All cheque audit trails were correct, all cheques matched invoices.

Budget Monitoring Reports and bank reconciliation had been prepared regularly and presented to Stockton Parish Council.

Standing Orders, Financial Regulations and Policies

- Standing Orders were reviewed and presented to the Parish Council with minor amendments, these were approved. It is noted that Standing Orders are reviewed annually and that a copy will be added to the Parish website.
- All payments are supported by the appropriate invoices, and they have been properly authorised by an Officer/Member of Stockton Parish Council. There is also evidence that the details have been correctly recorded with the corresponding cheque numbers in the Receipts & Payments book.
- There is no evidence that a VAT re-payment has been reclaimed for the Year ended 31st March 2024 in the cash book. The clerk has confirmed that the VAT is claimed on a yearly basis.
- Stockton PC meets the criteria to take the General Power of Competence, this was confirmed at their meeting on 11th May 2023 [Minute02(23-24) - Item 5] therefore, there are no records of any Section 137 payments.
- It was noted that there were minute numbers for each copy of the monthly minutes which are available on the Stockton PC web site, and they are also available as hard copies. I was, therefore, able to ascertain that the minutes corresponded to the minute references in the cash book.

- Evidence on the Stockton PC web site in the minutes show that most of the policies listed below were reviewed on 19th June 2023, dates for review are listed below:

POLICY	Date agreed	Review
• Asset Register	March 2018	As needed
• Broadcasting & social media guidelines	June 2023	AGM 2026
• Cemetery regulations (not on website)	-	-
• Code of Conduct	May 2023	AGM 2026
• Communications Policy	June 2023	AGM 2026
• Community Engagement Policy	June 2023	AGM 2026
• Complaints Policy	June 2023	AGM 2026
• Data Protection Policy & GDPR	June 2023	AGM 2026
• Emergency Plan & Community Emergency Manual		June 2025
• Equal Opportunities Policy	June 2023	AGM 2026
• Financial Regulations (not on website)	August 2023	Bi-annually
• Grant Awarding Policy	June 2023	AGM 2026
• Health & Safety Policy	June 2023	AGM 2026
• Publication Policy	June 2023	AGM 2026
• Purchasing Policy	June 2023	AGM 2026
• Reserves Policy	June 2023	AGM 2026
• Retention of Documents Policy	June 2023	AGM 2026
• Risk Management Policy and Assessment	June 2023	AGM 2026
• Safeguarding Policy for Children & Vulnerable Adults	June 2023	Annually
• Safety Audit of playing field	Ongoing reference	
• Standing Orders	July 2023	Annually
• Training Policy	June 2023	AGM 2026
• Tree Safety Management Protocol - SDC	As advised by SDC	
• Vexatious Complaints Procedure	June 2023	AGM 2026

Risk Management Procedures

- A full review of the minutes has been carried out by accessing the documents on the Stockton PC web site and looking in the Minute Book and there appears to be no unusual activities identified.
- The Index to Register of Burials was included in the documents to view, there is no evidence that a Cemetery Safety Audit was carried out, during the fiscal year 2023/2024 in the minutes. However, it is recorded in the minutes as an on-going reference.
- Stockton Parish Council has insurance through A J Gallagher Community Schemes with Hiscox Insurance Company Ltd, the annual insurance premium was paid on 9th May 2023.

Budgetary Controls

- There is evidence that Stockton Parish Council has considered the level of precept for the year 2023/2024 in the minutes of the meeting held on 18th December 2023. An increase to **£31,000** will be requested from SDC due to expected increases to street lighting as well as an increase in mowing fees for the cemetery and extension. Any shortfall to be taken lawfully from Parish Council reserves. The reserves of **£66,213.42** divided into earmarked reserves of £32,000 and a general reserve of £34,213.42 this is within the NALC recommendations.
- There is evidence on the Stockton PC's website and the Minute Book that a monthly Budget Monitoring Statement was prepared by the Clerk and sent to Councillors. It is noted that the budget for Stockton Parish Council supports the level of precept requested.
- It was noted that there were hard copies of Budget Monitoring Statements in the documents provided, although there was no evidence that they had been uploaded on to the web site. However, it was also noted that the financial transactions were included in each copy of the minutes on the Stockton PC web site, and they were provided in hard copy in the Minute Book.
- There was no evidence of any loans in place.

Income Controls

- All income appears to have been recorded and promptly banked, where appropriate. It is noted that most other receipts have been paid by bank transfer.

Petty Cash

- There is no petty cash which has been identified and this has been recorded appropriately on the explanatory sheets for the External Auditor.

Payroll Controls

- The Clerk is the only employee there is no evidence of a review in 2023/2024. The Internal Auditor has seen evidence of Mr Robinson's tax liability for the year 2023/2024 which was discharged **on 1st April 2024 according to the Receipts and Payments Ledger.**

Asset Controls

- Evidence has been seen in the minutes that Stockton PC has agreed and approved the up-to-date Asset Register, 23rd March 2023 - not yet available on website.

Bank Reconciliation

- There is evidence that regular bank reconciliations are carried out in the cash book, together with the provision of a statement for members of Stockton Parish Council.
- No unexplained entries were found.

Register of Interests and Code of Conduct

- **Councillors' register of interests can be found on the SDC website.**
- **Stockton PC adopted the new model Code of Conduct (published by SDC) in May 2023, it is understood that this will be reviewed by SDC.**

Quotations

- **There was no evidence that any quotations had been received during the financial year 2023/2024.**

Year End Procedures

- The year end accounts have been prepared on the correct accounting basis of receipts and payments.

Emergency Plan

- It is noted that Stockton PC has an Emergency Plan which is available on the Stockton PC web site. There is evidence that the Chair of Stockton PC has reviewed and updated the Disaster Plan and was subsequently approved. Due for review January 2025.

The accounts and associated records and documents which were closely examined were accurate and well maintained by the Clerk. The above points are brought to the Council's attention for their consideration:

Stockton Parish Council had cash reserves of **£66,213.42** at the year-end in the Treasurers Account at Lloyds Bank. This is the carry forward on Statement 12 (2023/2024)

Recommendation:

- It may be appropriate for council to consider internet banking.
- Consider compiling a financial procedures process.
- Keep up-to-date records of playground inspections.

Additional comments

It is noted that the Stockton Playing Fields Committee have donated significant to funds to Stockton Parish Council for necessary maintenance works and new equipment for the playing fields, PC also used funds from reserves towards these works. Congratulations to all concerned for these improvements which will enhance outdoor activities for the children of the Stockton. Your lovely village must have community spirit by the bucket load.

Conclusion

Stockton Parish Council's accounts and documents are well maintained and up to date. The comments mentioned above are made by the Internal Auditor for Stockton Parish Council to evaluate and implement, if they consider that they are necessary and appropriate, and they will assist the Council in the smooth running of its business.



Georgina Beaumont, CiLCA
Retired Town Clerk (Shipston Town Council)

27th May 2024