

# INTERNAL AUDIT REPORT – CASTLETHORPE PARISH COUNCIL

Audit undertaken 2<sup>nd</sup> June 2023

## 1. Objectives and Scope of the Audit

To review the processes and procedures of Castlethorpe Parish Council in relation to the financial statements for the year ended 31<sup>st</sup> March 2023. The audit was based on a review of a sample of items appearing in the Cash Book, other documentation, and discussions with the Clerk.

## 2. Overall Opinion

A generally sound system of controls designed to meet the organisation's objectives is in place.

Only one item in the sample of invoices was of concern as there was no indication as to the tax status of the supplier. The clerk has undertaken to obtain the relevant details.

The asset register was reviewed and was found to be up to date and complete although the financial investments are not recorded. (Noted last year)

All relevant policies audited are being followed. However, it is noted that there is no investment strategy which should be included in Standing Orders or otherwise made available to the public. Where the investments exceed £100,000 Statutory Guidance on Local Government Investments (item 18) states: " *The guidance includes a new requirement for councils to prepare an investment strategy at least once a year. The format and presentation of this will not be prescribed, so long as it is approved by full council.*" (Noted last year)

All relevant insurances are in place and cover appears to be adequate.

Bank reconciliations are completed promptly and VAT is claimed correctly.

It is also noted that the Council's website does not include any financial information. Although the Council is below the income/expenditure limit for this to be a requirement, many Parish Councils of similar size do publish some data in the interests of transparency. (Noted last year)

The Standing Orders were found to need updating/reviewing in parts. In particular; SO 17(d) requires full tendering for items over £2,000; SO 17(f) refers to EU regulations which are no longer relevant; and SO 20(a) should refer to the Data Protection Act 2018

### **3. Recommendations**

- That assets should be inspected at intervals to verify existence and condition. Also, that inspections should be documented with date and name of person inspecting noted.
- That Standing orders 17(f) and 20(a) should be amended. EU regulations have been replaced by WTO/GPA regulations. Note that the thresholds include VAT. All items for tender should now be advertised on Find a Tender Service (FTS).
- That consideration should be given to amending Standing Order 17(d) to reflect the prescribed tendering thresholds and that thresholds for requiring quotations should be set.
- That an investment strategy should be devised
- That consideration be given to increased transparency of Council expenditure/income.

### **4. Conclusion**

Overall, the accounts are recorded accurately, expenditure is monitored well and authorities for expenditure complied with. The Clerk has obtained UTR numbers, VAT and Company Registration numbers where applicable

I should like to, once again, record my thanks to the Clerk and Cllr Bradbury for ensuring that all questions were answered and all information requested was made available promptly.

Jayn Oliff  
2/6/23