

## Moderamen Auditing

### Internal Audit Report 2024/25



#### Internal Auditors Summary:

I have examined the accounts, minutes and supporting paperwork for Queen Camel Parish Council year ending 31<sup>st</sup> March 2025. The Council uses Scribe accounting software for managing some aspects of its accounts but, the software has a lot more functionality than is currently being used, Scribe also hasn't been set up correctly for the current year and so it is inaccurately reporting the staffing cost figures.

I was granted read only access to Scribe and was emailed all other documents; this audit has been completed remotely over two weekends.

Invoices have been uploaded to the software linked to the corresponding transactions, this has assisted with the audit. I was able to run all reports for the accounts within the software. Bank reconciliations and reserve balances are not stored within the software.

The website ([www.queencamelpc.org.uk](http://www.queencamelpc.org.uk)) is up to date and easy to navigate. The council should be aware of the sector push for town/parish councils to move over to a .gov.uk domain as best practice. The council has purchased over £120,000 worth of play equipment this year.

The council has just had a change of Clerk (& RFO) at the end of March 2025, the new Clerk has done extremely well in pulling together all the information I asked for given that she isn't familiar with the council and hasn't used the accounting software before – many thanks to her.

#### The 23/24 External Audit:

The council received a qualified audit result last year. Partly as 11a & 11b hadn't been completed on the Annual Accounting Statement. This was the RFO's responsibility to check but it was the council that approved the incomplete form.

Also, the staffing cost were incorrectly stated on the Annual Accounting Statement.

The council meeting of the 16<sup>th</sup> of September 2024 appears to have been told by the RFO that the External Auditor had queried the figures but that they were correct as they are.

The External Auditor report issued on 27<sup>th</sup> September 2024 reports the figures as incorrect.

The External Auditors report doesn't appear to have been received at the next council meeting (18<sup>th</sup> November 2024).

As the External Auditors report wasn't formally received by the council, the council cannot have agreed to publish the report however, a 2<sup>nd</sup> public rights notice was issued on the 1<sup>st</sup> of November, seemingly unapproved by the council, and the auditor's report is also available on the website.

The correct staffing cost for 23/24 needs reinstating on this year AGAR.

AGAR Box:	Yes / No:	
A	YES	Comments:
		The accounting software should be set up correctly to give members reports from it at all every meeting. The council appears to be receiving insufficient information, based on the reports available online.

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B	YES	<b>Comments:</b> <b>Council credit card:</b> Noted that a member of the council holds a council credit card. The previous internal auditor also reported on this but, didn't fail the council on this test over a number of years seemingly as it was hoped that the council was moving over to a lawful arrangement. It is unlikely at VAT can be reclaimed lawfully on these purchases as it isn't possible to authorise an individual member of the council to make purchases on behalf of the council. With the new Clerk in place the correction of this situation should be expedited and resolved during the 24/25 year.  <b>Schedule of payments:</b> The schedule of payments appears to be published in the Clerk's report. This is not available online. A list of payment to be made at meetings needs to be either published within the agenda or published as a separate document (a payments list) that is issued with the agenda and published online (and on the noticeboard).
C	YES	<b>Comments:</b>
D	YES	<b>Comments:</b> Comment as per box A
E	YES	<b>Comments:</b>
F	N/A	<b>Comments:</b> The Council does not operate a petty cash system.
G	YES	<b>Comments:</b> The council uses an external payroll provider this gives confidence that this is being managed correctly. The payslips have been uploaded to the accounting software. A P60/P45 could not be provided for the former Clerk.
H	YES	<b>Comments:</b> Last May (2024) register seen, needs to be updated and adopted to include all the new play equipment.
I	YES	<b>Comments:</b> Requires improvement. First bank rec was not carried out until 28th Oct & only the minimum 4 completed within the year. Recommend moving to best practice of each meeting of the council receiving / approving the bank rec
J	YES	<b>Comments:</b>
K	N/A	<b>Comments:</b> The Council had a limited assurance review.

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L	YES	Comments:
		Should improve transparency with regards to payments that are to be or have been made.
M	YES	Comments:
		1 <sup>st</sup> period of public rights correctly set by the council and advertised.
N	NO	Comments:
		External Audit report not received by the council and no agreement to publish 2 <sup>nd</sup> period of public rights notice.
O	N/A	Comments:

### Further comments and recommendations not affecting the AGAR checks:

#### Councillors Interest at Meeting:

The minutes are recording councillors declaring interests, but when it comes to the agenda items they have declared an interest in they are not being recorded as leaving the room (example 10<sup>th</sup> Feb 25 & 24<sup>th</sup> Mar 25). It is important that if councillors are correctly excluding themselves from agenda items that they have interests in, that this is recorded in the minutes.

#### Adoption of Minutes:

Extraordinary meetings of the council should not be adopting minutes (as happened on 24<sup>th</sup> Feb 25)

#### Tender Documents:

The council appears to have approved the destruction of tender documents on the 16<sup>th</sup> Sep 24 – these should have been kept for 6 years.

#### Other Accounting Matters:

The Scribe accounting software is a good bit of kit, but only if it is set up correctly and used to its full capacity to manage wholly the councils' finances. The new Clerk should be allowed the time to overhaul the current set up and start to use the software correctly for the benefit of the council (and Clerk). It is still giving false reading on staff costs, the new Clerk has spotted this and corrected on this year's AGAR

#### Appointment of new Clerk

The engagement of a Clerk can only be agreed by the Full Council and a contract of employment must be in place from day one. Neither of these steps have been taken yet, a situation that must be urgently rectified.

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