Black Rose Solutions Limited

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4th April 2025

Dear Clare,

Quarnford Parish Council – Internal Audit 2024/25

I confirm that I have carried out an examination of your accounts and procedures, in line with the Practitioners Guide 2023 and in accordance with the requirements of the Accounts and Audit Regulations 2015.

I can state that I found no material errors, omissions or irregularities in your financial records and I have no concerns about your internal control procedures.

Please refer to the enclosed report for further details of the audit work covered.

I would also confirm that I am totally independent of your Council and have no contact with any Member or employee.

Yours sincerely,

S Morris

Mrs Sandra Morris ACMA

Enc
Summary of Findings
Full Internal Audit Report

Black Rose Solutions Limited

Summary of Findings

Comments marked **REC** denote an issue recommended for action as it may affect the Internal Audit response on the AGAR (Annual Governance and Accounting Return).
Comments marked **note** are included for reference or information.
Items referenced **FR** – relates to clause in the council's financial regulations.
Items reference **PG** – relates to a clause in the practitioners Guide.
Items marked **TBC** – will be examined at the end of the year

B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	YES
Councillors have not initialled cheque stubs in line with financial regulations. FR 8.3. To indicate agreement of the details on the cheque with the counterfoil and the invoice or similar documentation, the signatories shall also initial the cheque counterfoil and invoice.	REC
Payment lists are presented to council for approval with an approval sheet attached, however, the October sheet had not been signed (they were listed and approved via minutes)	note
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	YES
General reserves stand at 3 months of income, 7 months of expenditure. This is within guidelines, but perhaps a little low for a small authority. PG 5.34. The generally accepted recommendation with regard to the appropriate minimum level of a smaller authority's general reserve is that this should be maintained at between three and twelve months of net revenue expenditure. PG 5.35. The reason for the wide range is to cater for the large variation in activity level between individual authorities. The smaller the authority, the closer the figure may be to 12 months expenditure, the larger the authority, the nearer to 3 months. In practice, any authority with income and expenditure in excess of £200,000 should plan towards 3 months equivalent general reserve.	note
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	YES
It is not clear when the last VAT return was submitted (there is a 4 year cut off for claims, the values involved are minimal value). It is intended that a claim will be submitted once the amount to be reclaimed is over £100.	note
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
A payment of PAYE & NI had been omitted from the "Staff Costs" line. This was corrected upon enquiry from Internal Audit	note
K. If the authority certified itself as exempt from a limited assurance review in 23/24, it met the exemption criteria and correctly certified itself exempt	YES*
PG.K.2 ● that it has been published, together with all required information on the Authority's website and noticeboard	**
At the time of interim audit the analysis of variances was not published. The bank reconciliation was published as part of the minutes, but it would be easier to find if it was published with the rest of the year end files. For councils claiming exemption for external audit, it is part of the exemption criteria that the correct publications are made. THIS WAS CORRECTED UPON ENQUIRY FROM INTERNAL AUDIT	note

L. The authority publishes information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.	NO
All councils are required to keep 5 years of accounts published. Previous years accounts were not available to be published.	REC
M. The authority has demonstrated that during summer 2024 it correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations. (Evidenced by website or minutes)	NO
PG.M.1 - IAs should acquire / examine a copy of the required “Public Notice” ensuring that it clearly identifies the statutory 30 working day period when the Authority’s records are available for public inspection.	***
The period for the exercise of public rights was late, and did not include the first 10 working days of July.	REC