



## HARTPURY PARISH COUNCIL

Internal auditor's report for the year ended 31 March 2023

Name of Auditor: Mrs Irena Litton BEM

**GAPTC internal audits comply with the proper practices outlined in the Governance & Accountability for Smaller Authorities – A Practitioners' Guide and the Accounts and Audit Regulations 2015.**

The GAPTC internal audit reviews and reports on whether the systems of financial and other internal controls over its activities and operating procedures are effective. The audit tests a variety of documents, including agendas and minutes, policies, insurance and risk management processes, to ensure Council meets the requirements set out in the Annual Internal Audit Report in the Annual Governance & Accountability Return. The internal audit does not involve the detailed inspection of all records and transactions of an authority in order to detect error or fraud.

Our auditors are independent of the Council and are competent to be able to carry out the requirements of the internal audit service.

**NOTE The auditor will complete the Annual Internal Audit Report (AIAR) page on the Annual Governance & Accountability Return (AGAR). The AIAR informs the Annual Governance Statement (AGS) assertions on the AGAR, so when council reviews the AGS, the responses must reflect the AIAR report.**

### 1. Council working documents

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
1.1	Have Standing Orders been a) tailored to council?	a) Yes b) Yes c) Yes		a&b) <a href="https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Policies-Procedures/Standing-Orders-2022.pdf">https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Policies-Procedures/Standing-Orders-2022.pdf</a> c) Minute 6 10 <sup>th</sup> May 22

	b) reviewed using the most recent version? c) minuted?		Annual Governance Statement Assertion 1	<a href="https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2022-23/Annual-Meeting-of-Hartpury-Parish-Council-10_5_22.pdf#">https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2022-23/Annual-Meeting-of-Hartpury-Parish-Council-10_5_22.pdf#</a>
1.2	Have Financial Regulations been a) tailored to council? b) reviewed using the most recent version? c) minuted? <i>(Objective B)</i>	a) Yes b) Yes c) Yes	Annual Governance Statement Assertion 1	a&b) <a href="https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Policies-Procedures/Financial-Regulations-2022.pdf">https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Policies-Procedures/Financial-Regulations-2022.pdf</a> c) Minute6 10 <sup>th</sup> May 22 <a href="https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2022-23/Annual-Meeting-of-Hartpury-Parish-Council-10_5_22.pdf">https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2022-23/Annual-Meeting-of-Hartpury-Parish-Council-10_5_22.pdf</a>
1.3	Does the council a) give grants? b) have a grant-awarding policy?	a) Yes but b) Yes	No Grants were awarded but Poppy Wreath was purchased.	a) No grants were awarded b) <a href="https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Policies-Procedures/Grant-and-Donation-Awarding-Policy.pdf">https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Policies-Procedures/Grant-and-Donation-Awarding-Policy.pdf</a>
1.4	Have items/ services been competitively purchased in accordance with Financial and/or Procurement Regulations?	Yes	Annual Governance Statement Assertion 2 & 3	Minute 6.6 6 <sup>th</sup> March 23 <a href="https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2022-23/Ordinary-Meeting-6_3_23.pdf">https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2022-23/Ordinary-Meeting-6_3_23.pdf</a>
1.5	Code of conduct reviewed in the last 2/3 years?	Yes	Annual Governance Statement Assertion 3	Minute 5 10 <sup>th</sup> May 22 <a href="https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2022-23/Annual-Meeting-of-Hartpury-Parish-Council-10_5_22.pdf">https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2022-23/Annual-Meeting-of-Hartpury-Parish-Council-10_5_22.pdf</a>

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## 2. Finance

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
2.1	Has the General Power of Competence been adopted (e.g. a minute reference), if Council qualifies?	Yes	Annual Governance Statement Assertion 3	Minute 6.7 3 <sup>rd</sup> Jan 22 <a href="https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2021-22/Ordinary-Meeting-3_1_22.pdf">https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2021-22/Ordinary-Meeting-3_1_22.pdf</a>
2.2	S137 a) is there a separate account for payments? b) are totals within statutory limits? (for Council's that do not held General Power of Competence)	N/A	Annual Governance Statement Assertion 1 & 3	N/A
2.3	Is there an annual council authorisation of Direct Debit list and Standing Orders? (Objective B)	None	Annual Governance Statement Assertion 1	N/A
2.4	Was Petty Cash	None		N/A

	expenditure approved, if any? (Objective F)		Annual Governance Statement Assertion 1	
2.5	Is all expenditure supported by VAT invoices, if applicable? (Objective B)	Yes	Annual Governance Statement Assertion 1	See Sample List
2.6	VAT – a) recorded in accounts b) reclaimed? (Objective B)	a) Yes b) Yes	Annual Governance Statement Assertion 1	a) Cashbook viewed b) £285.66 reclaimed May 22

### 3. Risk management

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
3.1	Insurance policy a) in place? b) cover reviewed to ensure still fit for purpose? (Objective C)	a) Yes b) Yes	Annual Governance Statement Assertion 5	a) Gallager Insurance (3 <sup>rd</sup> year of 3 year SLA) b) Minute 11 10 <sup>th</sup> May 22 <a href="https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2022-23/Annual-Meeting-of-Hartpury-Parish-Council-10_5_22.pdf">https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2022-23/Annual-Meeting-of-Hartpury-Parish-Council-10_5_22.pdf</a>
3.2	Copy of Risk Management policy a) adopted? b) reviewed annually by	a) Yes b) Yes		a) <a href="https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Policies-Procedures/Risk-Management-Strategy.pdf">https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Policies-Procedures/Risk-Management-Strategy.pdf</a> b) Minute 10 10 <sup>th</sup> May 22 <a href="https://www.hartpury-pc.org.uk/wp-">https://www.hartpury-pc.org.uk/wp-</a>

	Council? (Objective C)		Annual Governance Statement Assertion 5	<a href="content/uploads/simple-file-list/Minutes/Minutes-2022-23/Annual-Meeting-of-Hartpury-Parish-Council-10_5_22.pdf">content/uploads/simple-file-list/Minutes/Minutes-2022-23/Annual-Meeting-of-Hartpury-Parish-Council-10_5_22.pdf</a>
3.3	Asset register a) reviewed regularly? (Objective H) b) published on website? (Objective L)	a) Yes b) Yes	Annual Governance Statement Assertion 5	a) Minute 9 10 <sup>th</sup> May 22 <a href="https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2022-23/Annual-Meeting-of-Hartpury-Parish-Council-10_5_22.pdf">https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2022-23/Annual-Meeting-of-Hartpury-Parish-Council-10_5_22.pdf</a> b) <a href="https://www.hartpury-pc.org.uk/finance-audit/asset-register">https://www.hartpury-pc.org.uk/finance-audit/asset-register</a>
3.4	Evidence that assets a) have been inspected for risk? b) reported in minutes? c) any actions undertaken? (Objective C)	a) Yes but b) Yes c) Yes	a) Recommend the full list of council assets are inspected regularly and reported in the minutes  Annual Governance Statement Assertion 5	a,b&c) Bus shelter &Noticeboards, Minute 4, Extraordinary Mtg 13 <sup>th</sup> Dec 22 <a href="https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2022-23/Extra-Ordinary-Meeting-13_12_22.pdf">https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2022-23/Extra-Ordinary-Meeting-13_12_22.pdf</a>
3.5	Evidence that internal controls a) take place? b) are documented? c) minuted? as per Council's Financial Regulations/Standing Orders (Objective B)	a) Yes b) Yes c) Yes	Carried out and reported 1/4ly.  Annual Governance Statement Assertion 2	a,b&c) Minute 6.3 4 <sup>th</sup> July 22 <a href="https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2022-23/Ordinary-Meeting-4_7_22.pdf">https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2022-23/Ordinary-Meeting-4_7_22.pdf</a>
3.6	Bank reconciliations are on agenda to be considered by	Yes	Reported in ordinary meetings.	Minute 6.2 4 <sup>th</sup> July 2022 <a href="https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-">https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-</a>

	Council? (Objective I)		Annual Governance Statement Assertion 1	<a href="#">list/Minutes/Minutes-2022-23/Ordinary-Meeting-4 7 22.pdf</a>
3.7	Review of a) investments? b) bank mandates (signatories on bank accounts)? (Objective B/C)	a) Yes b) Yes	Annual Governance Statement Assertion 1	a&b) Minute 16.4 10 <sup>th</sup> May 22 <a href="https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2022-23/Annual-Meeting-of-Hartpury-Parish-Council-10 5 22.pdf">https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2022-23/Annual-Meeting-of-Hartpury-Parish-Council-10 5 22.pdf</a>
3.8	If bank cards in use, are proper procedures in place? (Objective B)	None	Annual Governance Statement Assertion 1	N/A
3.9	Are a) physical records secure? b) electronic records backed up?	a) Yes b) Yes	Annual Governance Statement Assertion 5	a) Locked cabinet b) Back up to One Drive and Memory Stick

#### 4. Budgetary controls

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
4.1	Was a budget properly for the year under review a) prepared? b) adopted? c) minuted?	a) Yes b) Yes but c) Yes	b) Recommend a copy of the budget is published on the website for Transparency	a&b) Budget viewed c) Minute 6.5 3 <sup>rd</sup> Jan 22 <a href="https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2021-22/Ordinary-Meeting-3 1 22.pdf">https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2021-22/Ordinary-Meeting-3 1 22.pdf</a>

	(Objective D)		Annual Governance Statement Assertion 1	
4.2	a) Were the earmarked objectives of the reserves identified in the budget, if any? b) Were the general reserves reasonable? (Objective D)	a)Yes b)Yes	Annual Governance Statement Assertion 1	a) Ear Marked Reserves clearly laid out in the budget. b) General Reserves are approx. 6 months of budgeted expenditure.
4.3	Was the precept demand for the year under review properly minuted in full council?	Yes		Minute 6.6 3 <sup>rd</sup> Jan 22 <a href="https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2021-22/Ordinary-Meeting-3_1_22.pdf">https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2021-22/Ordinary-Meeting-3_1_22.pdf</a>
4.4	Did the council a) regularly compare budget vs spend (as detailed in the financial regulations) b) and evidenced in the minutes? (Objective D)	a) Yes b) Yes but	Financial statements issued and reported in the Minutes; however, it is not clear in the minutes what the report covers.  Recommend that the Minutes details that the Financial Report covers the budget vs spend plus any other areas that it addresses.  Annual Governance Statement Assertion 1	Minute 16.2 10 <sup>th</sup> May 22 <a href="https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2022-23/Annual-Meeting-of-Hartpury-Parish-Council-10_5_22.pdf">https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2022-23/Annual-Meeting-of-Hartpury-Parish-Council-10_5_22.pdf</a>
4.5	Are any significant variances from budget reported?	Yes	Actuals clearly reported - No significant over or under spends.  Annual Governance Statement Assertion 2	Budget vs actuals spreadsheet viewed

## 5. Payroll

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
5.1	Do all staff have a contract of employment?	Yes	Annual Governance Statement Assertion 3	Contract viewed in Audit carried out in 2022
5.2	Do salaries paid agree with those approved by Council? (Objective G)	Yes	Annual Governance Statement Assertion 1	February Payslip viewed
5.3	Has Council a) registered as an employer with HMRC? b) have PAYE / NIC been properly dealt with (including year-end procedures)? (Objective G)	a) Yes b) Yes		a) HMRC rti used b) P32 viewed
5.4	Are Councillor's allowances and expenses properly authorised & controlled, if any?	Yes	Annual Governance Statement Assertion 1	No Councillor allowances but £53.84 reimbursed to the Chairman on 4th July 22
5.5	Pension provision – eligible employees a) offered pension scheme?	a) Yes b) Yes		a&b) Minute 6.8 3 <sup>rd</sup> Jan 22 <a href="https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2021-22/Ordinary-">https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2021-22/Ordinary-</a>

	b) outcome minuted?		Annual Governance Statement Assertion 3	<a href="#">Meeting-3_1_22.pdf</a>
5.6	Is Council a) registered with the Pension Regulator for auto- enrolment pensions? b) Has auto- enrolment registration with Pension Regulator been reviewed (required every 3 years)	a) Yes b) Yes	Next due for re-enrolment January 25  Annual Governance Statement Assertion 3	a&b) Auto enrol form completed in Jan 22 - viewed by IA in 2022

## 6. Year-end procedures

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
6.1	Are debtors and creditors recorded properly on separate balance sheet if using Income & Expenditure reporting? <i>(Objective J)</i>	N/A	Annual Governance Statement Assertion 1	N/A Receipts and Payments

6.2	Does Council as a whole consider the year-end accounts in addition to 6.5? (Objective J)	Yes	Annual Governance Statement Assertion 1	Minute 17.2 10 <sup>th</sup> May 22 <a href="https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2022-23/Annual-Meeting-of-Hartpury-Parish-Council-10_5_22.pdf">https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2022-23/Annual-Meeting-of-Hartpury-Parish-Council-10_5_22.pdf</a>
6.3	Minute confirming that council is eligible for Certificate of Exemption (only for councils with a turnover of less than £25,000) (Objective K)	Yes	Annual Governance Statement Assertion 1	Minute 17.3 10 <sup>th</sup> May 22 <a href="https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2022-23/Annual-Meeting-of-Hartpury-Parish-Council-10_5_22.pdf">https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2022-23/Annual-Meeting-of-Hartpury-Parish-Council-10_5_22.pdf</a>
6.4	Annual Governance Statement, section 1 of Annual Return, approved by whole council (with separate minute number from Section 2 below)?	Yes	Annual Governance Statement Assertion 3	Minute 17.1 10 <sup>th</sup> May 22 <a href="https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2022-23/Annual-Meeting-of-Hartpury-Parish-Council-10_5_22.pdf">https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2022-23/Annual-Meeting-of-Hartpury-Parish-Council-10_5_22.pdf</a>
6.5	Annual Statement of Accounts, section 2 of Annual Return, approved by whole council (with separate minute number from Section 1 above)?	Yes	Annual Governance Statement Assertion 3	Minutes 17.2 10 <sup>th</sup> May 22 <a href="https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2022-23/Annual-Meeting-of-Hartpury-Parish-Council-10_5_22.pdf">https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2022-23/Annual-Meeting-of-Hartpury-Parish-Council-10_5_22.pdf</a>
6.6	Are all sections of the Annual Governance &	Yes		<a href="https://www.hartpury-pc.org.uk/finance-audit/external-audits?eeFolder=External-Audits/External-Audit-Reports-2021-">https://www.hartpury-pc.org.uk/finance-audit/external-audits?eeFolder=External-Audits/External-Audit-Reports-2021-</a>

	Accountability Return published on the website? (Objective L/N)		Annual Governance Statement Assertion 3	<a href="#">22&amp;eeFront=1&amp;ee=1&amp;eeListID=1</a>
6.7	Did council correctly provide for the exercise of public rights? (Objective M)	Yes	Dates of 13 <sup>th</sup> June 22 – 22 July 22 were recorded in the minutes  Annual Governance Statement Assertion 4	<a href="https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/External-Audits/External-Audit-Reports-2021-22/Elector-Rights.pdf">https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/External-Audits/External-Audit-Reports-2021-22/Elector-Rights.pdf</a>
6.8	Previous internal audit report reviewed by council and action taken where recommended?	Yes but	Action taken except for clearly recording in the minutes the details of the Financial Report (see 4.4 of this report).  Recommend that the Council review the IA after 6 months to ensure all actions have been carried out.  Annual Governance Statement Assertion 7	Minute 16.5 10 <sup>th</sup> May 22 <a href="https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/External-Audits/External-Audit-Reports-2021-22/Elector-Rights.pdf">https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/External-Audits/External-Audit-Reports-2021-22/Elector-Rights.pdf</a>
6.9	Previous external audit report (for councils with turnover over £25,000) reviewed by council and action taken where recommended?	N/A	Annual Governance Statement Assertion 7	N/A Exemption under £25K

## 7. Other matters

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
7.1	Policies in place for	Yes		Data Protection Policy (also covers staff and

	compliance with GDPR, such as Data Protection Policy for Staff & Councillors and for the public?		Annual Governance Statement Assertion 3	Councillors) <a href="https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Policies-Procedures/Data-Protection-Policy.pdf">https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Policies-Procedures/Data-Protection-Policy.pdf</a>
7.2	Is the Council a Managing Trustee?	No	Annual Governance Statement Assertion 9	N/A
7.3	Do trustees meet at least once a year and publish separate accounts? (Objective O)	N/A	Annual Governance Statement Assertion 9	N/A
7.4	Website Accessibility Statement on website home page?	Yes	Annual Governance Statement Assertion 3	<a href="https://www.hartpury-pc.org.uk/accessibility-statement">https://www.hartpury-pc.org.uk/accessibility-statement</a>
7.5	Did council formally appoint GAPTC as the Internal Auditor?	Yes	The Council correctly confirmed that the Internal Auditor is competent and independent of Council when appointing them  Annual Governance Statement Assertion 6	Minute 6.4 6 <sup>th</sup> March 23 <a href="https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2022-23/Annual-Meeting-of-Hartpury-Parish-Council-10_5_22.pdf">https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Minutes/Minutes-2022-23/Annual-Meeting-of-Hartpury-Parish-Council-10_5_22.pdf</a>
7.6	Are registers up to date for council-owned burial grounds (if any) and purchase of Exclusive Rights of Burials certificate completed?	N/A	Annual Governance Statement Assertion 3	Not a burial authority

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## 8. Procedures

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments	Evidence
8.1	Minutes: a) DPIs or other interests recorded? b) published on website in draft form within one month (mandatory for councillors with a turnover of less than £25,000)? <i>(Objective L)</i> c) initialled on each page and final page signed?	a) Yes b) Yes c) Yes	a) Reported in all minutes  Annual Governance Statement Assertion 3	a ) Minute 2 6 <sup>th</sup> March 23 b) March minutes viewed online c) March minutes hard copy viewed – signed and initialled.
8.2	List of members' a) responsibilities <i>(Objective L)</i> and b) interests held and published on the website?	a) Yes b) Yes	a) Chair and Vice Chairman only b) Individual Interests published on website.  Annual Governance Statement Assertion 3	a&b) <a href="https://www.hartpury-pc.org.uk/the-council/the-councillors">https://www.hartpury-pc.org.uk/the-council/the-councillors</a>
8.3	Agendas signed and displayed on website/noticeboard s 3 clear days' prior to meeting? <i>(Objective L)</i>	Yes	Annual Governance Statement Assertion 3	Agenda for Monday 6 <sup>th</sup> March issued and published on the 28 <sup>th</sup> February 23 <a href="https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Agendas/Agendas-2022-23/Public-Notice-">https://www.hartpury-pc.org.uk/wp-content/uploads/simple-file-list/Agendas/Agendas-2022-23/Public-Notice-</a>

				<a href="#"><u>Ordinary-Meeting-2023.pdf</u></a>
8.4	Summons issued in proper format?	Yes	Annual Governance Statement Assertion 3	Agenda for March 2023 viewed with summons clearly worded.