

Risk Assessment HIGH 0 MEDIUM 0 LOW 16	Wrotham Parish Council INTERNAL AUDIT 2021-2022 AUDIT PLAN WITH COMMENTS / FINDINGS <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 2022, following my audit visits and subsequent conversations on 13 April 2022.</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 Lesey Cox for her assistance given to me during my audit visit.</p>	
Area	Item NB new/revised audit inspection for 2021-22 if applicable.	Comments / Findings Year-end Audit 31 March 2022
Previous Audits	<ul style="list-style-type: none"> ● Date of last External Audit Certificate or Exemption Certificate for 2020-21 ● 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>PKF Littlejohn signed off the AGAR 2020-21 on 29 July 2021 The Report from PKF Littlejohn (Section 3) was considered by Council on 4 August 2021 Min 10</p> <p>No matters raised.</p> <p>Conclusion of Audit Notice and Section 3 posted on the website on 30 July 2021.</p> <p>16 April 2021 Report was emailed to Cllrs and commented on – 5 May 2021 Min 14 & 15. The Report was posted on the website on 7 May 2021</p>
Minutes	<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>Minutes viewed.</p> <p>The Clerk advised that the “Zoom – virtual meetings” have been running successfully with all Cllrs participating.</p> <p>The Council met on Wednesday 5th May 2021, which included the consideration of the 2020-21 AGAR. This was the last date Zoom Meeting under the temporary legislation implemented 12 months earlier. Subsequent meetings have been held in the Wrotham Pavilion with limited public attendance due to the need to “socially distance” or in compliance with the latest Govt Guidance.</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>9 Cllrs at start of the year April 2020</p> <p>There was one change during the year, Cllr Parker resigned on 2nd June 2021 Mr Stuart Vick was co-opted on 2 Feb 2022</p> <p>DPI link to the Tonbridge & Malling BC website provided on the Members webpage, all 9 sets of DPIs available to view.</p> <p>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 Review – 5 May 2021 Min 10</p> <p>Financial Regulations Review - 5 May 2021 Min 10</p> <p>Not required</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 – August 2021 Skatepark inspections done by Borough Green PC staff. Operational Inspections done quarterly. Visual Inspections done by contractors such as Peter Barden (open spaces and play equipment) and Kevin Holt (burial ground)

Annual Risk Assessment Policy Review in conjunction with the Financial and Administration Risk Assessment – 5 May 2021 Min 10. The Annual Review for 2021-22 will be part of the agenda for the Council Meeting to be held on 4 May 2022 prior to the approval of the 2021-22 AGAR.

Insurance cover is provided by Inspire (AXA) via Came & Co a specialist insurance broker. A 3-year Long-term Agreement (LTA) expired on 30 Sept 2021. Council 1 Sept 2021 Min 12iii to retain Came & Co as broker for the renewal and renewed the insurance policy for 1 year only with Pen Underwriting Ltd (AXA)

Fidelity cover = £150,000

Data Protection Privacy Notice & Retention Policy – Council 5 May 2021 Min 10

<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? • Ongoing Covid-19 implications ? 	<p>Regular Budget Monitoring Statements signed off by the Chairman of Finance eg 1st Quarter to 30 June 2021 - Council 14 July 2021, 2nd Quarter to 30 Sept 2021 – Council 6 Oct 2021</p> <p>Council considered the 2022-23 Budget papers provided by the Clerk – Council 5 Jan 2022 Min 7. The Chairman of Finance proposed a precept increase of 5% = a precept request of £114,871 approved, which translates into a Band D Tax of £118.58pa and increase of £5.65.</p> <p>The Budgeted Expenditure approved for 2022-23 = £155,885 with a possible additional £40,000 contribution from the Community Fund Reserves to fund the replacement streetlighting making a total estimated spend of £183,630.</p> <p>Earmarked reserves held in a CCLA Community Projects Fund – balance at 31 March 2022 = £120,986</p>
<p>Section 137 expenditure</p> <p>£8.41 FOR 2021-22 (£8.32 FOR 2020-21)</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 spend of £1,355 during 2021-22, which included £300 towards Wrotham Fireworks and £200 each to West Kent Mediation, North Kent Citizens Advice & Kent Air Ambulance.</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 Council moved to Sage 50 Cloud Accounts from 1 April 2019, allowing the Council to become “Tax Digital” compliant. The licence was renewed in May 2020.</p> <p>The budgetary reports are good and regularly received by Council and signed off by the Chairman of Finance.</p> <p>Annual turnover hovers close to the £200k threshold (2020-21 above, 2021-22 below), but the Council accounts on an Income & Expenditure basis anyway, 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 are 32 hrs pw</p> <p>The Burial Clerk Mr Howard provides his services free.</p> <p>A 4-year pay package was approved in June 2019 (Min 12 - June 2019). NB 1 more year left.</p> <p>In addition to the salary a phone and home office allowance is provided.</p> <p>National pay award for 2021-22 approved late in the year, the adjustment for back-dated pay award will be included in the March 2022 salary paid in April 2022, ie in the 2022-23 Accounts.</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 2021-22, check parity for 2020-21 ? 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 (Council 6 Oct 2021 Min 9v and 9vi re DD's for utility providers)</p> <p>Yes</p> <p>DD's include payments for utility services such as Castle Water, Eon for gas and electricity, TMBC for rates and BT Group for parish email. Shown as a separate listing within the Minutes.</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 – 1 Feb – 30 April 2021 - £980 recd 10 May 2021 1 May – 31 July 2021 - £2,330 recd 9 Aug 2021 1 Aug – 31 Oct 2021 - £2,361 recd 11 Jan 2022 1 Nov – 31 Jan 2022 - £3,857 recd 2 Feb 2022 1 Feb to 31 Mar 2022 - £3,484 to claim in 2022-23 VAT debtor at year-end.</p> <p>Yes</p> <p>Tim Powell – General Mtce and litter picking Peter Barden – General Mtce and litter picking Four Seasons – Grounds Mtce Contract Commercial Service Ltd – Grounds Mtce contract & Hedgerow Mtce contract NKCS – Contract Cleaning (Pavilion & St Georges Hall) Streetlights – Street Light Mtce Ellis & Sons Ltd – skate park materials Kevin Holt – Burial Grounds Mtce</p> <p>Eon quote renewed for street lighting supply Council 6 May 2020 Min 13 vi)</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? • Ongoing Covid-19 implications? 	<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 6 October 2021 Min 6. A 5% increase on the existing hire rates for 2021-22, effective from 1 April 2022, new fees minuted and on the website.</p> <p>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) and Local Plan challenge (Borough Green, St Mary's Platt, Ightham & Stansted) (proportions based on the electoral roll)</p> <p>NB Clerk to obtain quotes for the digitising of the Council's Burial Records – 5 May 2021 Not to be pursued due to cost (2 June 2021 Min 7)</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 2022 were –</p> <table border="0"> <tr> <td>NatWest current a/c (9261)</td> <td>- £50</td> </tr> <tr> <td>NatWest Rec a/c (1806)</td> <td>- £3,985</td> </tr> <tr> <td>NatWest Bus Savings (7668)</td> <td>- £13,220</td> </tr> <tr> <td>NatWest Community Skate Park (8531)</td> <td>- £1</td> </tr> <tr> <td>CCLA Fund 1 – WPC Savings (60001PC)</td> <td>- £40,276</td> </tr> <tr> <td>CCLA Fund 2 – Comm Projects (60002PC)</td> <td>- £120,986</td> </tr> <tr> <td>Metro Bank Debit Card (3576)</td> <td>- £ 810</td> </tr> <tr> <td></td> <td style="text-align: right;"><u>TOTAL £179,328</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)</p> <p>No change to the signatory list</p> <p>None</p>	NatWest current a/c (9261)	- £50	NatWest Rec a/c (1806)	- £3,985	NatWest Bus Savings (7668)	- £13,220	NatWest Community Skate Park (8531)	- £1	CCLA Fund 1 – WPC Savings (60001PC)	- £40,276	CCLA Fund 2 – Comm Projects (60002PC)	- £120,986	Metro Bank Debit Card (3576)	- £ 810		<u>TOTAL £179,328</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>Adult Gym Equipment – Fresh Air Fitness - £10,644 the Council received a contribution towards this project. Other new equipt included - Stihl Pole Pruner, Husqvarna leaf blower, Plasma Cutter & Petrol Generator for use at the Skate Park</p> <p>Asset Register value at 31 March 2022 increased by £8,309 (net of disposals) to £446,251</p>
<p>Year-end procedures Inc. AGAR</p>	<ul style="list-style-type: none"> • Does the 2021-22 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 2020-21 AGAR & Certificate of Exemption criteria met, exemption declared • PROOF of public rights provision during summer 2021 & website– AIAR ICOs • Public Inspection Period Minuted ? • New governance compliance regime - refer to new Practitioners' Guide 2021 	<p>Draft AGAR 2021-22 figures for the Statement of Accounts were audited and compared to the accounting reports provided.</p> <p>The Council approved the AGAR 2020-21 on 5 May 2021 Min PC004 16iii & 16iv. The RFO had signed off the Statement of Accounts on 16 April 2021.</p> <p>Date of Announcement - 10 May 2021 Public Inspection period – 14 June to 23 July 2021 Evidence – Posted to the website on 6 May 2021, evidence provided</p> <p>Not for 2020-21</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 (23 Sept 2020 deadline) NALC L09-18 • TRANSPARENCY CODE compliant especially for Exempt Authorities • Post GDPR (25 May 2018) <ul style="list-style-type: none"> ○ Privacy Notice ○ Cllr email addresses? ○ Email disclaimer ○ Other matters inc DPO arrangements 	<p>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>Dropbox was used for Cloud storage, but was switched to OneDrive as this is part of the “365 subscription”.</p> <p>No charities</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>I use this website as a reference site for other PC’s enquiring about accessibility issues.</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 3 April 2019. 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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