

# REPORT OF THE INTERNAL AUDITOR FOR THE YEAR ENDING 31/3/24

## WHITTINGHAM, CALLALY AND ALNHAM PARISH COUNCIL

### INTERNAL AUDIT PLAN

Internal Control	Suggested testing	Actual Control and Evaluation	Comment
<p>A. Appropriate accounting records have been kept throughout the financial year.</p> <p><u>AND</u></p> <p>I. Periodic bank reconciliations were properly carried out during the year.</p>	Is the cashbook maintained and up to date?	YES	
	Is the cashbook arithmetic correct and, the roll forward of balances?	YES	
	Is the cashbook regularly balanced?	YES	
	Is there a bank reconciliation for each account? Check a sample dependent on size of authority.	YES	
	Is a bank reconciliation carried out regularly and in a timely fashion? Is it scrutinised and signed off by members?	YES	
	Are there any unexplained balancing entries in any reconciliation?	NO	
	Is the value of investments held summarised on the reconciliation?	N/A	
	Verify the accuracy of the year-end bank reconciliation detail and ensure accurate disclosure of the combined cash and bank balances in the AGAR, Section 2, Line 8.	ACCURATE	
<p>B. The authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and, VAT was appropriately accounted for.</p>	Has the council formally adopted standing orders and financial regulations?	COUNCIL HAVE ADOPTED THE NORTHUMBERLAND ALC STANDING ORDERS, WHICH CONTAIN FINANCIAL REGULATIONS	
	Check that there is effective segregation between the writing of cheques or the setting up of online payments, and physical release of payments.	ALL PAYMENTS MADE ELECTRONICALLY, REQUIRING TWO MEMBER AUTHORISATION	STANDING ORDERS SHOULD BE AMENDED TO INCLUDE PROCESS FOR ELECTRONIC PAYMENTS
	Has a Responsible finance officer been appointed with specific duties?	YES	

# REPORT OF THE INTERNAL AUDITOR FOR THE YEAR ENDING 31/3/24

## WHITTINGHAM, CALLALY AND ALNHAM PARISH COUNCIL

	<p>Review the procedures in place for acquisition of formal tenders and quotes, ensuring they are in line with the SOs and FRs which should be based on the latest version.</p> <p>Ensure that consistent values are in place for the</p>	<p>NORTHUMBERLAND ALC STANDING ORDERS BEING FOLLOWED WHICH STATE "TWO QUOTES REQUIRED FOR WORKS BETWEEN £500 TO £2000."</p> <p>AN UPDATED QUOTATION WAS RECEIVED</p>	
	<p>acquisition of formal tenders between SOs and FRs (frequently different limits are recorded in the two documents)</p>	<p>FROM LEE CHARLETON FOR PATHWORKS AT THE COST OF £1900. I AM ASSUMING ORIGINAL QUOTE(S) WERE RECEIVED IN A PRIOR FINANCIAL YEAR.</p>	
	<p>Review the procedures for receipt of invoices, agreement of invoice detail and confirmation of goods /services delivery and approval for payment</p>	<p>ALL PAYMENTS APPROVED AT COUNCIL MEETINGS. INVOICES SIGNED.</p>	
	<p>Has VAT on payments been identified, recorded and reclaimed?</p>	<p>VAT IDENTIFIED AND RECORDED, SUM OF £249.89,( 21.3.22 TO 30.11.23) RECLAIMED 2023-2024</p>	
	<p>Is s137 expenditure [grants] separately recorded and within statutory limits?</p>	<p>THREE GRANTS APPROVED UNDER S137, WITHIN THE STATUTORY LIMITS AND RECORDED SEPERATELY</p>	<p>FURTHER COMMENT RELATING TO GRANTS CONTAINED AS AN ATTACHMENT</p>
<p><b>C.</b> The authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.</p>	<p>Does a review of the minutes identify any unusual financial activity?</p>	<p>NO UNUSUAL FINANCIAL ACTIVITY IDENTIFIED</p>	
	<p>Do minutes record the council carrying out an annual risk assessment?</p>	<p>YES, FINANCIAL AND GENERAL RISK ASSESSMENTS CARRIED OUT AND RECORDED MARCH 2024 MINUTES.</p>	
	<p>Ensure that appropriate levels of insurance cover are in place for land, buildings, public, employers' and hirers' (where applicable) liability, fidelity / employees (including councillors) liability, business interruption and cyber security</p>	<p>BEING A SMALL COUNCIL COVER PROVIDED VIA NORTHUMBERLAND COUNTY COUNCIL. FULL SCHEDULE NOT INCLUDED IN FILE, HOWEVER I WOULD ASSUME THE STANDARD PC COVERS ARE ALL INCLUDED WITHIN THE POLICY. (NO DETAIL OF ANY ASSETS INCLUDED IN POLICY)</p>	<p>INSURANCE COVER SHOULD BE REVIEWED DURING 2024-2025</p>

# REPORT OF THE INTERNAL AUDITOR FOR THE YEAR ENDING 31/3/24

## WHITTINGHAM, CALLALY AND ALNHAM PARISH COUNCIL

	Are internal financial controls documented and regularly reviewed?	YES, INCLUDED IN FINANCIAL RISK ASSESSMENT ABOVE	
	Ensure that appropriate arrangements are in place for monitoring play areas, open spaces and sports pitches: such reviews should be undertaken by appropriately qualified external inspectors or, if by officers or members, that they have received the appropriate training and accreditation.	N/A	
D. The Precept or rates requirement resulted from an adequate budgetary	Ensure that the full Authority, not a committee, has considered, approved and adopted the annual precept in accordance with the required parent Authority timetable	FULL COUNCIL APPROVED PRECEPT 20232024, AT MEETING HELD NOVEMBER 2022	
process, progress against the budget was regularly monitored; and reserves are appropriate.	<p>Ensure that budget reports are prepared and submitted to Authority / Committees periodically during the year with appropriate commentary on any significant variances</p> <p>Review the budget performance either during the year or at the financial year-end seeking explanations for any significant or unanticipated variances</p>	<p>HALF-YEAR BUDGET CONSIDERED AT COUNCIL MEETING NOVEMBER 2023. FINANCE REPORT CIRCULATED WITH EACH MEETING AGENDA.</p> <p>EXPLANATION OF VARIANCES PREPARED AT YEAR END</p>	<p><b>FINANCE REPORT SHOULD BE ATTACHED TO AGENDA AND DISPLAYED TO THE PUBLIC.</b></p>

# REPORT OF THE INTERNAL AUDITOR FOR THE YEAR ENDING 31/3/24

## WHITTINGHAM, CALLALY AND ALNHAM PARISH COUNCIL

	Does the precept recorded agree to the Council Tax authority's notification?	NO. DUE TO ONLY THE INCREASE IN PRECEPT BEING LISTED ON PRECEPT REQUEST FORM SUBMITTED TO COUNTY COUNCIL, THE AMOUNT RECORDED IN MINUTES DOES NOT AGREE TO AMOUNT RECEIVED. COUNTY COUNCIL HAVE SINCE AMENDED THE REQUEST FORM TO ENSURE THIS DOES NOT HAPPEN IN THE FUTURE.	
E. Expected income was fully received based on correct prices, properly recorded and promptly banked; and VAT appropriately accounted for.	<b>Authorities should refer to Para 5.44 to 5.47</b>		
	Allotments: ensure that appropriate signed tenancy agreements exist, that an appropriate register of tenants is maintained identifying, that debtors are monitored.	N/A	
	Burials: ensure that a formal burial register is maintained that it is up-to-date and that a sample of interments and memorials are appropriately evidenced, that fees have been charged at the correct approved rate and been	N/A	
	recovered within a reasonable time: (Authorities should also acquire and retain copies of Burial / Cremation certificates)		

# REPORT OF THE INTERNAL AUDITOR FOR THE YEAR ENDING 31/3/24

## WHITTINGHAM, CALLALY AND ALNHAM PARISH COUNCIL

	Hall hire: ensure that an effective diary system for bookings is in place identifying the hirer, hire times and ideally crossreferenced to invoices raised	N/A	
	Leases: ensure that leases are reviewed in a timely manner in accordance with the terms of the lease and rents similarly reviewed appropriately at the due time	N/A	
	Other variable income streams: ensure that appropriate control procedures and documentation are in existence to provide a clear audit trail through to invoicing and recovery of all such income	N/A	
	Where amounts are receivable on set dates during the year, ensure that an appropriate control record is maintained duly identifying the date(s) on which income is due and actually received / banked	PRECEPT RECEIVED APRIL AND SEPTEMBER AND RECORDED IN DETAILED MONTHLY FINANCIAL REPORTS.	
	Are security controls over cash and near-cash adequate and effective?	NO CASH HELD	
F. Petty Cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for	A number of Authorities are now running down and closing their petty cash accounts and using debit / credit cards for ad hoc purchases. Consequently, a "Not covered" response is frequently required in this area.	NO PETTY CASH HELD	
G. Salaries to employees and allowances to members were paid in accordance with the authority's approvals, and PAYE and NI requirements were	Ensure that, for all staff, a formal employment contract is in place together with a confirmatory letter setting out any changes to the contract.	CLERK/RFO CONTRACT IN PLACE.	
	Ensure that appropriate procedures are in place for the payment of members allowances and deduction of any tax	NO MEMBER ALLOWANCES MADE.	

# REPORT OF THE INTERNAL AUDITOR FOR THE YEAR ENDING 31/3/24

## WHITTINGHAM, CALLALY AND ALNHAM PARISH COUNCIL

properly applied.	liability.		
	<p>Ensure that, for a sample of staff salaries, gross pay due is calculated in accordance with the approved spinal point on the NJC scale or hourly rate, if off-scale, and also with the contracted hours</p> <p>Ensure that appropriate tax codes are being applied to each employee.</p> <p>For the test sample of employees, ensure that tax is calculated appropriately</p>	SAMPLE PAYSIP EXAMINED WHICH CONTAINED THE CORRECT AMOUNT(S).	
	Check the correct treatment of Pension contributions	CLERK/RFO SALARY BELOW THE THRESHOLD OF £10,000 FOR AUTOMATIC PENSION ENROLMENT.	
<b>H.</b> Asset and investment registers were complete and accurate and properly maintained. This section / assurance should be extended to include loans to or by the authority	Ensure that the Authority is maintaining a formal asset register and updating it routinely to record new assets at historic cost price, net of VAT and removing any disposed of / no longer serviceable assets.	REGISTER HELD, WITH ASSETS LISTED AT COST VALUE.	
	Are the assets and Investments registers up to date?	YES	
	<p>Do asset insurance valuations agree with those in the asset register?</p> <p>Ensure that the asset value to be reported in the AGAR at Section 2, Line 9 equates to the prior year reported value, adjusted for the nominal value of any new acquisitions and / or disposals</p>	<p>NO ASSETS LISTED WITHIN THE INSURANCE POLICY.</p> <p>FIGURE CORRECT</p>	

# REPORT OF THE INTERNAL AUDITOR FOR THE YEAR ENDING 31/3/24

## WHITTINGHAM, CALLALY AND ALNHAM PARISH COUNCIL

<p><b>J.</b> Accounting statements prepared during the year were prepared on the correct accounting basis</p>	<p>Whilst IAs are not required to verify the accuracy of detail to be disclosed in the AGAR, this assertion, together with the expectation of most Authorities, effectively requires IAs to ensure that the financial detail reported at Section 2 of</p>	<p>FINANCIAL INFORMATION INCLUDED WITHIN SECTION 2 OF AGAR ACCURATE</p>	
<p>(receipts and payments or income and expenditure), agreed to the cashbook, supported by an adequate audit trail from underlying records and, where appropriate, debtors and creditors were properly recorded.</p>	<p>the AGAR reflects the detail in the accounting records maintained for the financial year.</p>		
	<p>Ensure that, where annual turnover exceeds £200,000, appropriate records are maintained throughout the year on an Income and Expenditure basis to facilitate budget reporting in that vein</p>	<p>N/A</p>	
	<p>Where appropriate, have debtors and creditors been properly recorded?</p>	<p>N/A</p>	
<p><b>K.</b> If the authority certified itself as exempt from a limited assurance review in the prior year, it met the exemption criteria and correctly declared itself exempt.</p>	<p>IAs should ensure that, all relevant criteria are met (receipts and payments each totalled less than £25,000) •  the correct exemption certificate was prepared and minuted in accordance with the statutory submission deadline  • that it has been published, together with all required information on the Authority's website and noticeboard</p>	<p>CORRECT EXEMPTION CERTIFICATE PREPARED, MINUTED AND PUBLISHED ON WEBSITE, TOGETHER WITH ALL REQUIRED INFORMATION</p>	
<p><b>L.</b> The authority publishes information on a free to access website / web page up to date at the time of the internal audit, and in accordance with any relevant Transparency Code requirements.</p>	<p>This test applies only to those councils covered by the £25,000 External Audit exemption IAs should review the Authority's website ensuring that all required documentation is published in accordance with the Transparency Code.</p>	<p>ALL REQUIRED INFORMATION PUBLISHED ON WEB-SITE</p>	

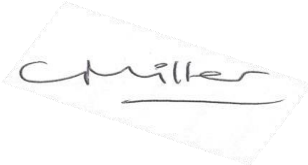
# REPORT OF THE INTERNAL AUDITOR FOR THE YEAR ENDING 31/3/24

## WHITTINGHAM, CALLALY AND ALNHAM PARISH COUNCIL

<p><b>M.</b> The authority has, during the previous year, correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations.</p>	<p>IAs should acquire / examine a copy of the required “Public Notice” ensuring that it clearly identifies the statutory 30 working day period when the Authority’s records are available for public inspection.</p> <p>IAs may also check whether councils have minuted the relevant dates at the same time as approving the AGAR</p>	<p>PUBLIC NOTICE DISPLAYED IN ACCORDANCE WITH REGULATIONS</p>	<p><b>INSPECTION DATES NOT INCLUDED IN MINUTES</b></p>
<p><b>N.</b> The authority complied with the publication requirements for the prior year AGAR.</p>	<p>IAs should ensure that the statutory disclosure / publication requirements in relation to the prior year’s AGAR have been met as detailed on the front page of the current year’s AGAR.</p>	<p>2023/23 AGAR PUBLISHED ON WEB-SITE.</p>	
<p><b>O.</b> Trust funds (including charitable) - the Council has met its responsibilities as a trustee</p>	<p>Confirm that all charities of which the council is a Trustee are up to date with CC filing requirements</p> <p>that the council is the sole trustee on the Charity Commission register</p> <p>that the council is acting in accordance with the Trust deed</p> <p>that the Charity meetings and accounts recorded separately from those of the council</p> <p>review the level and activity of the charity and where a risk based approach suggests such, review the Independent Examiners report</p>	<p>N/A</p>	

# REPORT OF THE INTERNAL AUDITOR FOR THE YEAR ENDING 31/3/24

## WHITTINGHAM, CALLALY AND ALNHAM PARISH COUNCIL

<p>I confirm that I have examined the relevant accounts as presented to me by the Responsible Finance Officer.</p> <p>The accounts are in good order and are managed in a timely and responsible manner. Regular bank reconciliations are presented. They are the Council's best tool to monitor financial management of its accounts. Monthly reports to Council of receipts and payments are in line with legislation. A separate record of s 137 payments is being kept.</p> <p>I hereby state that I am satisfied with Whittingham, Callaly &amp; Alnham Parish Council's conduct of its financial affairs, its accounts procedures and its financial reporting.</p>	<p><b>Signed:</b></p> 	<p><b>Date:</b></p> <p><b>29<sup>th</sup> April 2024</b></p>
--	---	--

### AGAR – ANNUAL INTERNAL AUDIT REPORT 2023/24

I have had to state NO to internal control objective E – Expected income was fully received.... – due to only the increase in precept amount being initially received.

I have stated NOT APPLICABLE to internal control objective F – as the council does not have Petty cash

I have stated YES to all other internal control objectives