

Audit Report

Stoke Gifford Parish Council

Audit Plan Year: 2024/25 In Year Assurance

Audit Status: Audit Completed

Audit Review Date: 22nd and 23rd October 2024

Report Distribution:

John Rendell - Parish Clerk & Responsible Financial Officer

Catherine Slade - Finance & Administration

Executive Summary

1. Objective

The objective of the audit was to provide an independent opinion on the appropriateness of the financial control procedures operated in the Council. Ehsamuddin Popal Audit Officer examined these procedures.

2. Opinion

The highlighted wording in the table below provides the opinion for this internal audit review and its accompanying description.

High Standard	Systems and processes are excellent providing good assurance. Significant strengths have been identified and are to be commended, any recommendations made will serve to further strengthen existing arrangements.
Reliable Standard	There are very few significant matters arising from the audit, systems of control are good and provide reasonable assurance.
Improvements Required	Existing procedures need to be improved in order to ensure that they are fully reliable. Extensive recommendations have been made but the issues are not of such a significance to represent a major risk to the Council.
Significant Improvements Required	Existing procedures are weak, and reasonable assurance could not be provided over a number of areas. Prompt action is necessary to improve the situation and avoid unnecessary risks.
Fundamental Weaknesses Identified	The matters arising from the audit identify that there are fundamental weaknesses which place doubt on the reliability of the procedures reviewed. Urgent action is necessary to improve the current situation and reduce risk exposure.

3. Key Strengths

- Council meetings were well attended, quorate, minutes are well documented, consecutively numbered all available on the Council website.
- Bank reconciliations are completed and authorised monthly for the current account and quarterly for saving account
- The Council aligns with its financial regulation and standing order, payments are supported by invoices and for high value purchases the appropriate number of quotations are received and presented to Full Council
- The Notice of Public Rights has been displayed for the statutory period on both the Council's noticeboard and website as required by the Accounts and Audit Regulations, and this has been documented within the relevant Council meeting minutes.

4. Key Risks

- Purchasing limits and procedures are unclear.

5. Key Actions

- The Standing Orders should be updated to reflect the up-to-date contracting limits.

6. Advisory Points

- The Council should update its Asset Register to include the insured and replacement value of the assets, the name of the responsible officer or committee, and the date when the Asset Register was last reviewed. These updates would assist both the Council and the insurance provider in considering a more accurate asset value.

All of the matters arising from the audit are detailed in the Action Plan together with suitable recommendations.

7. The Control Environment

Key Control Objectives		Achieved?
A.	Appropriate accounting records have been kept properly throughout the financial year.	Yes
B.	The authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for.	Yes
C.	The authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	Yes
D.	The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	Yes
E.	Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT appropriately accounted for.	Yes
F.	Petty cash payments were properly supported by receipts, all petty cash expenditure was approved, and VAT appropriately accounted for.	N/A
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.	Yes
H.	Asset and investment registers were complete and accurate and properly maintained.	Yes
I.	Periodic bank account reconciliations were properly carried out during the year.	Yes
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.	Test at Year End.
K.	Councils with turnover of below £25,000. If the authority certified itself as exempt from a limited assurance review in 2023/24, it met the exemption criteria and correctly declared itself exempt. <i>(If the authority had a limited assurance review of its 2023/24 AGAR tick "not covered").</i>	Not currently applicable to any SGC clients.
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.	Yes
M.	The authority, during the previous year (2023/24) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations <i>(evidenced</i>	Yes

	<i>by the notice published on the website and / or authority approved minutes confirming the dates set).</i>	
N	The authority has complied with the publication requirements for 2023/24 AGAR (see AGAR Page 1 Guidance Notes).	Yes
O	Trust funds (including charitable) - The council met its responsibilities as a trustee.	N/A

8. Auditors & Acknowledgements

Audit Manager	Emily Carvell
Auditor	Ehsamuddin Popal

We are extremely grateful to the following officers for their help during this review:

John Rendell - Parish Clerk & Responsible Financial Officer
Catherine Slade - Finance & Administration

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No.	Matter Arising	Associated Risk	Recommendations & Management Comment	Responsible Officer, Proposed Timescale
Priority: Medium				
1	Financial Regulation and Standing Orders Financial regulations do not specify quotation limits but suggests that a tender is required for purchases above £2,000 (Ref: Item number 11 section H). However, this does not align with Standing Orders, which stipulate that three quotes are needed for amounts between £2,000 and £60,000, and a formal tender is required for amounts above £60,000. Further, the procurement thresholds noted in the Standing Orders (£213,477) are out of date.	Purchasing limits and procedures are unclear.	Recommendation The Financial Regulations and Standing Orders should be updated to reflect the correct tender limits and ensure that both documents align with each other. As of 1st January 2024, the procurement thresholds has now increased to £214,904. Awareness should be maintained of any future updates, including the Procurement Act 2023 coming into effect from February 2025, and these should be updated into the Standing Orders and Financial Regulations when required. PPN 11/23: New Thresholds - GOV.UK	Responsible Officer Full Council Target Implementation Date 01/12/2024