

**INTERNAL AUDIT REPORT**

**13 MAY 2024**

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**1.0 Purpose of the Report**

1.1 The purpose of this report is to update council members on the work completed by the Internal Auditor.

1.2 The Internal Auditor undertook an audit of the council's policies and procedures in May 2024. I liaised with the council's Clerk during the completion of this audit and would like to thank him for his assistance during this audit.

**2.0 Background to the report**

2.1 The Internal Auditor provides an independent appraisal function which all Smaller Authorities (which covers parish and town councils) must provide to meet the requirements of The Accounts and Audit Regulations 2015.

2.2 An authority is a "Smaller Authority" if the higher of the authorities gross income for the year and its gross expenditure for the year does not exceed £6.5m. The Accounts and Audit Regulations 2015 also refers to these authorities as a Category 2 authority. Greencroft Parish Council falls into this category.

2.3 The 2015 regulations quoted above require councils to "undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes taking into account public sector internal auditing standards or guidance.

2.4 The Public Sector internal audit standards have not been applied to "smaller authorities"

2.5 The council's guidance on internal audit is contained in the Joint Panel on Accountability and Governance (JPAG) Practitioners Guide 2023. Section 4 of this guide covers Best Practice Guidance for Internal Audit.

**3.0 The Annual Governance and Accountability Return (AGAR)**

3.1 The AGAR return has three sections for completion.

- Section 1 - The Annual Governance Statement which covers nine assertions made by the council. The council's response to each assertion must be examined and approved by the full council. The recommendations made must be minuted accordingly. This section must be signed by the Chair and Clerk.
- Section 2 - The Accounting Statement provides details of a comparison of two years income and expenditure, cash reserves, balances and asset values. This must be signed by the council's Responsible Finance Officer before being presented to the council. This section must once again, be approved by full council (not a council committee) and minuted accordingly. Once approved by council the chair can countersign the statement.
- Section 3 is signed and provided by the External Auditor on completion of their audit. This must be done by 30 September each year. This will be signed by the council's external auditors (Mazars)

3.2 The AGAR document must be completed by all Smaller Authorities by 30 June each financial year and must be advertised on a freely available public facing website.

#### **4.0 Internal Audit**

4.1 In addition to the three sections above, the AGAR return contains an Internal Auditors report (page 3 of the document). An important element of the Internal Audit is the investigation of the key indicators and completion of the internal audit response to each indicator shown on page 3 of the councils AGAR.

4.2 The Internal Auditor must investigate, assess and certify whether the council has met (or not) the key indicators shown. This report gives the Internal Auditor the opportunity to comment and advise the council on the following key indicators:-

**A Appropriate accounting records have been kept properly throughout the financial year.** JPAG Governance and Accountability guidance recommends the following to be assessed as part of this assertion.

- Ensure the correct roll forward of the prior year cash book balances to the new financial year.

*Checks made to the accounts reveal that the correct cash book balance has been rolled forward from one year to the next. The cash book balance at 31 March 2023 (£10,581.71) was rolled forward to reflect the opening balance at 1 April 2023.*

- Check a sample of financial transactions in cash book to bank statements, etc: the sample size dependent on the size of the authority and nature of accounting records maintained

*Appropriate testing has been carried out with all income and expenditure transactions being checked. Appropriate accounting records have been maintained throughout this period.*

- Ensure that bank reconciliations are prepared routinely, are subject to independent scrutiny and sign-off by members.

*Details of budget spend are reported to council as required throughout the year.*

*A bank reconciliation is not routinely provided for councillors. There were only 25 expenditure transactions and 4 income transactions for 2023/24. A bank reconciliation was undertaken at the 31 March 2024 which should be reported to and agreed by council with the AGAR return and the Internal Audit report.*

*Perhaps a half yearly bank reconciliation could be prepared for council to provide the certainty that the cash book agrees with the bank statements.*

- 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.

*The figure in the 2023/24 year end AGAR section 2 line 8 and line 9 (£13,169) was checked and agreed to the year end combined cash and bank balances.*

*The balance shown on the 2023/24 year end bank reconciliation wholly comprises of the current account (£13,169).*

- Where the authority has bank balances in excess of £100,000 it has an appropriate investment strategy.

*This is not applicable to Greencroft Parish Council.*

**I am of the opinion that Greencroft Parish Council has met this criteria and can therefore certify the Internal Audit Report (page 3) accordingly.**

**B This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.** JPAG Governance and Accountability guidance recommends the following to be assessed as part of this assertion.

- 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.

*The council's Financial Regulations contain details of how and when quotes or tenders are required. The following information is reflected in the council's Financial Regulations.*

*Where the council is intending to enter into a contract exceeding £60,000 in value the clerk shall invite tenders from at least three firms to be taken from the appropriate approved list.*

*Where the council is to enter into a contract of less than £60,000 the clerk shall obtain 3 Quotation (priced descriptions of the proposed supply. Where the value is below £3,000 and above £100 the clerk or RFO should strive to obtain 3 estimates.*

*The only significant purchase during 2023/24 was the purchase of noticeboards costing £2,067.60. This was reported to council at the October meeting.*

*It is reported that three quotations were not obtained for this purchase. It is assumed that Financial Regulation 10.3 was not followed for this purchase or it was not possible to obtain three quotes due to the possible specialist nature of the purchase.*

*Ideally, to comply with Financial Regulations. three quotations should have been obtained for this purchase and future purchases of a similar value.*

- Ensure that consistent values are in place for the acquisition of formal tenders between SOs and FRs (frequently different limits are recorded in the two documents)

*The clerk was unable to locate a copy of the Council Standing Orders so a comparison could not be made between Standing Orders and Financial Regulations.*

***Recommendation. Whilst not a legal requirement the council should consider introducing Standing Orders for the council to adhere to. These Orders would reflect the tender/quotation/estimate figures shown in the Financial Regulations.***

**The Standing Orders will also provide the council with detailed instructions (including legal requirements) to ensure council meetings run smoothly.**

**CDALC can provide a Standing Orders template for the council to adapt to meet its needs.**

- Review the procedures for receipt of invoices, agreement of invoice detail and confirmation of goods /services delivery and approval for payment: ideally, a suitably designed certification stamp should be in place providing for evidencing of these checks and payment authorisation.

*All 2023/24 invoices were checked to the cash book entries as part of the audit process.*

- Check that there is effective segregation between the writing of cheques or the setting up of online payments, and physical release of payments.

*With only one employee in place it is not possible to achieve a segregation of duties within the council. All payments are approved by full council before*

*payment is released electronically in accordance with Financial Regulations.*

- Check that VAT reclaims are prepared and submitted in a timely manner in line with the underlying records and in accordance with current HMRC requirements

*VAT is appropriately accounted for by the council clerk and recovered for the period up to 29 February 2024. £573.72 is shown in the cash book as being received on 5 March 2024. This agrees with the amount of VAT reflected in cash book entries for 2023/24.*

- Where debit/credit cards are in use, establish the total monthly and individual transaction limits and ensure appropriate controls over physical security and usage of the cards are in place.

The council does not operate any debit or credit cards.

**Greencroft Parish Council has met this criteria and can therefore certify the Internal Audit Report (page 3) accordingly.**

**C This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.** JPAG Governance and Accountability guidance recommends the following to be assessed as part of this assertion.

- Ensure that authorities have prepared, and formally adopted, at least once annually, an appropriate and comprehensive register of assessed risks, both regular and ad hoc.

*JPAG Governance and Accountability defines risk as follows.*

*“Risk is an uncertain event or condition that, if it occurs, will have an effect on the achievement of an authority’s objectives. Risk management is the process whereby authorities methodically address the risks associated with what they do and the services which they provide. The focus of risk management is to identify what can go wrong and take proportionate steps to avoid this or successfully manage the consequences. Good risk management allows stakeholders to have increased confidence in the authority’s corporate governance arrangements and its ability to deliver its priorities.*

*Risk management is not just about financial management; it is about protecting the achievement of objectives set by the authority to deliver high quality public services. The failure to manage risks effectively can be expensive in terms of litigation and reputation, and can impact on the ability to achieve desired outcomes. The authority generally and members individually are responsible for risk management.*

*Risk management is an ongoing activity that comprises four elements: identifying risks; assessing risks; addressing risks; and reviewing and reporting.*

## **Identifying risks**

*In order to manage risk, an authority needs to know what risks it faces. Identifying risks is therefore the first step in the risk management process.*

*It is not possible to present a suggested list of the specific risks which authorities face as the range, nature, complexity and scale of the business of authorities vary. Similarly, the priorities and service delivery objectives of one authority will differ from those of others. For this reason each authority should identify, for itself, the key risks to achieving successfully its priorities and service objectives. However, there are some typical categories of risks that might help in the process of risk identification: financial – loss of money; security – fraud, theft, embezzlement; property – damage to property; legal – breaking the law or being sued; IT – failure of IT systems or misuse; and reputational – actions taken could harm the authority’s public reputation.*

## **Assessing risks**

*Once the authority has identified its key risks, the next step is to assess the potential consequences of a risk occurring (impact) and consider how likely this is (likelihood).*

*The assessment of potential impact and likelihood need not be any more complex than assigning a simple numerical score, say 1 – 3, and multiplying the two scores to arrive at a risk assessment for each risk of high, medium or low. The risk assessment enables the authority to decide which risks it should pay most attention to when considering what measures to take to manage them”.*

*Authorities could use a simple risk assessment matrix as follows:*

<b>Likelihood</b>	<b>Highly likely (3)</b>	<b>Medium (3)</b>	<b>High (6)</b>	<b>High (9)</b>
	<b>Possible (2)</b>	<b>Low (2)</b>	<b>Medium (4)</b>	<b>High (6)</b>
	<b>Unlikely (1)</b>	<b>Low (1)</b>	<b>Low (2)</b>	<b>Medium (3)</b>
		<b>Negligible (1)</b>	<b>Moderate (2)</b>	<b>Severe (3)</b>
		<b>Impact</b>		

*Greencroft Parish Council considered and reviewed its Risk Assessment as part of its March 2024 Agenda.*

*The parish council has an appropriate risk register in place to identify and assess the adequacy of its risk related activities.*

- Ensure that appropriate levels of insurance cover are in place for land, buildings,

public, employers' and hirers' (where applicable) liability, fidelity guarantee., employees (including councillors) liability, business interruption and cyber security cover.

*The Insurance schedule was examined and discussed with the Clerk to the council. It would appear that adequate insurance arrangements are in place to deal with any insurable risks arising from council activities.*

*Assets to the total value of £10,000 are included in the policy schedule. This is currently enough to cover assets owned by the council.*

- 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.

*The council has no play areas within its boundaries.*

*It was noted that monthly seating and fencing safety inspections are carried out by a member of the council.*

*The council does undertake flower planting and grass cutting within areas of the council boundaries.*

***Recommendation: For Insurance and Health and Safety purposes details of the inspections should be in a written format and retained with the council records. This will provide evidence that checks have been made and issues resolved.***

- Review the effectiveness of internal control carried out by the authority.

*The council undertakes an annual review of the effectiveness of internal control in accordance with Regulation 6 of the Accounts and Audit Regulations 2015.*

*The latest Effective Internal Control report for 2023/24 was considered by council at its meeting held on the 26 March 2024.*

**I am of the opinion that Greencroft Parish Council has met this criteria and can therefore certify the Internal Audit Report (page 3) accordingly.**

**D The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.** JPAG Governance and Accountability guidance recommends the following to be assessed as part of this assertion.

- Ensure that the full Authority, not a committee, has considered, approved and adopted the annual precept for the coming year in accordance with the required parent Authority timetable.

*On 28 November 2023 Greencroft Parish Council considered the setting of the 2024/25 budget and resulting precept request.*

*The minutes of this meeting reflect that the effect of the increase in the tax base and the reduction in the LCTRS grant would be that the overall precept income would be almost unchanged if Greencroft Parish Council voted not to request any increase (or decrease) for Council Tax payers. It was AGREED that Greencroft Parish Council would not request an increase in Council tax contributions from the public.*

- Ensure that current year budget reports are prepared and submitted to Authority/Committees periodically during the year with appropriate commentary on any significant variances.

*Budgetary Control statements have been submitted to the council for the periods ending 30 June 2023 and 29 February 2024.*

*I have sighted the final 2023/24 Budgetary Control statement which provides details of the agreed 2023/24 budget and actual 2023/24 spend against the relevant budget heads. This shows a surplus of £2,587.09 to transfer to reserves.*

- Review the budget performance either during the year or at the financial year-end seeking explanations for any significant or unanticipated variances.

*As reported above I have evidenced an end of year budgetary control statement. I have also sighted a copy of the explanation of significant variances for the year end. This should be included online as part of the transparency and AGAR publication requirements.*

- Ensure that the Authority has considered the establishment of specific earmarked reserves and, ideally, reviews them annually as part of the budget assessment process.

*General reserves of £13,168 exist at 31 March 2024, of which, £1,500 is earmarked for future election costs.*

- Ensure that the precept received in the accounts matches the prior year submission form to the relevant authority and the public record of precepted amounts.

*The 2023/24 precept request agreed by Greencroft Parish Council was £6,215.78. The same precept figure is reflected in Durham County Councils Budget and Council Tax setting report dated 22 February 2023.*

*The precept was received in one payment and is shown in the councils 2023/24 cash book.*

*Similarly for the 2024/25 financial year Greencroft Parish Council approved and submitted a precept request of £6,335.38. As agreed by council this*



*maintained a zero percent increase in council tax for residents. The Band D property charge has been set at £42.72 for the last three years.*

*This is not a recommendation but a note for the council to consider. The council may, if it wishes, give some consideration to future increases in council tax as, by maintaining the council tax band D at £42.72 for the last three years, it has seen the value of its income depreciate due to cost of living increases and salary increases. This of course is a decision for the council to consider and take.*

**I am of the opinion that Greencroft Parish Council has met this criteria and can therefore certify the Internal Audit Report (page 3) accordingly.**

**E Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.** JPAG Governance and Accountability guidance recommends the following to be assessed as part of this assertion.

- Review “Aged debtor” listings to ensure appropriate follow up action is in place

*No aged debtor action is required as apart from Precept, LCTRS grant, VAT income and any other grants (e,g councillor grants), the council does not generate any income.*

- Allotments: ensure that appropriate signed tenancy agreements exist, that an appropriate register of tenants is maintained identifying, that debtors are monitored.

*Not applicable as the council has no allotment sites.*

- 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 recovered within a reasonable time: (Authorities should also acquire and retain copies of Burial / Cremation certificates)

*Not applicable as the council is not a burial authority*

- Hall hire: ensure that an effective diary system for bookings is in place identifying the hirer, hire times and ideally cross-referenced to invoices raised.

*Not applicable as the council has no rooms to hire.*

- 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.

*Not applicable to this council.*

- 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.

*No other income streams exist.*

- 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.

*The council's full precept and LCTRS grant is received in one payment in April of each year. VAT income and other grant income is received on an adhoc basis during the year.*

**I am of the opinion that Greencroft Parish Council has met this criteria and can therefore certify the Internal Audit Report (page 3) accordingly.**

**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.

With regard to petty cash, JPAG Governance and Accountability guidance recommends the following to be assessed as part of this assertion.

- Review the systems in place for controlling any petty cash and also cash floats (used for bar, catering, etc)

No petty cash or float systems are operated by this council.

- Check a sample of transactions during the financial year to ensure appropriate supporting documentation is held.

*Not applicable as no petty cash in operation.*

- Review the existence of evidenced periodic independent verification of the petty cash and any other cash floats held.

*Not applicable as no petty cash in operation*

- Ensure that VAT is identified wherever incurred and appropriate

*Not applicable as no petty cash in operation*

- Physically check the petty cash and other cash floats held.

*Not applicable as no petty cash in operation*

- Where bar or catering facilities are in place, ensure that appropriate cashing-up procedures are in place reconciling the physical cash takings to the till "Z" total readings.

*Greencroft Parish Council does not operate any bar or catering facilities.*

**I am of the opinion that Greencroft Parish Council has met this criteria and can therefore certify the Internal Audit Report as “not covered” (page 3) accordingly.**

**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.** JPAG Governance and Accountability guidance recommends the following to be assessed as part of this assertion.

- Ensure that, for all staff, a formal employment contract is in place together with a confirmatory letter setting out any changes to the contract.

*I have sighted a formal contract of employment which has been issued to the clerk.*

- 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

*The clerk’s salary is paid at the appropriate 2023/24 NJC Spinal Column Point.*

- Ensure that appropriate tax codes are being applied to each employee

The clerks salary cash book entries reveal that the clerk is taxed at the basic rate (20%) for his earnings. The appropriate tax code is being used.

- Where free or paid for software is used, ensure that it is up to date.

*The council uses the latest HMRC Basic Tools software for its payroll calculations.*

- For the test sample of employees, ensure that tax is calculated appropriately

*PAYE deductions were correctly calculated at 20% of earnings.*

- Check the correct treatment of Pension contributions

*No pension contributions applicable to this employment.*

- For NI, ensure that the correct deduction and employer’s contributions are applied.

*The salary paid is below the NI thresholds to trigger any NI contributions.*

- Ensure that the correct employers’ pension percentage contribution is being applied

*Not applicable to this employment.*

- Ensure that for the test sample, the correct net pay is paid to the employee with tax, NI and pension contributions correctly paid to the respective agencies.

*Correct net pay paid for the clerks. Paid roughly on a quarterly basis.  
Appropriate payments are made to HMRC.*

- Ensure that appropriate procedures are in place for the payment of members allowances and deduction of any tax liability

*Members allowances are not paid by this authority.*

**I am of the opinion that Greencroft Parish Council has met this criteria and can therefore certify the Internal Audit Report (page 3) accordingly.**

**H Asset and investments registers were complete and accurate and properly maintained.** JPAG Governance and Accountability guidance recommends the following to be assessed as part of this assertion.

- Ensure that the Authority is maintaining a formal asset register and updating it routinely to record new assets at historical cost price net of VAT and removing any disposed of / no longer serviceable assets

*The council maintains an asset register which is maintained annually. It is shown online for 2022/23 and should be added for 2023/24. **It would be useful if a final total could be added to the spreadsheet.***

- Physically verifying the existence and condition of high value, high risk assets may be appropriate.

*The council's major assets consist mainly of litter bins, seats and fencing in the recreation area.*

- Ideally, the register should identify for each asset the purchase cost and, if practicable, the replacement / insured cost, the latter being updated annually and used to assist in forward planning for asset replacement.

*The Asset register does show the assets original purchase cost. Insurance schedule should be set up to protect these assets where the council requires it.*

- Additions and disposal records should allow tracking from the prior year to the current.

*This, if any, will be reflected in the asset register document.*

- 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

*Revised Asset Register to be prepared for 2023/24 and shown online.*

- Compare the asset register with the insurance schedule to ensure that all assets as recorded are appropriately insured or “self-insured” by the Authority Fixed asset investments.

*All assets are covered by £10,000 cover in the insurance schedule.*

- Ensure that all long-term investments (i.e. those for more than 12 month terms) are covered by the “Investment Strategy” and reported as Assets in the AGAR at section 2, line 9. Borrowing and Lending:

*The council has no Long term investments - only money held is retained in the councils current account.*

- Ensure that the authority has sought and obtained appropriate DMO approval for all loans acquired.

*The council has no loan approvals in operation.*

- Ensure that the authority has accounted for the loan appropriately (i.e., recorded the full value of the loan. Any arrangement fee should be regarded as an admin expense) in the year of receipt.

*Not applicable to this council.*

- Ensure that the combined principal loan repayment and interest for the year is correctly recorded in the AGAR at section 2 line 5.

*Not applicable to this council.*

- Ensure that the outstanding loan liability as at 31st March each year is correctly recorded in the AGAR at section 2, line 10 (value should be verified via the DMO website)

*Not applicable to this council.*

**I am of the opinion that Greencroft Parish Council has met this criteria and can therefore certify the Internal Audit Report (page 3) accordingly.**

**I Periodic bank account reconciliations were properly carried out during the year.** JPAG Governance and Accountability guidance shows no recommendations to be assessed as part of this assertion.

*There was evidence provided that bank balances had been reported to members frequently during the year.*

*It might help if a periodic bank reconciliation is reported to the council to*

*provide the council with further financial information and certainty of their accounts. Suggested to be quarterly or at least half yearly.*

*An end of year bank reconciliation has been provided and examined which balances between the cash book/ledger and the bank statement for 31 March 2024. Two outstanding electronic transfers exist at 31 March 2024 which are reflected in the end of year reconciliation. They are recorded in the cash book for 31 March 2024 but did not occur electronically until 2 April 2024.*

**I am of the opinion that Greencroft Parish Council has met this criteria and can therefore certify the Internal Audit Report (page 3) accordingly.**

**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.**

JPAG Governance and Accountability guidance recommends the following to be assessed as part of this assertion.

Whilst IA's 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 the AGAR reflects the detail in the accounting records maintained for the financial year. Consequently, IAs should

- 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

*Not applicable to Greencroft Parish Council.*

- Ensure that appropriate accounting arrangements are in place to account for debtors and creditors during the year and at the financial year-end.

*The accounts were prepared on a receipts and payments basis with no accruals, therefore, no debtors or creditors created at year end.*

**I am of the opinion that Greencroft Parish Council has met this criteria and can therefore certify the Internal Audit Report (page 3) accordingly.**

**K If the authority certified itself as exempt from a limited assurance review in 2022/23, it met the exemption criteria and correctly determined itself exempt. If the Authority had a limited assurance review of its 2022/23 AGAR tick “not covered”. JPAG Governance and Accountability guidance recommends the following to be assessed as part of this assertion.**

IA's 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

*The correct Certificate of Exemption was prepared and signed for 2022/23. Minute number 71/23 refers to this decision. The Certificate was signed on 30 May 2023 (before 30 June 2023) so complies with the statutory requirements.*

- that it has been published, together with all required information on the Authority's website and noticeboard

*The certificate was published on the council's website.*

**I am of the opinion that Greencroft Parish Council has met this criteria and can therefore certify the Internal Audit Report (page 3) accordingly.**

**L The Authority published the required information on a website/webpage, up to date at the time of the internal audit, in accordance with the relevant legislation.** JPAG Governance and Accountability guidance recommends the following to be assessed as part of this assertion.

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.

Smaller Public authorities must publish the following as part of the Accounts and Audit Regulations 2015 and the Transparency Code for Smaller Authorities

- Certificate of Exemption - This was dated 30 May and is available to view online
- Annual Internal Audit Report - this is available online.
- Section 1 of AGAR Annual Governance Statement 2022/23 - This is available online
- Section 2 of AGAR Accounting Statements 2022/23 - this is available online.
- Analysis of variances - this is available online
- Bank reconciliation - this is available on line
- Notice of Publication of Exercise of public rights - this is available online

In addition to the above the council provides the following to comply with the Transparency Code for Smaller Authorities

- Details of Agendas and Minutes for all council meetings during 2022/23, 2023/24 and ongoing meetings.
- A list of all council transactions
- A list of Councillors and their responsibilities (chair etc)

**I am of the opinion that Greencroft Parish Council has met this criteria and can therefore certify the Internal Audit Report (page 3) accordingly.**

**M In the year covered by this AGAR, the authority correctly provided for a period 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.)** JPAG Governance and Accountability guidance recommends the following to be assessed as part of this assertion.

IAs should acquire/examine a copy of the required “Public Notice” ensuring that it clearly identifies the statutory thirty working day period when the Authority’s records are available for public inspection. IAs may also check whether councils have minuted the relevant dates at the same time as approving the AGAR

*The Notice of the Exercise of Public Rights for the 2022/23 accounts was published online on 9 June 2023. It was assumed that approval was granted by council for the dates set for inspection (9 June 2023 to 20 July 2023)*

*Details of the notice of the 2022/23 Exercise of Public Rights are available online on Greencroft PC’s website.*

*The dates set include the first two weeks of July and cover the thirty day working period required under the Local Audit and Accountability Act 2014 and the Accounts and Audit (England) Regulations 2015 (SI 234.*

#### **Recommendation**

***The dates set by the council should be recorded in the council’s minutes for the meeting they are approved at.***

**Greencroft Parish Council has complied with the publication requirements for the 2022/23 AGAR and I am therefore of the opinion that this assertion has been complied with and have certified it accordingly.**

**N The Authority has complied with the publication requirements for 2022/23 AGAR (see AGAR Page 1 Guidance Notes)** JPAG Governance and Accountability guidance recommends the following to be assessed as part of this assertion.

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.

**Under the Accounts and Audit Regulations authorities must publish the following information on the authorities website/web pages:-**

**Before 1 July 2023 authorities must publish**

- **Notice of the Period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited.**

*This was achieved on 09 June 2023. See also section M above.*



- **Section 1: The Annual Governance Statement 2022/23 approved and signed, page 4.**

*This was achieved by the Full Council approval of Section 1 on 30 May 2023 and the signed Section 1 of the AGAR being added online on 9 June 2023.*

- **Section 2 Accounting Statements 2022/23 - approved and signed page 5.**

*This was achieved by the Full Council approval of Section 2 on 30 May 2023 and the signed Section 2 of the AGAR being added on line on 9 June 2023.*

**Not later than 30 September 2023 Authorities must publish**

- **Notice of Conclusion of Audit**

*This council does not have an external audit opinion as it declares a Certificate of Exemption.*

- **Section three External Auditor Report and Certificate**

*This council does not have an external audit opinion as it declares a Certificate of Exemption.*

- **Sections 1 & 2 of AGAR including any amendments as a result of the limited assurance review**

*See above.*

- **It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report (page 3).**

*The Annual Internal Audit Report, page three of the AGAR return is shown online but if a separate Internal Audit report is produced this could be shown online too.*

**I am of the opinion that Greencroft Parish Council has partially met this criteria and can therefore certify the Internal Audit Report (page 3) accordingly.**

**O (For Local Councils only) Trust Funds (including charitable) - The council met its responsibilities as a trustee.** JPAG Governance and Accountability guidance recommends the following to be assessed as part of this assertion.

- Confirm that all charities of which the council is a Trustee are up to date with CC filing requirements.

*The council has no involvement with a charity.*

**5.0 Audit Recommendations**

<p><b>Assertion B</b></p>	<p><b>Recommendation.</b> <i>Whilst not a legal requirement the council should consider introducing Standing Orders for the council to adhere to. These Orders would reflect the tender/quotation/estimate figures shown in the Financial Regulations.</i></p> <p>The Standing Orders will also provide the council with detailed instructions (including legal requirements) to ensure council meetings run smoothly.</p> <p>CDALC can provide a Standing Orders template for the council to adapt to meet its needs.</p>
<p><b>Assertion C</b></p>	<p><b>Recommendation:</b> <i>For Insurance and Health and Safety purposes details of the inspections should be in a written format and retained with the council records. This will provide evidence that checks have been made and issues resolved.</i></p>
<p><b>Assertion M</b></p>	<p><b>Recommendation:</b> <i>The dates set by the council should be recorded in the council's minutes for the meeting they are approved at.</i></p>