

**BURES ST MARY PARISH COUNCIL
REPORT/REMIT OF THE INTERNAL AUDITOR FOR THE
YEAR ENDING 31ST MARCH 2024**

**Internal Auditor: - Michelle Baker
Checks Undertaken: - 22/05/2024**

Activity	Met / Partially Met / Not Met	Comment/Report to Council
Do those accounts accord with the information in Section 2 of the Annual Return?	Met	Match within rounding tolerance of £1.
Will the Council give members of the public the opportunity to inspect and raise questions on the accounts? Evidence of notice to be provided?	Met	Notice included
Did the Council correctly provide for the period for the exercise of public rights for the previous year 2022-2023. Evidence of notice provided?	Met	Yes, displayed on website.
Has the Council responded positively to issues that were raised in the previous internal audit report?	N/A	No issues raised.
Are significant variances in the Annual Return (section 2) figures explained?	Met	All in good order. Variances thoroughly explained.
Has an Asset register been submitted, up to date and concurring with the Annual Report (section 2, box 9)?	Met	Number amended to match.
Have financial and other risk assessments been undertaken? Date and minute number checked?	Met	Reviewed 16th May 2023 – Minute – 14/05/23 f
Has the Council maintained an adequate level of insurance cover. Date and minute number checked?	Met	Approved – 28 th September 2023 – Minute - 12/09/2023 section e. Insurance documents checked for cover levels.
Is there evidence that the Council considers what legal powers it is using when contemplating undertaking activities?	Met	Accounts broken down into areas of spend including S137.
Has the Council adopted financial regulations and a standing order?	Met	Reviewed 16 th May 2023 – Minute – 14/05/23 f
Is there a Council Minute recording the precept decision? Date and minute number checked?	Met	Approved – January 18 th 2024 Minute – 12.01.24 c
Does the precept requirement result from an adequate budget?	Met	Budget report circulated on January 18 th 2024 – Minute – 12.01.24 c
Was progress against budget regularly monitored? Were the reserves adequate?	Met	Regular budget monitoring documents present in minutes. Reserves maintained

		above £5000 policy. Please see additional comments regarding reserves policy.
Has a separate record of VAT been kept in the accounts?	Met	VAT recorded in separate column of cashbook. Evidence of VAT reclaim.
Has a separate record for Section 137 payments been maintained?	Met	S137 recorded in separate column of cashbook.
Were periodic bank reconciliations properly carried out during the year?	Met	Bank reconciliations at every meeting. Checked for accuracy.
Are all payments and receipts approved by the Council and recorded in the minutes? Spot checks carried out.	Not Met	<p>10 payments checked.</p> <p>Payment of £1203.24 to Amberol on the 2nd of May. Noted in May finance report as payment made however no decision to spend in minutes before the event.</p> <p>Payment of £730 to Dean Manning on the 18th of July 2023 – Noted in July as payment made however no decision to spend in minutes before the event.</p> <p>Payment of £550 to Dean Manning on 18th September 2023 addressed to Bures Hamlet Parish Council - Noted in September as payment made however no decision to spend in minutes before the event.</p> <p>Financial regs limit expenditure to the following:</p> <ul style="list-style-type: none"> • the Council for all items over £2,000; • a duly delegated committee of the Council for items over £500 but under £2,000; or • the Clerk, in conjunction with Chairman of Council or Chairman of the appropriate committee, for any items below £500. <p>As there is no duly delegated committee all expenditure over £500 should be approved by the Council.</p>
Have salaries to employees and allowances to members been paid in accordance with approvals? Have Tax and National Insurance requirements been properly applied?	Met	<p>Evidence of P60, PAYE/NI present, spot checked to bank statements.</p> <p>HMRC annual statement of payments checked.</p>
Have you been provided with access to all documents requested?	Met	All documents received

Were you supplied with contact details for the Clerk and Chair – if requested?	Met	Clerks contact details provided.
Were adequate explanations provided for any query or request for extra information?	Met	All queries were responded to quickly.
<p>Additional Notes:</p> <p>1. General Reserves budgeted are low, this may pose a risk to the Council. Please see below the advice from the JPAG guidelines 2024. This should also be covered in your risk assessment.</p> <p><i>General reserves:</i></p> <p>5.33. <i>The general reserve of an authority comprises its cash flow and contingency funds to cover unexpected inflation, unforeseen events and unusual circumstances.</i></p> <p>5.34. <i>The generally accepted recommendation with regard to the appropriate minimum level of a smaller authority's general reserve is that this should be maintained at between three and twelve months of net revenue expenditure.</i></p> <p>5.35. <i>The reason for the wide range is to cater for the large variation in activity level between individual authorities. The smaller the authority, the closer the figure may be to 12 months expenditure, the larger the authority, the nearer to 3 months. In practice, any authority with income and expenditure in excess of £200,000 should plan towards 3 months equivalent general reserve.</i></p> <p>5.36. <i>In all of this it is important that each authority adopt, as a general reserve policy, the level appropriate to their size, situation, risks and plan their budget so as to ensure that the adopted level is maintained. Consideration of the minimum level of reserves requires not only consideration of level of income and expenditure but also the risks to that income.</i></p> <p>2. The internal audit has identified concerns regarding the workload of the parish clerk due to the complexity of the arrangements for Bures St Mary and The Sportsground Committee. It is highly recommended that an independent job evaluation by NALC be conducted to assess the clerk's duties and responsibilities accurately. This evaluation is crucial to mitigate risks associated with insufficient time allocation, potential unpaid hours, and ensuring compliance with the National Minimum Wage regulations. Failure to address these concerns could result in significant operational inefficiencies and legal liabilities for the council.</p>		

I confirm that in acting as Internal Auditor for Bures St Mary Parish Council, I am wholly independent of the Council. I have carried out the above checks and been satisfied of the Council's position prior to completion of the Annual Return of Bures St Marys Parish Council.

Signed: -

Dated: -