

REPORT BY THE INTERNAL AUDITOR TO ST CUTHBERT'S WITHOUTH PARISH COUNCIL FINANCIAL YEAR ENDING 31 MARCH 2023

I confirm I have on the 14th April 2023 undertaken an internal audit for the period 1st April 2022– 31st March 2023 in accordance with the Account and Audit Regulations (England) 2015 as outlined in the relevant sections of “Governance and Accountability for Local Councils” A Practitioners’ Guide (England) March 2022.

Detailed below are the audit findings.

1. Proper Bookkeeping

The Council operates Receipts and Payments Accounts as required by the Regulations. The Cashbook is maintained in Excel spread sheets and is up to date. There were no arithmetical errors and there is a clear audit trail and a checking system for data input into the computerised records.

2. Standing Orders/Financial Regulations/Policy Documents

Standing Orders and Financial Regulations are displayed on the website, as are a comprehensive list of policy documents.

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 sample of expenditure was checked for accuracy and compliance with Financial Regulations and the principles of Best Value.

One item over - £2500 VN 19 RTC Playground Repairs £2900.00

4. VAT

Vat has been recorded and a sum of £1738.38 identified as the debtor for the period 1st.April 2022 to 31st March 2023. This reconciles to the cashbook summary. A claim has been submitted to HMRC, which will be paid to the Council bank account by BACs.

5. Sct 137 Payments

The Council has a 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. It is confirmed that the Council is compliant. Power used - Wreay in Bloom Donation - £200.

6. Risk Management/Risk Policy Document

The Council reviews all risks to which the council is exposed. A report features frequently in the Minutes of the Council.

7. Internal Financial Controls

There is clear evidence by checks, dates and signatures on relevant documents e.g. invoices, financial statements, schedule of payments, bank reconciliations and chequebook stubs that the Council is in control of the use of public monies.

8. Register of Interest

Members have duly completed the Register of Interests and fulfilled their obligation to update the details annually.

9. Budgetary Control

A correct budget process is in place and the budget is monitored quarterly.

The accounting method enables immediate identification of monthly and cumulative spends to each budget heading. The financial reports presented by the RFO enable the council to readily address any budget under/overspends and if necessary make the relevant virements.

10. Cash Balances at the Bank - General Reserves

The balance of cash held at the bank of £46828 as at 31st March 2023 is adequate to meet the future budgeted undertakings of the council and includes earmarked funds which the RFO has cleared identified in the budget documentation.

External Audit advises that General Reserves should equate to three to twelve months net revenue expenditure. **(See Practitioners Guide. Scts 5.32- 5-38)**

St Cuthbert Without Parish Council Net Revenue Expenditure in 2022-2023 – Totalled £24339.

11. Income Controls

All income is properly recorded and promptly banked and adequate measures are in force to ensure security. No cash income

12. Petty Cash/Clerk's Expenses

The Council does not operate a petty cash system but the Clerk's expenses are reported to the relevant meeting and VAT if included is recorded to the appropriate budget heading.

13. Payroll Controls

All PAYE/NIC records are properly operated and up to date with all returns being made to HMRC to meet time scales. Payroll is undertaken externally and accuracy verified by the Clerk/RFO

14. Asset Control

There exists an extensive register of all material assets in control of the Council. Community assets are recorded at the nominal value of £1 as required by the Audit Regulations. The Asset Register records acquisitions and disposals (if appropriate) and totals £101114.70 for the 2023 AGAR.

15. Bank Reconciliation

Bank statements are reconciled to financial records on receipt of monthly bank statements. The signature of a member verifies the accuracy of the documents.

16. Year End Procedures

The accounts are compiled on a Receipts and Payments method as required by the Audit Regulations

AGAR 2021-22

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 notice was posted on 6th June 2022 with the period of inspection being 7th June – 18th July 2022

The incorrect notice was inadvertently displayed, as it stated the authority was an Exempt Authority and St Cuthberts Without Parish Council would not be subjected to External Audit.

The Local Audit and Accountability Act 2014 and The Accounts and Audit (England) Regulations 2015 requires a Council to publish, as soon as reasonably practicable, after the conclusion of the audit, a statement on the website that the audit has been completed.

The clerk has undertaken the requirement and the Annual Governance and Accountability Return, (AGAR) with all attendant information was publicly displayed upon receipt from the External Auditor, on the Council notice board and website – stcuthbertswithout.org.uk, ensuring compliance with all aspects of the Regulations.

The Council was notified of the return of the completed AGAR at the meeting held on 29th September 2022. Minute No. 22/52.5

I confirm that St Cuthbert's Without Parish Council is fully compliant with all regulations and statutory undertakings.

In concluding the report I wish to express my appreciation to the Clerk/RFO for her thorough preparation and availability of all documents required, which expedited the audit process as a result of accurate and transparent records.



Georgina D Airey –Internal Auditor. 14th April 2023.