

<p>Risk Assessment</p> <p>HIGH 0</p> <p>MEDIUM 0</p> <p>LOW 16</p>	<p style="text-align: center;">Wrotham Parish Council</p> <p style="text-align: center;">INTERNAL AUDIT 2022-2023</p> <p style="text-align: center;">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 2023, following my audit visits and subsequent conversations on 18 April 2023.</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>During my visit I advised the Clerk that I am proposing to wind-down my auditing work after the completion of the 2022-23 Year-end Audit season and will revert to a “retired membership” of my professional accounting body, when my existing membership expires on 31 Dec 2023. However, I am happy to continue doing the internal audit role for the Council if requested.</p>	
Area	Item	Comments / Findings Year-end Audit 31 March 2023
Previous Audits	<ul style="list-style-type: none"> • Date of last External Audit Certificate or Exemption Certificate for 2021-22 • 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 Report & Certificate 2021-22 on 25 July 2022. The Report from PKF Littlejohn (Section 3) was considered by Council on 3 August 2022 Min 14 under correspondence received.</p> <p>No comments.</p> <p>Conclusion of Audit Notice and Section 3 posted on the website on 30 July 2021.</p> <p>19 April 2022 Report was emailed to the Clerk who forwarded onto all Councillors the same day. The Report was posted on the website on 7 May 2021. I explained to the Clerk that the Council should officially minute receipt of the Report and take any necessary action in the same way it does the External Auditor Report. This links with the Assertion 7 on the Annual Governance Statement “We took appropriate action on all matters raised in reports from internal and external audit”</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>Very detailed minutes are posted to the website. It is unusual to see the detailed comments from the Borough and County Councillors relevant to the Parish Council, well done.</p>

Code of Conduct/ Acceptance of Office	<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 4 May 2022 Min 10 9 Cllrs at start of the year April 2021</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.</p> <p>4th May 2023 includes TMBC elections as well. – Uncontested election, eight existing Cllrs re-elected, Cllr Jackson to be replaced by Mr Tony Jacob in May 2023. The Clerk and Councillors are well aware of the need to consider “succession planning” for the eventual retirement of the Clerk and senior councillors.</p>
Standing Orders and Financial Regulations	<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 – Council 4 May 2022 Min 10</p> <p>Financial Regulations Review - Council 4 May 2022 Min 10</p> <p>Not required</p>

<p>Risk Management</p>	<ul style="list-style-type: none"> • Risk Assessments – Are they: <ul style="list-style-type: none"> ○ Carried out regularly? ○ Adequate? ○ Reported in the minutes? ○ Inspections of play equipt etc if carried out by staff/Cllrs have they been trained, accredited? ○ ANNUAL REVIEW ? • Insurance cover – is it: <ul style="list-style-type: none"> ○ Appropriate/Adequate? ○ LTA in place? ○ Reviewed regularly? ○ Fidelity Guarantee Cover £ (Balances + ½ Precept) • Internal controls – are they: <ul style="list-style-type: none"> ○ Documented? ○ Adequate? ○ Reviewed regularly? ○ Statement of Internal Control (SIC)? • Systems and Procedures – are they: <ul style="list-style-type: none"> ○ Documented? ○ Adequate? ○ Followed? ○ Reviewed regularly? 	<p>Playsafety Ltd – ROSPA inspections of skatepark and CPA – August 2022 considered by Council 12 Oct 2022 Min 10. 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). Kevin Holt attended a playground inspection course via KALC (paid Sept 2022)</p> <p>Annual Risk Assessment Policy Review in conjunction with the Financial and Administration Risk Assessment – Council 4 May 2022 Min 10. The Annual Review for 2022-23 will be part of the agenda for the Council Meeting to be held in May 2023 prior to the approval of the 2022-23 AGAR.</p> <p>Insurance cover was provided by Pen Underwritinmg Ltd (AXA) via Came & Co for 1 year only to 30 Sept 2022. A new 3-year Long-term Agreement (LTA) with Aviva provided via Brokers BHIB Councils Insurance approved - Council 7 Sept 2022 Min 16 LTA expiry date is 30 Sept 2025. On inspection of the new insurance policy I noted that there is a requirement for “a weekly inspection of the play equipt/areas by a competent person” see note of inspection arrangements above.</p> <p>Fidelity cover = £150,000</p> <p>Data Protection Privacy Notice & Retention Policy – Council 4 May 2022 Min 10</p> <p>Civility & Respect Project – Council 1 March 2023 Min 9 agreement to sign the Pledge.</p>
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<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 Financial analysis to 18 July 2022 – Council 3 Aug 2022 Min 15iii, to 30 Sept 2022 – Council 12 Oct 2022 Min 12iii</p> <p>Budget & Precept 2023-24 Council considered the 2023-24 Budget papers provided by the Clerk – Council 4 Jan 2023 Min 7. The Chairman of Finance proposed a precept increase of 10% (22-23 = 5%) and a precept request of £127,223 (22-23 = £114,871) approved, which translates into a Band D Tax of £130.44 (22-23 = £118.58pa) and increase of £11.86. The Budgeted Expenditure approved for 2023-24 = £182,450 (22-23 = £154,885) with a possible additional £65,000 contribution from the Community Fund Reserves.</p> <p>Earmarked reserves held in a CCLA Community Projects Fund – balance at 31 March 2023 = £123,259</p>
<p>Section 137 expenditure</p> <p>£8.82 FOR 2022-23 (£8.41 FOR 2021-22)</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 £2,328 during 2022-23, which included £300 towards Wrotham Fireworks and £200 each to West Kent Mediation & Kent Air Ambulance. Platinum Jubilee celebrations - £376 and Coronation celebrations (May 2023) of £496 to date.</p> <p>For Info. The S137 limit for 2023-24 has recently been announced as £9.93 a 12.5% increase (the RPI increase Sept 2021 to 2022)</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 hovers close to the £200k threshold, but the Council accounts on an Income & Expenditure basis anyway, VAT debtors being the main adjustment each year.</p>

Petty Cash	<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 	N/A
Payroll	<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 provided his services free. Council 1 March 2023 Min 11 reported the resignation of Mr Howard after 18 years in the position. The Clerk advised that she and the Chairman have taken on the burial administration for the time being.</p> <p>A 4-year pay package was approved in June 2019 (Min 12 - June 2019). NB June 2023 there needs to be a pay review.</p> <p>In addition to the salary a phone and home office allowance is provided. National pay award for 2021-22 approved late in the year, the adjustment for back-dated pay award included in the March 2022 salary paid in April 2022, ie therefore in the 2022-23 Accounts. Pay award for 2022-23 included in Nov 2022 payslip.</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 2022-23, check parity for 2021-22 ? 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 4 May 2022 Min 16v and 16vi re DD's for utility providers)</p> <p>Yes</p> <p>DD's include payments for utility services such as Castle Water, Eon, EDF, 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 – 1 Feb – 30 April 2022 - £5,017 recd 10 May 2022 1 May – 31 July 2022 - £1,782 recd 4 Aug 2022 1 Aug – 31 Oct 2022 - £3,477 recd 14 Nov 2022 1 Nov – 31 Jan 2023 - £3,455 recd 7 Feb 2023 1 Feb to 31 Mar 2023 - £2,387 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 Commercial Service Ltd – Grounds Mtce contract & Hedgerow Mtce contract (NB contracts with Four Seasons & 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 Kevin Holt – Burial Grounds and other Mtce work including “small tree works” as per his licence Assured Water Hygiene – Pavilion salt supplies Astra Security Systems Ltd – upgrade to the CCTV system.</p>
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Receipts	<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.</p> <p>Annual Review of Fees & Charges covering Burial services, Pavilion, Allotments, and St Georges Hall was considered by Council on 7 September 2022 Min 6. A 10% increase on the existing hire rates for 2022-23, effective from 1 April 2023, 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), Allotments & Deposit management</p>																
Bank reconciliation & PWLB Loans	<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 2023 were –</p> <table><tr><td>NatWest current a/c (9261)</td><td>- £50</td></tr><tr><td>NatWest Rec a/c (1806)</td><td>- £2,405</td></tr><tr><td>NatWest Bus Savings (7668)</td><td>- £19,109</td></tr><tr><td>NatWest Community Skate Park (8531)</td><td>- £1</td></tr><tr><td>CCLA Fund 1 – WPC Savings (60001PC)</td><td>- £41,033</td></tr><tr><td>CCLA Fund 2 – Comm Projects (60002PC)</td><td>- £123,259</td></tr><tr><td>Metro Bank Debit Card (3576)</td><td>- £ 63</td></tr><tr><td>TOTAL</td><td>£185,920</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) Some large items purchased through such as Village PA system £609 Gritter Tracker Unit £648 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)	- £2,405	NatWest Bus Savings (7668)	- £19,109	NatWest Community Skate Park (8531)	- £1	CCLA Fund 1 – WPC Savings (60001PC)	- £41,033	CCLA Fund 2 – Comm Projects (60002PC)	- £123,259	Metro Bank Debit Card (3576)	- £ 63	TOTAL	£185,920
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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 2023 increased by £84,152 (net of disposals) to £530,403</p> <p>High Street Toilets – returned to the Parish Council following concerns of the service provided via TMBC – Council 2 Nov 21022 Min 10 new asset professionally valued = £80,000 Other items include:- CCTV part replacement and upgrade approx. £4k (Astra Security Systems Ltd) New Village PA equipment £866</p> <p>Most items are listed as per the original purchase price, although the recent transfer of the public toilets have been included at the insured value following a valuation.</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 2021-22 AGAR & Certificate of Exemption criteria met, exemption declared • PROOF of public rights provision during summer 2022 & website– AIAR ICOs • Public Inspection Period Minuted ? • New governance compliance regime - refer to new Practitioners' Guide 2021 	<p>Draft AGAR 2022-23 figures for the Statement of Accounts were audited and compared to the accounting reports provided.</p> <p>The AGAR 2021-22 was approved by Council 4 May 2022 Mins PC004.16.iii & iv, the RFO had signed off the Statement of Accounts on 13 April 2022</p> <p>Date of Announcement - 6 May 2022 Public Inspection period – 13 June to 22 July 2022 Evidence – Posting to the website was confirmed as 6 May 2022</p> <p>NB Councils are requested to formally minute the Public Inspection Period as part of the AGAR approvals. This was not done in 2022 but will be as part of the AGAR approval in May 2023. The proposed Inspection Period is to be 5 June to 14 July 2023.</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.</p> <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>OneDrive Cloud storage used 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>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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