



**BOURTON-ON-THE-WATER PARISH COUNCIL**  
**Internal auditor's report for the year ended 31 March 2024**  
**Name of Auditor: Liz Dowie**

**GAPTC internal audits comply with the proper practices outlined in the Governance & Accountability for Smaller Authorities – A Practitioners' Guide and the Accounts and Audit Regulations 2015.**

**The GAPTC internal audit reviews and reports on whether the systems of financial and other internal controls over its activities and operating procedures are effective. The audit tests a variety of documents, including agendas and minutes, policies, insurance and risk management processes, to ensure Council meets the requirements set out in the Annual Internal Audit Report in the Annual Governance & Accountability Return. The internal audit does not involve the detailed inspection of all records and transactions of an authority in order to detect error or fraud.**

**Our auditors are independent of the Council and are competent to be able to carry out the requirements of the internal audit service.**

**NOTE The auditor will complete the Annual Internal Audit Report (AIAR) page on the Annual Governance & Accountability Return (AGAR). The AIAR informs the Annual Governance Statement (AGS) assertions on the AGAR, so when council reviews the AGS, the responses must reflect the AIAR report.**

**1. Council working documents**

<b>Ref</b>	<b>Test</b>	<b>Meets reqmts? Yes, No or N/A</b>	<b>Internal Auditor's comments/recommendations</b>	<b>Evidence</b>
1.1	Have Standing Orders been a) tailored to council?	Yes		a)Website, Standing Orders  b)&c)Minutes 4 <sup>th</sup> October 2023 23/173(2) Minutes 8 <sup>th</sup> January 2024 23/451(4)

	b) reviewed using the most recent version? c) minuted?	Yes Yes		
1.2	Have Financial Regulations been a) tailored to council? b) reviewed using the most recent version? c) minuted? (Objective B)	Yes Yes Yes	Annual Governance Statement Assertion 1	a)&b)Website, Financial Regulations c)Minutes 7th February 2024 23/484(2)
1.3	Does the council a) give grants? b) have a grant-awarding policy?	Yes Yes		a)Grant applications x 6 Minutes 6 <sup>th</sup> September 2023 23/147 b)Website – Grant awarding policy and application form Minutes 6 <sup>th</sup> December 2023 23/217(1) (updated for 2024/25 year)
1.4	Have items/ services been competitively purchased in accordance with Financial and/or Procurement Regulations?	Yes	Loft Compartmentation Survey – 3 quotes obtained Loft compartmentation work – 4 quotes obtained  Memorial testing – 2 quotes obtained  Guttering work – 3 quotes obtained  HR Consultancy – 2 quotes obtained  Servicing of flood equipment – 5 quotes sought, 2	Minutes GMCC 27 <sup>th</sup> April 2023 6(b) Quotes in agenda paper 2b Minutes GMCC 25 <sup>th</sup> January 2024 8(a)(v) Quotes in agenda paper 3b Minutes FC 7 <sup>th</sup> February 2024 23/480(3)  Minutes VEC 23 <sup>rd</sup> August 2023 8(a) Quotes in agenda paper 3  Minutes GMCC 19 <sup>th</sup> October 2023 8(a)(i) Quotes in agenda paper 3  Minutes FC 7 <sup>th</sup> June 2023 23/062(2) Quotes in agenda papers 9a&b  Minutes FC 6 <sup>th</sup> December 2023 23/216(3)

			<p>received.</p> <p>Resurfacing works Periwinkle Bank footpath – one quote due to the need for a specialist contractor. Quote approved by CDC under Tourist Levy arrangements.</p> <p>New ANPR – competitive quotes not applicable. Had to be provided by original supplier to match existing equipment.</p> <p>Council’s procurement procedures ensure that best value is obtained when purchasing goods and services. <b>Recommend</b> that, when competitive quotations cannot be obtained, the reason is noted in the minutes.</p> <p><a href="#">Annual Governance Statement Assertion 2 &amp; 3</a></p>	<p>Estimates in agenda paper 11</p> <p>Minutes 6<sup>th</sup> December FC 23/213(5)</p> <p>Minutes FC 6<sup>th</sup> September 2023 23/144 (2)</p>
1.5	Code of conduct reviewed in the last 2/3 years?	Yes	<p><a href="#">Annual Governance Statement Assertion 3</a></p>	Minutes 6 <sup>th</sup> March 2023 23/513(1)

## 2. Finance

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor’s comments/recommendations	Evidence
2.1	Has the General Power of Competence been adopted (e.g. a	Yes		Minutes 15 <sup>th</sup> May 2023 23/005

	minute reference), if Council qualifies?		<a href="#">Annual Governance Statement Assertion 3</a>	
2.2	S137 a) is there a separate account for payments? b) are totals within statutory limits? (for Council's that do not held General Power of Competence)	N/A	General Power of Competence held  <a href="#">Annual Governance Statement Assertion 1 &amp; 3</a>	
2.3	Is there an annual council authorisation of Direct Debit list and Standing Orders? <a href="#">(Objective B)</a>	Yes		List of standing orders and direct debits Minutes 15 <sup>th</sup> May 2023 23/011
2.4	Was Petty Cash expenditure approved, if any? <a href="#">(Objective F)</a>	N/A	No petty cash held.  <a href="#">Annual Governance Statement Assertion 1</a>	
2.5	Is all expenditure supported by VAT invoices, if applicable? <a href="#">(Objective B)</a>	Yes		Sampling exercise
2.6	VAT – a) recorded in accounts b) reclaimed? <a href="#">(Objective B)</a>	Yes Yes	<a href="#">Annual Governance Statement Assertion 1</a>	a)Scribe transaction reports b)VAT returns for Q1 and Q2

### 3. Risk management

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
3.1	Insurance policy a) in place? b) cover reviewed to ensure still fit for purpose? (Objective C)	Yes Yes	Council has a 3-year agreement. Cover reviewed and Council confirmed as still fit for purpose.  Annual Governance Statement Assertion 5	a) BHIB 100723637BDN/LCO02761 policy schedule dated 30 <sup>th</sup> August 2023 b) Minutes 6 <sup>th</sup> September 2023 23/146 (1)(iii)
3.2	Copy of Risk Management policy a) adopted? b) reviewed annually by Council? (Objective C)	Yes Yes	General Risk Assessment reviewed annually. In addition, specific risk assessments are in place to cover specific activities e.g. litter picking and events.  Annual Governance Statement Assertion 5	General Risk Assessment document Minutes 7 <sup>th</sup> June 2023 23/062
3.3	Asset register a) reviewed regularly? (Objective H) b) published on website? (Objective L)	Yes Yes	Annual Governance Statement Assertion 5	a) Asset Register Minutes 6 <sup>th</sup> March 2023 23/513(2c)  b) Website, Public Asset Register
3.4	Evidence that assets a) have been inspected for risk? b) reported in	Yes Yes	Comprehensive Risk Assessment Completion Schedule shows responsibility for and frequency of inspections. Actions required are approved by Council or the relevant committee.	Tree inspections Minutes VEC 28 <sup>th</sup> June 2023 10(a) Agenda paper 4 - Tree inspection report Rye Crescent Play Area dated 26/5/23

minutes?  
c) any actions undertaken?  
(Objective C)

Yes

Memorial inspections  
Minutes VEC 23<sup>rd</sup> August 2023 8(a)  
21<sup>st</sup> September 2023 8(a)  
FC 7<sup>th</sup> February 2024 23/476(3)  
6<sup>th</sup> March 2024 23/508(2)  
Memorial Testing Report

Village Green annual inspection  
Minutes FC 6<sup>th</sup> December 2023 23/211(4)(b)

Playground inspections  
Kompan inspection reports for 3 play areas –  
April, September and December 2023  
Minutes YWB 25<sup>th</sup> September 2023 item 13c(i)  
6<sup>th</sup> November 2023 item 11(d)(ii)

#### Annual Governance Statement Assertion 5

3.5 Evidence that internal controls  
a) take place? Yes  
b) are documented? Yes  
c) minuted? Yes  
as per Council's Financial Regulations/Standing Orders  
(Objective B)

Quarterly checks carried out by 2 councillors and outcome reported to Finance and Governance Committee under routine agenda items.

Quarterly internal control checklists - Q1 & Q2  
Minutes F&G 19<sup>th</sup> October 2023 item 10(a)  
25<sup>th</sup> January 2024 item 7(a)

#### Annual Governance Statement Assertion 2

3.6 Bank reconciliations are on agenda to be considered by Council?  
(Objective I)

Routine agenda item at meetings of both Full Council and Finance and Governance Committee

Signed bank reconciliations for October, November and December 2023  
Minutes FC 1<sup>st</sup> November 2023 23/195(3)  
6<sup>th</sup> December 2023 23/219(4)  
8<sup>th</sup> January 2024 23/453(3)  
Minutes F&G 25<sup>th</sup> January 2024 item 6(a)

Annual Governance Statement Assertion 1

3.7	Review of a) investments?      Yes b) bank mandates    Yes (signatories on bank accounts)? (Objective B/C)			a) Minutes FC 1 <sup>st</sup> November 2023 23/194(2) F&G 27 <sup>th</sup> April 2023 item 11c 19 <sup>th</sup> October 2023 item 11 Website, Investment Policy
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Annual Governance Statement Assertion 1

3.8	If bank cards in use, Yes are proper procedures in place? (Objective B)	2	Multipay cards in use which are kept securely. Expenditure is controlled in the same way as other payments.	b) Minutes 15 <sup>th</sup> May 2023 23/012 Sampling exercise Discussion with Clerk
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Annual Governance Statement Assertion 1

3.9	Are a) physical records    Yes secure? b) electronic            Yes records backed up?		Printed documents kept in safe  Electronic records backed up to Cloud and also to hard drives, one of which is kept off site.	Discussion with Clerk
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Annual Governance Statement Assertion 5

**4. Budgetary controls**

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
4.1	Was a budget properly for the year under review a) prepared?	Yes		a) Budget document

	b) adopted? c) minuted? (Objective D)	Yes Yes	<a href="#">Annual Governance Statement Assertion 1</a>	b) & c) Minutes 25 <sup>th</sup> January 2023 22/290
4.2	a) Were the earmarked objectives of the reserves identified in the budget, if any? b) Were the general reserves reasonable? (Objective D)	Yes Yes	Earmarked reserves recorded on Scribe  General reserves as of 31 <sup>st</sup> March 2023 approximately 65% of precept (before taking into account other sources of income)  <a href="#">Annual Governance Statement Assertion 1</a>	Earmarked Reserves reports  Annual accounts as of 31 <sup>st</sup> March 2023
4.3	Was the precept demand for the year under review properly minuted in full council?	Yes		Minutes 25 <sup>th</sup> January 2023, 22/291 Precept demand dated 26 <sup>th</sup> January 2023
4.4	a) Did the council regularly compare budget vs spend (as detailed in the financial regulations) b) and evidenced in the minutes? (Objective D)	Yes Yes	Routine agenda item. Summary Financial Report showing spend against budget is presented to each meeting of Full Council and to the Finance and Governance Committee.	a) Summary Reports in Full Council agenda packs  b) Minutes generally
4.5	Are any significant variances from budget reported?	Yes	<a href="#">Annual Governance Statement Assertion 1</a> Budget overspend in staff costs at year end and GMCC overspend at end of Q3 noted.	Minutes F&G 27 <sup>th</sup> April 2023 item 6a 25 <sup>th</sup> January 2024 item 6b

## Annual Governance Statement Assertion 2

### 5. Payroll

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
5.1	Do all staff have a contract of employment?	Yes	<a href="#">Annual Governance Statement Assertion 3</a>	Contracts checked in 2022/23 audit. Further check for new staff since 1 <sup>st</sup> April 2023 carried out. (1 staff member)
5.2	Do salaries paid agree with those approved by Council? <a href="#">(Objective G)</a>	Yes		
5.3	Has Council a) registered as an employer with HMRC? b) have PAYE / NIC been properly dealt with (including year-end procedures)? <a href="#">(Objective G)</a>	Yes Yes	Payroll outsourced to Imaginative Solutions	Payroll records
5.4	Are Councillor's allowances and expenses properly authorised & controlled, if any?	Yes – see comments	Items of expenditure under Chairmans allowance are authorised in the same way as other expenditure. No councillors' allowances but mileage claims and incidental expenses reimbursed. <a href="#">Annual Governance Statement Assertion 1</a>	Scribe transaction reports Discussion with Clerk

5.5	Pension provision – eligible employees		Council registered with NEST pension scheme.		a) Staff contract Letter dated 19 <sup>th</sup> December 2023
	a) offered pension scheme?	Yes	One new staff member in year under review		b) Minutes 18 <sup>th</sup> December 2023, 23/240(2)
	b) outcome minuted?	Yes			

[Annual Governance Statement Assertion 3](#)

5.6	Is Council a) registered with the Pension Regulator for auto-enrolment pensions?	Yes			a) & b) Letter from Pension Regulator dated 24/1/23 confirming re-declaration of compliance was seen at 2022/23 internal audit.
	b) Has auto-enrolment registration with Pension Regulator been reviewed (required every 3 years)	Yes	Next due in January 2026		

[Annual Governance Statement Assertion 3](#)

## 6. Year-end procedures

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
6.1	Are debtors and creditors recorded	Yes		Balance sheet as of 31 <sup>st</sup> March 2023 (paper 7c – agenda 15 <sup>th</sup> May 2023)

	properly on separate balance sheet if using Income & Expenditure reporting? (Objective J)		Annual Governance Statement Assertion 1	
6.2	Does Council as a whole consider the year-end accounts in addition to 6.5? (Objective J)	Yes	Income and Expenditure Account and Balance Sheet approved by Full Council	Income and Expenditure Account 2022/23 Balance sheet 31 <sup>st</sup> March 2023 Minutes 15 <sup>th</sup> May 2023, 23/014(2)&(3)
			Annual Governance Statement Assertion 1	
6.3	Minute confirming that council is eligible for Certificate of Exemption (only for councils with a turnover of less than £25,000) (Objective K)	N/A		
			Annual Governance Statement Assertion 1	
6.4	Annual Governance Statement, section 1 of Annual Return, approved by whole council (with separate minute number from Section 2 below)?	Yes		Minutes 15 <sup>th</sup> May 2023, 23/014(6)
			Annual Governance Statement Assertion 3	
6.5	Annual Statement of Accounts, section 2 of Annual Return, approved by whole	Yes		Minutes 15 <sup>th</sup> May 2023, 23/014(7)

	council (with separate minute number from Section 1 above)?		<a href="#">Annual Governance Statement Assertion 3</a>	
6.6	Are all sections of the Annual Governance & Accountability Return published on the website? (Objective L/N)	Yes		Website, Finance, AGAR 2022/23
6.7	Did council correctly provide for the exercise of public rights? (Objective M)	Yes	<a href="#">Annual Governance Statement Assertion 3</a> Dates set at 5 <sup>th</sup> June to 14 <sup>th</sup> July 2023 and reported to Full Council.	Website, Notice of Exercise of Public Rights Minutes 15 <sup>th</sup> May 2023, 23/014(8)
6.8	Previous internal audit report reviewed by council and action taken where recommended?	Yes	<a href="#">Annual Governance Statement Assertion 4</a>	Minutes 1 <sup>st</sup> March 2023, 22/334(1)&(2)
6.9	Previous external audit report (for councils with turnover over £25,000) reviewed by council and action taken where recommended?	Yes	<a href="#">Annual Governance Statement Assertion 7</a> No action required.	Website, AGAR Minutes 6 <sup>th</sup> September 2023, 23/146(a)
			<a href="#">Annual Governance Statement Assertion 7</a>	

## 7. Other matters

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
7.1	Policies in place for compliance with GDPR, such as Data Protection Policy for Staff & Councillors and for the public?	Yes, but see comments	Data Protection Policy covers staff, councillors and contractors but general Privacy Statement for the public appears to have lapsed. <b>Recommend</b> that this is reinstated and published on the website.  <a href="#">Annual Governance Statement Assertion 3</a>	Website, Data Protection Policy
7.2	Is the Council a Managing Trustee?	No	<a href="#">Annual Governance Statement Assertion 9</a>	
7.3	Do trustees meet at least once a year and publish separate accounts? (Objective O)	N/A	<a href="#">Annual Governance Statement Assertion 9</a>	
7.4	Website Accessibility Statement on website home page?	Yes	<a href="#">Annual Governance Statement Assertion 3</a>	Website, Home Page, Accessibility Statement
7.5	Did council formally appoint GAPTIC as the Internal Auditor?	Yes, but see comments	When appointing the internal auditor <b>recommend</b> that Council confirms that they are competent and independent of Council. <a href="#">Annual Governance Statement Assertion 6</a>	Minutes 6 <sup>th</sup> September 2023, 23/146(a)
7.6	Are registers up to date for council-	Yes		Burial entries 431, 436, 439, 446 ERB certificates 44, 261



	b) interests held and published on the website?	Yes	<a href="#">Annual Governance Statement Assertion 3</a>	b) Website, Councillor pages
8.3	Agendas signed and displayed on website 3 clear days' prior to meeting? (Objective L)	Yes	<a href="#">Annual Governance Statement Assertion 3</a>	Agenda FC 6 <sup>th</sup> March 2023 Agenda HW 25 <sup>th</sup> March 2023
8.4	Summons issued in proper format?	Yes	<a href="#">Annual Governance Statement Assertion 3</a>	Agendas generally