

<p>Risk Assessment</p> <p>HIGH 0</p> <p>MEDIUM 0</p> <p>LOW 16</p>	<p>Wrotham Parish Council</p> <p>INTERNAL AUDIT 2023-2024</p> <p>AUDIT PLAN WITH COMMENTS / FINDINGS</p> <p>I am pleased to report to Members of the Wrotham Parish Council (the “Council”), that I have completed my year-end internal audit of the Council’s records for the twelve month period to 31 March 2024, following my audit visit and subsequent conversations on 15 April 2024.</p> <p>Councillors should be aware that my work cannot be relied upon to identify the occasional omission or insignificant error, nor do I actively seek evidence of breaches of trust or statute, neglect or fraud, which may have taken place. It is the responsibility of the Councillors of the Council to guard against such events, but if during my audit testing such events are discovered I am duty bound to disclose such events to the Council.</p> <p>I would like to take this opportunity to thank the Clerk/RFO Ms Lesley Cox for her assistance given to me during my audit visit.</p>	
<p>Area</p>	<p>Item</p>	<p>Comments / Findings</p> <p>Year-end Audit 31 March 2024</p>
<p>Previous Audits</p>	<ul style="list-style-type: none"> ● Date of last External Audit Certificate or Exemption Certificate for 2022-23 ● Comments if any ● Publication on website. ● Date of last Internal Audit Comments if any ● Review of any items outstanding from previous internal / external audit reports. 	<p>Mazars LLP signed off the Report & Certificate 2022-23 on 21 August 2023. The Report from Mazars (Section 3) was considered by Council on 6 Sept 2023 Min 6 including a lengthy minute in response to Mazars comments made in a side letter. No comments made on the Audit Report</p> <p>Conclusion of Audit Notice and Section 3 posted on the website on 23 August 2023.</p> <p>Audit visit 18 April 2023, Report considered by Council 10 May 2023 Min 18 iii</p>
<p>Minutes</p>	<ul style="list-style-type: none"> ● Scan of the minutes of the Council’s meetings and the Finance Committee. ● General Power of Competence (GPC) ? ● Dispensations ● S.40 LA&A Act 2014 filming/recording 	<p>Very detailed minutes including comments from the Borough and County Councillors relevant to the Parish Council are posted to the website.</p>

<p>Code of Conduct/ Acceptance of Office</p>	<ul style="list-style-type: none"> ● Date adopted ● Any changes in elected/co-opted members since last Audit ? ● DPI's complete ● DPI's on website or weblink ● New Governance Compliance ● NEXT ELECTION ? 	<p>Code of Conduct re-adopted - Council 10 May 2023 Min 12</p> <p>There were no changes during the year.</p> <p>DPI link to the Tonbridge & Malling BC website provided on the Members webpage, all 9 sets of DPIs available to view. Additional DPIs for the non-Cllrs co-opted to the Crime & Disorder Committee. 4th May 2023 included TMBC elections as well. – Uncontested election, eight existing Cllrs re-elected, the ninth position was filled by Mr Tony Jacob, co-opted 10 May 2023.</p>
<p>Standing Orders and Financial Regulations</p>	<ul style="list-style-type: none"> ● Have they been formally adopted and applied? ● Have any changes been made since they were adopted or the last audit? ● Have any changes been formally adopted by the Council? ● Virtual Meetings / Delegation to Clerk/RFO still in place ? ● Updated re New NALC Models SO's 2018, Fin Regs 2019 ? ● Two signature rule still in place? 	<p>Standing Orders and Financial Regulations re-adopted - Council 10 May 2023 Min 12</p> <p>The Clerk advised that both documents are due to be reviewed at the Council Meeting on 1 May 2024 and will include an amendment to take account of the increase in the Contract Finders contract value threshold, which has increased by £5,000 to £30,000 as per the NALC – LTN 87 reissued January 2024.</p>

Risk Management

- **Risk Assessments** – Are they:
 - Carried out regularly?
 - Adequate?
 - Reported in the minutes?
 - **Inspections of play equipment etc if carried out by staff/Cllrs have they been trained, accredited?**
 - **ANNUAL REVIEW ?**

- Insurance cover – is it:
 - Appropriate/Adequate?
 - LTA in place?
 - Reviewed regularly?
 - Fidelity Guarantee Cover £ (Balances + ½ Precept)

- Internal controls – are they:
 - Documented?
 - Adequate?
 - Reviewed regularly?
 - **Statement of Internal Control (SIC)?**

- Systems and Procedures – are they:
 - Documented?
 - Adequate?
 - Followed?
 - Reviewed regularly?

Playsafety Ltd – ROSPA inspections of skatepark and CPA – Inspection Report received 22 August 2023 and was discussed as part of the payment process at Council Meeting 6 Sept 2023 with the Report emailed to all Cllrs. Skatepark inspections done by Borough Green PC staff. Operational Inspections done quarterly. Visual Inspections done by contractors 3 times per week by Peter Barden (works Wed & Fri) and Kevin Holt (works Mon & Fri), Mr Holt has also attended a CPA Inspection Course. **NB Council compliant with the insurance policy, which requires weekly inspections by a competent person.**

Annual Risk Assessment Policy and Financial & Administration Risk Assessment re-adopted - Council 10 May 2023 Min 12

A 3-year Long-term Agreement (LTA) with Clear Ltd (Aviva) provided via Brokers BHIB Councils Insurance approved -Council 7 Sept 2022 Min 16. Current policy runs from 1 Oct 2023 to 30 Sept 2024. LTA expiry date is 30 Sept 2025.

Fidelity cover = £150,000

Data Protection, Privacy Notice and Retention Policy re-adopted - Council 10 May 2023 Min 12 Documents on the Council's website.

<p>Budgetary Controls</p>	<ul style="list-style-type: none"> • Is the annual budgeting process reported and approved by the Council? <ul style="list-style-type: none"> ○ Budget/Precept amounts minuted? ○ Review of All Reserves included as part of the Budget Setting Process? • Is the actual performance against the budgets reported to the Council during the year <ul style="list-style-type: none"> ○ Compare with Fin Regs? • Are significant variances explained in sufficient detail? 	<p>Regular Budget Monitoring Statements signed off by the Chairman of Finance eg Financial analysis to 30 June 2023 – Council 5 July 2023 Min 13iii, to 30 Sept 2023 – Council 11 Oct 2023 Min 12iii</p> <p>Budget & Precept 2024-25 Council considered the 2024-25 Budget papers provided by the Clerk – Council 10 Jan 2024 Min 9. The Chairman of Finance proposed a precept increase of 7.5% (23-24 = 10%) and a precept request of £138,337 (23-24 = £127,223) approved, which translates into a Band D Tax of £140.22 (23-24 = £130.44pa) and increase of £9.78. The Budgeted Expenditure approved for 2024-25 = £203,590 (23-24 = £182,450).</p> <p>Earmarked reserves held in a CCLA Community Projects Fund – balance at 31 March 2024 = £77,630 & CCLA FOW Fund – balance at 31 March 2024 = £31,192j</p>
<p>Section 137 expenditure</p> <p>£9.93 FOR 2023-24 (£8.82 FOR 2022-23)</p>	<ul style="list-style-type: none"> • What is the cash limit for the year? • Is a separate account/analysis kept? • Has the cash limit been exceeded? • Have the spending powers been properly used and Minuted? 	<p>Year end listing shows a grant/donation net spend of £3,705 during 2023-24, which included £1,090 towards Wrotham Fireworks and £200 each to Heart of Kent Hospice, Kent Air Ambulance & Wrotham in Bloom. Coronation celebrations (2024) of £809.</p> <p>The Winter Support Grant was passported onto the Local Church Food Bank operations.</p>
<p>Book-keeping</p>	<ul style="list-style-type: none"> • Cashbook - is it: <ul style="list-style-type: none"> • Fit for purpose? • Up to date? • Arithmetically correct? • Balanced regularly? • Turnover above £200k pa ? Income & Expenditure basis of accounting? • Record keeping and the arrangements in place to store previous year's accounts etc. 	<p>The Clerk uses Sage 50 Cloud Accounts to produce budget reports etc and the Budget working papers.</p> <p>The budgetary reports are good and regularly received by Council and signed off by the Chairman of Finance.</p> <p>Annual turnover tipped over the £200k threshold in 2023-24 requiring the Council accounts to be on an Income & Expenditure basis, which is already in place, the VAT debtors being the main adjustment each year.</p>

<p>Petty Cash</p>	<ul style="list-style-type: none"> • Has the amount of petty cash float been agreed? • Are all petty cash entries recorded? • Are payments made from petty cash fully supported by receipts / VAT invoices? • Are petty cash reimbursements signed for? • Date of last petty cash reimbursement ? • Is petty cash balance independently checked regularly 	<p>N/A</p>
<p>Payroll</p>	<ul style="list-style-type: none"> • Who is on the payroll and are contracts of employment in place? • Who is the RFO? • Annual Appraisal in place ? • Have there been any changes to the establishment and/or changes to individual contracts during the year? • Members Allowances in place and paid via payroll system? • Have new appointments and changes to contracts been approved and minuted? • Do salaries paid agree with those approved by the Council? • Have PAYE/NIC requirements been properly applied and accounted for? • Payroll outsourced? • WORKPLACE PENSION IN PLACE 	<p>Ms Lesley Cox Clerk/RFO is the only employee whose contracted hours were 32 hrs pw. Clerks Salary Review - Council 5 July 2023 Min 16, contracted hours increased to 33hrs per week from 1 July 2023 to reflect the Burial Clerk duties, following the resignation of the long-standing Burial Clerk Mr Howard who had provided his services free (as reported in my previous Audit Report).</p> <p>In addition to the salary a phone and home office allowance is provided. National pay award for 2023-24 approved late in the year, the adjustment for back-dated pay award included in the December 2023 salary paid in January 2024,</p> <p>The HMRC on-line PAYE system is used by the Clerk. I checked the pay records and remittances to HMRC and KCC (pension). No errors were found.</p> <p>In-house</p> <p>LGPS Pension Regulator redeclaration completed in Jan 2022</p>

<p>Payments</p>	<ul style="list-style-type: none"> • Are all payments recorded and supported by appropriate documentation? • Are payments minuted? • Review of DD's and SO's ? • STAFF costs definition for inclusion in Box 4 for 2023-24, check parity for 2022-23 ? Currently includes salary, tax, NIC & Pension (employee & ers) + taxable benefits (home working allowance, broadband & phone allowance etc NOT incl.) • Has VAT been identified, recorded and reclaimed? • Have internal control procedures been adhered to? • Contracts: <ul style="list-style-type: none"> ○ What contracts exist? ○ Compliance with SO's ○ Have any new contracts or contract variations/extensions been awarded in the year? ○ Procedures adopted for letting of contracts ○ Have contract payments been made in accordance with the contract document? 	<p>A detailed schedule of payments is provided to Cllrs prior to the Council Meetings with the Agenda pack. The payments approved are listed in the Minutes showing invoice details and payment method. BACS is the preferred payment method.</p> <p>Yes</p> <p>DD's include payments for utility services such as Water Plus, Npower, EDF, Opus Energy, TMBC for rates and BT Group for parish email. Shown as a separate listing within the Minutes. KCC quarterly rent for West Street car park</p> <p>Staff cost definition is compliant re Box 4 on the Statement of Accounts in the AGAR.</p> <p>VAT claims during the year were –</p> <p>1 Feb – 30 April 2023 - £4,092 recd 9 May 2023 1 May – 31 July 2023 - £9,862 recd 8 Aug 2023 1 Aug – 31 Oct 2023 - £5,522 recd 8 Nov 2023 1 Nov – 31 Jan 2024 - £4,064 recd 9 Feb 2024 1 Feb to 31 Mar 2024 - £1,240 to claim in 2023-24 VAT debtor at year-end.</p> <p>Yes</p> <p>Peter Barden – General Mtce and litter picking Four Seasons – Grounds Mtce Contract (NB Four Seasons gave notice of ceasing operations on 31 March 2024) (NB Clerk to retender the work Council 1 Nov 2023 Min 10 - Capel Groundcare awarded the Contract from April 2024 to March 2026 – Council 6 Dec 2023 Min 13) Commercial Service Ltd – Grounds Mtce contract & Hedgerow Mtce contract (NB contracts with Commercial Services [KCC Landscape Services] for period 2023-26 approved Council 2 Nov 2022 Min 15. Hedgerow contract 2023-26 awarded to KCC Landscape Services – Council 7 Dec 2022 Min 15) NKCS – Contract Cleaning (Pavilion & St Georges Hall) Streetlights – Street Light Mtce and camera cleaning KAS Welding – skate park materials / welding maintenance works Kevin Holt – Burial Grounds and other Mtce work including “small tree works” as per his licence EJP Fire Protection – Fire Safety Inspections (Pavilion & St George's Hall) Assured Water Hygiene – Pavilion salt supplies Astra Security Systems Ltd – upgrade to the CCTV system. UK Power Networks (UK) – LED Streetlighting Project Cornerstone Barristers – Legal support re Objections to the planning application for a 24hr Lorry Park, costs split with other partner PC's.</p>
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<p>Receipts</p>	<ul style="list-style-type: none"> • Are all receipts recorded correctly? • Are all receipts promptly banked? • Precept, CTSG and Sect 106 & CIL payments • Are income records inc allotments, burials, hirings adequate? • Are invoicing arrangements adequate? 	<p>Analysis of Income included in the Income & Expenditure accounts. Annual Review of Fees & Charges covering Burial services, Pavilion, Allotments, and St Georges Hall was considered by Council on 11 October 2023 Min 6. A 10% increase on the existing hire rates for 2023-24, effective from 1 April 2024, new fees minuted and on the website. Friends of Wrotham Community donated their residual funds following their decision to close the Charity, which will be managed by the Council on the same principles - £31,192 received and held in a separate bank account (see in the Bank section below) Pavilion bookings were checked</p> <p>Invoicing includes re-charges to other PC's for the Skate Park Mtce (Borough Green & St Mary's Platt), Allotments & Deposit management</p>																											
<p>Bank reconciliation & PWLB Loans</p>	<ul style="list-style-type: none"> • What current/deposit accounts exist? • Investment Strategy recommended where bank balances are in excess of £100k. FSCS aware ? • Are bank reconciliations regularly carried out for each account? • Level of Balances to Precept ratio • Are the cheque counterfoils, paying-in books and bank statements adequately referenced? • When was the last review of the banking arrangements? • Internet Banking/Corporate Card and if in place Financial Regs updated ? • Signature review (Two signatures required?) • Any PWLB loans ? 	<p>Bank Account balances as at 31 March 2024 were –</p> <table border="0"> <tr> <td>NatWest current a/c (9261)</td> <td>- £50</td> <td></td> </tr> <tr> <td>NatWest Rec a/c (1806)</td> <td>- £2,048</td> <td></td> </tr> <tr> <td>NatWest Bus Savings (7668)</td> <td>- £19,239</td> <td></td> </tr> <tr> <td>NatWest Community Skate Park (8531)</td> <td>- £1</td> <td></td> </tr> <tr> <td>CCLA Fund 1 – WPC Savings (8548)</td> <td>- £43,084</td> <td></td> </tr> <tr> <td>CCLA Fund 2 – Comm Projects (8549)</td> <td>- £77,630</td> <td></td> </tr> <tr> <td>CCLA Fund 3 – FOW Fund (6933)</td> <td>- £31,192</td> <td>opened 8 March 2024</td> </tr> <tr> <td>Metro Bank Debit Card (3576)</td> <td>- £ 573</td> <td></td> </tr> <tr> <td></td> <td><u>TOTAL</u></td> <td><u>£173,817</u></td> </tr> </table> <p>The bank account balances are reported to every Council meeting and minuted.</p> <p>Metro Bank pre-loaded Debit Card (£1,000 limit) Re-imbursed via the NatWest current account.</p> <p>No change to the signatory list</p> <p>None</p>	NatWest current a/c (9261)	- £50		NatWest Rec a/c (1806)	- £2,048		NatWest Bus Savings (7668)	- £19,239		NatWest Community Skate Park (8531)	- £1		CCLA Fund 1 – WPC Savings (8548)	- £43,084		CCLA Fund 2 – Comm Projects (8549)	- £77,630		CCLA Fund 3 – FOW Fund (6933)	- £31,192	opened 8 March 2024	Metro Bank Debit Card (3576)	- £ 573			<u>TOTAL</u>	<u>£173,817</u>
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<p>Assets and Asset Register (AR)</p>	<ul style="list-style-type: none"> • Are all the material assets owned by the Council recorded in an AR ? • Is the AR up to date? • Basis of Asset Values? • Are long-term investments recorded? • Are the valuations regularly reviewed? • Does the AR show the insurance values ? • Digital Photographic evidence? • Is there a separate Inventory List of low value items (e.g. below the insurance excess levels) ? 	<p>Asset Register value at 31 March 2024 increased by £17,018 (net of disposals/replacements) to £547,421</p> <p>Most items are listed as per the original purchase price, although the transfer of the public toilets have been included at the insured value following a valuation.</p> <p>Replacement LED Streetlighting Equipt purchased in 2023-24 = £50,829 (previous value = £34,000)</p>
<p>Year-end procedures Inc. AGAR</p>	<ul style="list-style-type: none"> • Does the 2023-24 AGAR Statement of Accounts agree with the cashbook? • Is there an audit trail from the financial records to the accounts? • Have debtors and creditors been properly recorded? • Date of approval of 2022-23 AGAR & Certificate of Exemption criteria met, exemption declared • PROOF of public rights provision during summer 2023 & website– AIAR ICOs • Public Inspection Period Minuted ? • New governance compliance regime - refer to new Practitioners' Guide 2022 	<p>Draft AGAR 2023-24 figures for the Statement of Accounts were audited and compared to the accounting reports provided.</p> <p>The AGAR 2022-23 was approved by Council 10 May 2023 Mins 18.iv & v, the RFO had signed off the Statement of Accounts on 18 April 2023</p> <p>Date of Announcement - 11 May 2023 Public Inspection period – 5 June to 14 July 2023 Evidence – Website posting 11 May 2023</p> <p>The Council 10 May 2023 Min 18.vi. noted the proposed Public Inspection Period as mentioned above.</p> <p>The Clerk advise that the proposed Inspection Period dates for the 2023-24 Accounts are 3 June to 12 July 2024.</p>

<p>Additional tests – (as necessary)</p>	<ul style="list-style-type: none"> • Computer systems: <ul style="list-style-type: none"> ○ The procedures for the backing up of computerised records ○ Council owned PC/laptop ? ○ Email security ○ Encryption of data? • Trust Funds/Charities – Charity Commission filing? • Annual review of the effectiveness of Internal Audit inc. Appointment of IIA • Website host and Webmaster and any changes? • Website functionality & accessibility NALC L09-18 • TRANSPARENCY CODE compliant especially for Exempt Authorities • Post GDPR (May 2018) <ul style="list-style-type: none"> ○ Privacy Notice ○ Cllr email addresses? ○ Email disclaimer ○ Other matters inc DPO arrangements 	<p>There have been no changes to the IT set-up as reported in last years Audit Report. The “go to IT support” is Cllr Gillin who used to have his own IT business.</p> <p>The Clerk has a Microsoft Windows 365 subscription in place for the “office application software”. The Clerk uses Trend Micro security software.</p> <p>OneDrive Cloud storage used as this is part of the “365 subscription”.</p> <p>Not applicable</p> <p>Re- appointment confirmed by Council 10 May 2023 Min 18iii</p> <p>The website is managed by the Clerk and the Chairman</p> <p>The website uses a website platform designed by Highscore Web Design Kent www.wrothampc.org</p> <p>Accessibility Statement available via a link on the bottom of the webpage. There is a “wheelchair” symbol on the web pages, which when clicked opens a menu to change the font size, keyboard navigation and speech assistance etc.</p> <p>The website contains a lot of information with payments history listed within the Minutes of the Council Meetings. Historical data available on request via the Clerk.</p> <p>The Council has a list of documents and policies linked with the GDPR and data protection matters, which includes a General Privacy Notice and Retention Policy approved by Council on 10 May 2023. Other docs include Data Protection Impact Assessment Checklist (DPIA's), Subject Access Policy and Subject Access Request template.</p> <p>Dedicated Cllr email addresses approved by Council 6 May 2020 Min 7</p>
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