



**HINTON PARISH/TOWN COUNCIL**  
**Internal auditor's report for the year ended 31 March 2024**  
**Name of Auditor: Jeni Marshall**

**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?	Yes	Last adopted in May 2022. Recommend these are reviewed on an annual basis.	<a href="#">Microsoft Word - standing-orders-2021 HPC (hinton-pc.gov.uk)</a>

	b) reviewed using the most recent version? c) minuted?	Yes Yes	Annual Governance Statement Assertion 1	
1.2	Have Financial Regulations been a) tailored to council? b) reviewed using the most recent version? c) minuted? (Objective B)	Yes Yes Yes	Reviewed 19 May 2022. Recommend these are reviewed annually  Annual Governance Statement Assertion 1	<a href="#">Microsoft Word - HPC Financial Regs 2021 (hinton-pc.gov.uk)</a>
1.3	Does the council a) give grants? b) have a grant-awarding policy?	Yes		<a href="#">Microsoft Word - HPC Evaluation form for grants (hinton-pc.gov.uk)</a>
1.4	Have items/ services been competitively purchased in accordance with Financial and/or Procurement Regulations?	Yes but	A payment to Shipyard was made without other quotations. This was a misunderstanding by the company and the Clerk and Council has dealt with this. The Clerk is aware of the regulations.  Annual Governance Statement Assertion 2 & 3	
1.5	Code of conduct reviewed in the last 2/3 years?	Yes	Annual Governance Statement Assertion 3	Adopted Annual Council Meeting May 23 Minute number 9 <a href="#">BERKELEY TOWN COUNCIL (hinton-pc.gov.uk)</a>

## 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?	No	Council do not old this power  Annual Governance Statement Assertion 3	
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)	Yes  N/A	Annual Governance Statement Assertion 1 & 3	Viewed on Teams call
2.3	Is there an annual council authorisation of Direct Debit list and Standing Orders? (Objective B)	Yes	Annual Governance Statement Assertion 1	<a href="http://berkeleytowncouncil.gov.uk">BERKELEY TOWN COUNCIL (hinton-pc.gov.uk)</a> Item 12
2.4	Was Petty Cash expenditure	N/A	No petty cash held	

	approved, if any? (Objective F)		Annual Governance Statement Assertion 1	
2.5	Is all expenditure supported by VAT invoices, if applicable? (Objective B)	Yes	Viewed invoices on Teams call  Annual Governance Statement Assertion 1	
2.6	VAT – a) recorded in accounts b) reclaimed? (Objective B)	Yes  Yes	Recorded and claimed annually  Annual Governance Statement Assertion 1	Viewed cashbook

### 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)	Yes Yes Yes	Annual Governance Statement Assertion 5	<a href="http://berkeley-town-council.hinton-pc.gov.uk">BERKELEY TOWN COUNCIL (hinton-pc.gov.uk)</a> – Item 11
3.2	Copy of Risk Management policy a) adopted? b) reviewed annually by Council? (Objective C)	Yes Yes	Annual Governance Statement Assertion 5	

3.3	Asset register a) reviewed regularly? (Objective H) b) published on website? (Objective L)	Yes  Yes	Two registers on website – recommend deleting the older version	<a href="http://berkeleytowncouncil.hinton-pc.gov.uk">BERKELEY TOWN COUNCIL (hinton-pc.gov.uk)</a> – Item 10
3.4	Evidence that assets a) have been inspected for risk? b) reported in minutes? c) any actions undertaken? (Objective C)	Yes  No  Yes	Clerk informed me that the defibs are checked weekly and a weekly part report is carried out for play area parts, however this is not reported back to Council. Recommend reporting at least quarterly to council.  Annual Governance Statement Assertion 5	
3.5	Evidence that internal controls a) take place? b) are documented? c) minuted? as per Council's Financial Regulations/Standing Orders (Objective B)	Yes but ... Yes Yes	Internal controls noted on the planning and Finance minutes but only seems to cover signing of bank statements and bank rec. Recommend checking of invoices, salaries etc It also so appears that internal controls are carried out by the Chair and Vice-Chair only. Recommend that more Councillors are involved in this process.  Annual Governance Statement Assertion 2	<a href="http://berkeleytowncouncil.hinton-pc.gov.uk">BERKELEY TOWN COUNCIL (hinton-pc.gov.uk)</a>

3.6	Bank reconciliations are on agenda to be considered by Council? (Objective I)	Yes	On each Planning and Finance Agenda  Annual Governance Statement Assertion 1	<a href="#">may-2023-fin-min.pdf (hinton-pc.gov.uk)</a> Minute number 7 (example)
3.7	Review of a) investments? b) bank mandates (signatories on bank accounts)? (Objective B/C)	Yes No	Signatories changed as necessary but recommend a review of bank mandate at a Full Council meeting annually.  Annual Governance Statement Assertion 1	The council has investments with CCLA
3.8	If bank cards in use, are proper procedures in place? (Objective B)	N/A	Annual Governance Statement Assertion 1	
3.9	Are a) physical records secure? b) electronic records backed up?	Yes Yes	Recommend all storage cabinets are fireproof	Stored in locked cabinet in an office in the church and home and on the cloud

#### 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		Reviewed by the Planning and Finance Committee	<a href="#">dec-2022-plan-fin.pdf (hinton-pc.gov.uk)</a>

	<p>under review</p> <p>a) prepared?</p> <p>b) adopted?</p> <p>c) minuted?</p> <p>(Objective D)</p>	<p>Yes</p> <p>Yes</p> <p>Yes</p>	<p>on three occasions</p> <p>Confirmed at January Full Council</p> <p>Annual Governance Statement Assertion 1</p>	<p><a href="http://hinton-pc.gov.uk">BERKELEY TOWN COUNCIL (hinton-pc.gov.uk)</a></p>
4.2	<p>a) Were the earmarked objectives of the reserves identified in the budget, if any?</p> <p>b) Were the general reserves reasonable?</p> <p>(Objective D)</p>	<p>No</p> <p>Yes</p> <p>Yes</p>	<p>Annual Governance Statement Assertion 1</p>	
4.3	<p>Was the precept demand for the year under review properly minuted in full council?</p>	<p>Yes</p>		<p><a href="http://hinton-pc.gov.uk">BERKELEY TOWN COUNCIL (hinton-pc.gov.uk)</a></p>
4.4	<p>Did the council</p> <p>a) regularly compare budget vs spend (as detailed in the financial regulations)</p> <p>b) and evidenced in the minutes?</p> <p>(Objective D)</p>	<p>Yes</p> <p>Yes</p>	<p>Carried out regularly at the Planning and Finance Meeting.</p> <p>Annual Governance Statement Assertion 1</p>	<p><a href="http://hinton-pc.gov.uk">april-2023-fin.pdf (hinton-pc.gov.uk)</a></p> <p>Minute number 6</p>
4.5	<p>Are any significant variances from budget reported?</p>	<p>N/A</p>	<p>Annual Governance Statement Assertion 2</p>	

## 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
5.2	Do salaries paid agree with those approved by Council? (Objective G)	Yes	Annual Governance Statement Assertion 1	
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)	Yes Yes	Viewed P60	
5.4	Are Councillor's allowances and expenses properly authorised & controlled, if any?	N/A	Annual Governance Statement Assertion 1	Councillors do not claim expenses
5.5	Pension provision – eligible employees a) offered pension scheme? b) outcome minuted?	Yes No	Clerk has provided information regarding the set up of a direct debit for her pension in May 2019 but is unable to find the minutes relating to the pension offer or the offer letter. Recommend that the Clerks pension is formally	



			noted and approve at a council meeting	
			Annual Governance Statement Assertion 3	
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)	Yes  Yes	Confirmation of registration viewed.	

## 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	N/A		

	Income & Expenditure reporting? (Objective J)		Annual Governance Statement Assertion 1	
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	<a href="http://hinton-pc.gov.uk">BERKELEY TOWN COUNCIL (hinton-pc.gov.uk)</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)	N/A	Annual Governance Statement Assertion 1	
6.4	Annual Governance Statement, section 1 of Annual Return, approved by whole council (with separate minute number from Section 2 below)?	Yes but...	Advise that this and 6.5 are given separate minute numbers  Annual Governance Statement Assertion 3	<a href="http://hinton-pc.gov.uk">HINTON PARISH COUNCIL (hinton-pc.gov.uk)</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 but...	As above  Annual Governance Statement Assertion 3	<a href="http://hinton-pc.gov.uk">HINTON PARISH COUNCIL (hinton-pc.gov.uk)</a>

6.6	Are all sections of the Annual Governance & Accountability Return published on the website? (Objective L/N)	Yes	Annual Governance Statement Assertion 3	<a href="C:\Users\HintonParishCouncil\Dropbox\Documents\HPC\Accounts year end etc.\AGAR 22-23\Agar 22-23 .pdf (hinton-pc.gov.uk)">C:\Users\HintonParishCouncil\Dropbox\Documents\HPC\Accounts year end etc.\AGAR 22-23\Agar 22-23 .pdf (hinton-pc.gov.uk)</a>
6.7	Did council correctly provide for the exercise of public rights? (Objective M)	Yes	Annual Governance Statement Assertion 4	<a href="C:\Users\HintonParishCouncil\Dropbox\Documents\HPC\Accounts year end etc.\AGAR 22-23\Notice of public rights unaudited accounts.pdf (hinton-pc.gov.uk)">C:\Users\HintonParishCouncil\Dropbox\Documents\HPC\Accounts year end etc.\AGAR 22-23\Notice of public rights unaudited accounts.pdf (hinton-pc.gov.uk)</a>
6.8	Previous internal audit report reviewed by council and action taken where recommended?	Yes	The report was received and noted but not stated as to whether any actions were required.  Annual Governance Statement Assertion 7	<a href="http://hinton-pc.gov.uk">BERKELEY TOWN COUNCIL (hinton-pc.gov.uk)</a>
6.9	Previous external audit report (for councils with turnover over £25,000) reviewed by council and action taken where recommended?	Yes	Minutes state 'noted'. Recommend 'Reviewed and noted'  Annual Governance Statement Assertion 7	<a href="http://hinton-pc.gov.uk">BERKELEY TOWN COUNCIL (hinton-pc.gov.uk)</a> Item 6

## 7. Other matters

Ref	Test	Meets reqmts? Yes, No or	Internal Auditor's comments/recommendations	Evidence
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		<b>N/A</b>		
7.1	Policies in place for compliance with GDPR, such as Data Protection Policy for Staff & Councillors and for the public?	Yes	Annual Governance Statement Assertion 3	On website
7.2	Is the Council a Managing Trustee?	No	Annual Governance Statement Assertion 9	
7.3	Do trustees meet at least once a year and publish separate accounts? (Objective O)	N/A	Annual Governance Statement Assertion 9	
7.4	Website Accessibility Statement on website home page?	Yes	The age of the website means it is not totally accessible. It may be worth considering updating this  Annual Governance Statement Assertion 3	On home page
7.5	Did council formally appoint GAPTC as the Internal Auditor?	Yes	Annual Governance Statement Assertion 6	<a href="http://berkeleytowncouncil.hinton-pc.gov.uk">BERKELEY TOWN COUNCIL (hinton-pc.gov.uk)</a> Minute number 7
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	

## 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)? (Objective L) c) initialled on each page and final page signed?	Yes  Yes     Yes	Declarations of interest & consider request for dispensations on every agenda     Viewed during Teams call  Annual Governance Statement Assertion 3	<a href="http://hinton-pc.gov.uk">Councillors   Hinton Parish Council (hinton-pc.gov.uk)</a>
8.2	List of members' a) responsibilities (Objective L) and b) interests held and published on the website?	Yes  Yes	Annual Governance Statement Assertion 3	<a href="http://hinton-pc.gov.uk">Councillors   Hinton Parish Council (hinton-pc.gov.uk)</a>
8.3	Agendas signed and displayed on website/noticeboards 3 clear days' prior to meeting?	Yes	Notice on website, plus 3 notice boards and Facebook	

	(Objective L)		Annual Governance Statement Assertion 3	
8.4	Summons issued in proper format?	Yes	Annual Governance Statement Assertion 3	Viewed during Teams call