

**AUDIT REPORT BY THE INTERNAL AUDITOR WAVERTON PARISH COUNCIL  
PERIOD 1<sup>ST</sup> APRIL 2023 – 31<sup>ST</sup> MARCH 2024  
FINANCIAL YEAR ENDING 31 MARCH 2024**

I confirm I have on the 2<sup>nd</sup> May 2024 undertaken an internal audit for the period 1<sup>st</sup> April 2023- 31<sup>st</sup> March 2024 (in accordance with the Account and Audit Regulations (England) 2015 and in accordance with the Council's approved audit plan and incorporating any new requirements as outlined in "Governance and Accountability for Local Councils" A Practitioners' Guide (England) March 2024

**Detailed below are the findings of the Internal Audit.**

**1. Proper Bookkeeping**

The Council operates Receipts and Payments accounts as required by the Regulations. The Cashbook records receipts and payments under specific budget headings allowing immediate identification of spending in each budget sector. The cashbook is balanced monthly and also records cumulative spending to date. There is the additional security of an internal checking system to monitor the accuracy of the data input into the computerised accounts.

**2. Financial Regulations, Standing Orders, Publication of Relevant Legislation.**

The Council has comprehensive and appropriate Policy Documents which are annually reviewed, as appropriate, and displayed on the Council website.

Financial Regulations and Standing Orders were reviewed and adopted at the meeting, held on 18<sup>th</sup> May 2023. Minute 11/23

The Council has a statutory obligation under the Transparency Code, and other relevant legislation, to display specific information as detailed in the legislation. The Council has a comprehensive website, and all information is displayed in a format easily understood by the elector.

**3. Invoice procedure**

There is a clear audit trail from the financial records, supported by invoices and all payments are authorised and duly recorded in the minutes. A random check was made of all payments all of which adhered to Financial Regulations.

**4. VAT**

VAT was identified on purchases for the period ending 31<sup>st</sup> March 2024. The VAT record on payments in the cashbook verifies the accuracy of the sum for the year of £43.42

## **5. Sct 137 Payments**

The RFO has identified and adhered to the statutory requirement to maintain 'a separate account' of expenditure under Local Government Act 1972 section 137, by the inclusion in the cashbook of a separate accounting column, even if not used.

## **6. Health and Safety/Risk Management Policy**

The Council has documentation clearly identifying risks associated with activities undertaken by the council both financial and physical. Documents were received, reviewed, and approved at the meeting held on 18<sup>th</sup> May 2024 – Minute No. 17/23

## **7. Minutes**

The Minutes clearly documents the activities of the Council and there is no evidence of unusual financial activity. Loose-leaf minutes are sequentially numbered and verified by the initials of the Chairman.

## **8. Register of Interest**

Members have duly completed the Register of Interests and fulfilled their obligation to keep it updated.

## **9. Budget Control**

A correct budget process is in place and the budget is regularly monitored. Forecasting over/under budget spending identifies variances, which is addressed appropriately if required.

## **10. Cash Balances**

The cash balances at the bank of £8131.34 is considered adequate to enable the Council to fulfil the obligations in the 2024/25 budget. External Audit advises a sum equivalent to 12 months net revenue expenditure as the appropriate minimum General Reserve for the smaller authority.

**RECOMMENDED** that the RFO advises the Council of the section of the Practitioners Guide 2024 – Page 38 General reserves Sct 5.33 – 5.39., this will assist Waverton Parish Council in having a clear policy to establish an acceptable level of General Reserves to achieve all financial objectives.

## **11. Income Controls**

All income is recorded and promptly deposited at the bank. No cash income.

## **12. Petty Cash/Clerk's Expenses**

The Council does not operate a Petty Cash Account.

All spending under Clerk's Expenses is notified to and approved by Council

Sums drawn are allocated to the appropriate budget head and VAT is identified and claimed

## **13. Payroll Controls**

All PAYE/NIC records are up to date and submissions to HMRC are made in real time online.

Payroll is operated externally and verified for accuracy by the Clerk/RFO

#### **14. Asset Control**

The Asset Register documents assets held by the Council. It was reviewed and re-adopted at the meeting held 18<sup>th</sup> May 2023. – Minute No 12/23. No acquisitions or disposals within the current financial year ending 31<sup>st</sup> March 2024. Assets are noted in the 2024 AGAR - £51037. All assets are adequately covered by insurance which was renewed with BHIB, 18<sup>th</sup> May 2023.

#### **15. Bank Reconciliation**

Bank Reconciliations are carried out on receipt of bank statements and accurately portray the financial position of the Council. It is confirmed that there are no unexplained balancing entries.

#### **Governance and Accountability Return 2023. (AGAR)**

#### **16. The authority has, during the previous year, correctly provided for the exercise of public rights as required by the Account and Audit Regulations.**

Regulation 15(2) Accounts and Audit Regulations 2015 requires the Responsible Financial Officer (RFO) to publish a Notice of Public Rights of inspection of accounts for a period of thirty days which must include the first 10 working days in July.

The clerk has undertaken the requirement and the Annual Governance and Accountability Return, (AGAR) with all attendant information was publicly displayed dated 1<sup>st</sup> June 2023 For inspection for the period 5<sup>th</sup> June 2023 – 14<sup>th</sup> July 2023.

The Local Audit and Accountability Act 2014 and The Accounts and Audit (England) Regulations 2015 requires a Council, having signed the Certificate of Exception, (Meeting - 18<sup>th</sup> May 2023. Minute No.14/1, to publish the requisite documents on a website prior to 2<sup>nd</sup> July in the relevant year. The notification was posted on the immediately following the The Council meeting resolving the Exempt eligibility.

#### **Conclusion**

I confirm Waverton Parish Council is compliant with all Account and Audit Regulations and statutory requirements.

In concluding the report, I acknowledge the assistance of the Clerk/RFO and the thorough preparation and availability of all excellently compiled documents, which expedited the audit process as a result of accurate and transparent records.



**Georgina D. Airey – Internal Auditor. 2<sup>nd</sup> May 2024.**