

# HEELIS & LODGE

Local Council Services • Internal Audit

## **Internal Audit Report for Billericay Town Council – 2021/2022**

The following Internal Audit was carried out on the adequacy of systems of control. The following recommendations/comments have been made:

Income: £469,941    Expenditure: £360,637    Reserves: £408,905

### AGAR Completion:

Section One: **Yes - unsigned**

Section Two: **Yes - unsigned**

Annual Internal Audit Report 2020/2021: **Yes**

Certificate of Exemption: **No**

### **Risk Assessment**

Appropriate procedures in place for the activities of the council  
Compliance with Data Protection regulations

*There was no evidence in the minutes that the Risk Assessment, including Internal Controls, has been reviewed during the year of audit.*

**Recommendation:** *To ensure the annual review of the Risk Assessment and Internal Controls is carried out during the year of audit.*

*The Council have satisfactory internal financial controls in place. The Clerk provides financial reports to council meetings. Councillors are provided with information to enable them to make informed decisions.*

### **Budgetary controls**

Verifying the budgetary process with reference to council minutes and supporting documents

Precept: £300,555.59 (2021-2022)    Date: 17/12/20 (Ref: 152.b))

Precept: £303,085.29 (2022-2023)    Date: 16/12/2021(Ref: 88.b)

*Effective budgetary procedures are in place. The precept was agreed in full council and the precept decision and amount has been clearly minuted. The Clerk ensures the council are aware of responsibilities, commitments, forward planning and the need for adequate reserves. Budget papers are prepared to ensure councillors have sufficient information to make informed decisions. Budgets are monitored during the year.*

**Payroll controls**

PAYE and NIC in place where necessary.  
 Compliance with Inland Revenue procedures  
 Records relating to contracts of employment

PAYE System in place: **Yes**  
 Employer's Reference: **083/BA9168**  
 P60s issued: **Yes**

*The Council continue to operate RTI in accordance with HMRC regulations. Payroll is outsourced. All supporting paperwork is in place and P60s have been produced as part of the year end process.*

**Asset control**

Inspection of asset register and checks on existence of assets  
 Cross checking on insurance cover

*A separate asset register is in place. Values are recorded at cost value/insurance value. The total value of assets are recorded at £2,293,082. The figure in the asset register corresponds with the figure in Section 2, Box 9 of the AGAR.*

**Bank Reconciliation**

Regularly completed and cash books reconcile with bank statements

*All were in order. Bank Reconciliations are carried out regularly. The bank statements reconciled with the end of year accounts and bank reconciliations for all accounts.*

*Bank Balances at 31 March were confirmed as:*

<i>Barclays Current #1</i>	<i>xxxx2272</i>	<i>£11,787.45</i>
<i>Barclays Current #2</i>	<i>xxxx4536</i>	<i>£4,308.29</i>
<i>Barclays Active Saver</i>	<i>xxxx0335</i>	<i>£15,309.30</i>
<i>Bank of Scotland</i>	<i>xxxx8838</i>	<i>£257,140.00</i>
<i>Saffron BS #1</i>	<i>xxxx5093</i>	<i>£56,813.87</i>
<i>Saffron BS #2</i>	<i>xxxx5085</i>	<i>£56,813.87</i>

**Reserves**

General Reserves are reasonable for the activities of the Council  
 Earmarked Reserves are identified

*The Council have adequate general reserves (£303,747) and have identified earmarked reserves (£105158) in their year end accounts.*

*PWLB balance at 31/3/2022: £1,176,273.17*

**Year-end procedures** Appropriate accounting procedures are used and can be followed through from working papers to final documents  
Verifying sample payments and income  
Checking creditors and debtors where appropriate.

*End of year accounts are prepared on an Income & Expenditure basis. Creditors and Debtors are identified within the year end accounts.*

### **Additional Comments/Recommendations**

- There are no additional comments/recommendations to make in relation to this audit.
- I would like to record my appreciation to the Clerk to the Council for her assistance during the course of the audit work



**Heather Heelis**  
**Heelis & Lodge**  
26 April 2022