Kelvindale
Chapel Lane
Knockin Heath
Oswestry
Shropshire
SY10 8EB

Telephone 01691 - 682715
e-mail:- bt2008@btinternet.com

19 April 2024

Weston under Redcastle Parish Council

Ladies and Gentlemen

I have again been appointed as your Internal Auditor and am employed by the Council to conduct such tests as are agreed and are sufficient to enable me to complete the Internal Auditor's Report contained within the Audit Commission's Annual Return Form for the appropriate financial year.

My report this year is again based on the Guide issued by the Joint Panel on Accounting Guidance (JPAG). Whilst the tests I have made are taken from the Practitioners' Guide, they are relevant to the various headings on the Annual internal audit report. I have again given my rationale for the answers given on that report.

A. Appropriate accounting records have been properly kept throughout the financial year.

Appropriate books of account have been kept properly throughout the year. A Cash Book is maintained, is up to date, regularly balanced and the reconciliation of the cash book balance and the bank statement is agreed by the council at each meeting. The books are made up to 31st March 2024 and were audited by me on 19th April 2024.

B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.

I am happy that the council has again ensured that its financial dealings are accurate and have been strictly monitored. The council has complied with its financial regulations and payments are supported by invoices, expenditure has been approved and VAT has been appropriately accounted for. VAT in the sum of £1651.60 has been reclaimed and was credited to the account on 2nd April 2024. Invoices are signed by the Clerk that the goods or service is fit for purpose and the invoices are signed by a councillor.

C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.

The council now has an up to date Risk Assessment policy which was approved and updated in November 2021. I did suggest in my report last year that another Risk Assessment should be undertaken, and whilst I have a copy of the latest one, there is no minute that it was adopted. I have no problem with this being adopted at the next meeting of the Council. The insurance was discussed at the May meeting of the Council, and was duly minuted.

D. The precept or rates requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored and reserves were appropriate.

The draft budget for 2024-25 was discussed at the November meeting of the council and was dealt with in greater detail at their meeting in January. An expenditure Budget was set, and a Precept of £7,000 has been requested. Reserves are appropriate and the Council has restricted reserves of £1500 and unrestricted reserves of £8780.

E. Expected income was fully received, based on correct prices, properly recorded and promptly banked, and VAT was appropriately accounted for.

All the expected income, including the Annual Precept, Policy Community Grant, Environmental Main Grant and VAT Refund has been received and all criteria met. As mentioned above VAT has been accounted for and duly reclaimed.

F. The Council does not deal in Petty Cash.

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.

The existing clerk has a Contract of Employment, which is based on the NALC model. The salary to the Clerk was paid in accordance with council approvals, and PAYE and NI requirements were properly applied and payments to HMRC are up to date. The Clerk's salary was duly approved and minuted. No allowances to members were paid.

H. Asset and investments registers were complete and accurate and properly maintained.

The Asset Register is up to date as at May 2023. Whilst there have been no additions or removals, the Register was discussed at the May meeting of the Council, and the outcome minuted. The Assets are valued at £2700 and this should be reflected in the insurance policy. It is noted that the assets have been examined are in good condition.

I. Periodic bank account reconciliations were properly carried out during the year.

Bank reconciliations are undertaken by the Clerk and a report is given and approved by the Councillors at each meeting.

J. Accounting statements prepared during the year were prepared on the correct accounting basis, (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records, and where appropriate debtors and creditors were properly recorded.

Accounting statements prepared during the year were prepared on the correct accounting basis, agreed to the cash book, and supported by an adequate audit trail. At the year-end there are no unexplained balancing entries in either reconciliation, The year-end accounts have been prepared on the correct accounting basis and the value of investments held is not applicable. At the year end, there are original bank statements for all accounts.

K.* If the authority certified itself as exempt from a limited assurance review in 2022/23, it met the exemption criteria and correctly declared itself exempt. *(If the authority had a limited assurance review of its 2022/23 AGAR tick ("not covered").

The authority certified itself as exempt from a limited assurance review in 2022/23 and again in 2023/24. It met the exemption criteria and correctly declared itself exempt.

L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.

The authority has published the required information on the website which I have verified by looking at the website.

M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations *(during the 2023/24 AGAR period, were public rights in relation to the 2022/23 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).*

This exercise was correctly provided for and I have again verified this by looking at the website. Again I just mention that whilst the AGAR gives an "and/or" requirement, it would be helpful if the date for the period of exercise was minuted before the event, and minuted in confirmation at the meeting after the event.

N.* The authority has complied with the publication requirements for 2022/23 AGAR. *(see AGAR Page 1 Guidance Notes).

The authority has complied with the publication requirements.

***O.* (For local councils only).**
Trust funds (including charitable) – The council met its responsibilities as a trustee.

Not applicable.

Conclusion.

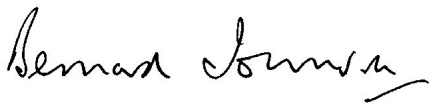
I have marked all the categories on the internal audit form as conforming to the required standard on the basis that under risk management there is little or no risk attached to the council from any of the comments I have made.

I would just mention that whilst the council agreed some time ago that a councillor and the clerk should get together and do an internal control check, this has not been minuted that it actually took place. I do know that the Clerk has regular meetings with the chair, and have no problem with this. I have provided a template which a councillor can use which closely mirrors the Internal Audit form so there should be no surprises at the end of the year. Some larger councils do an internal control check every quarter, but I would suggest for yourselves that one six monthly interim check would be sufficient. In view of the minimum work required it would not take long, and the Council would be able to prove that they are undertaking their Internal Control function.

From my internal audit testing there is no evidence of any irregularities and I would like to thank the Clerk for the excellent way in which the accounts and other audit material have been prepared.

As a final point, I can do no better than re-iterate my final paragraph from last year, in that I am very conscious of the fact that you as council members willingly give of your time to carry out these important tasks, for no remuneration. You are to be commended for your public spiritedness, and, as I have mentioned previously, if you or your clerk need any assistance that I am able to give, I will gladly do so. Whilst my report is based on my findings, this is only a guide and you have the right to ignore it. That is entirely your decision, but I do hope that we can continue to work together to make it work.

Yours faithfully



Bernard Townson
Internal Auditor
19th April 2024