



Mrs S Norman
North Horsham Parish Council
Roffey Millennium Hall
Crawley Road
Horsham
West Sussex
RH12 4DT

7 November 2024

Dear Sarah

Re: North Horsham Parish Council
Internal Audit for Financial Year Ended 31 March 2025 – Interim Audit report

Executive summary

Following completion of our interim internal audit on 7 November 2024 we enclose our report for your kind attention and presentation to the council. The audit was conducted in accordance with current practices and guidelines and testing was risk based. Whilst we have not tested all transactions, our samples have where appropriate covered the entire year to date.

Our report is presented in the same order as the assertions on the internal auditor report within the published Annual Governance and Accountability Return (AGAR). The start of each section details the nature of the assertion to be verified. Testing requirements follow those detailed in the audit plan previously sent to the council, a copy of which is available on request. The report concludes with an opinion as to whether each assertion has been met or not at this point in the year. Some assertions are tested only at the final internal audit, and this is reflected where appropriate in the report. Recommendations for action are shown in bold text and are summarised in the table at the end of the report.

Our sample testing did not uncover any errors or misstatements that require reporting to the external auditor at this time, nor did we identify any significant weaknesses in the internal controls such that public money would be put at risk.

It is clear the council takes governance, policies and procedures seriously and I am pleased to report that overall, the systems and procedures you have in place are fit for purpose and whilst my report may contain recommendations to change these are not indicative of any significant failings, but rather are pointers to improving upon an already well-ordered system.

It is therefore our opinion that the systems and internal procedures at North Horsham Parish Council are well established and followed.

Regulation

The Accounts and Audit Regulations 2015 require smaller authorities, each financial year, to conduct a review of the effectiveness of the system of internal control and prepare an annual governance statement in accordance with proper practices in relation to accounts. In addition to this, a smaller authority is required by Regulation 5(1) of the Accounts and Audit Regulations 2015 to “undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.”

Internal auditing is an independent, objective assurance activity designed to improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. The purpose of internal audit is to review and report to the authority on whether its systems of financial and other internal controls over its activities and operating procedures are effective.

Internal audit's function is to test and report to the authority on whether its specific system of internal control is adequate and working satisfactorily. The internal audit reports should therefore be made available to all Members to support and inform them when they considering the authority's approval of the annual governance statement.

Independence and competence

Your audit was conducted by Andy Beams of Mulberry Local Authority Services Ltd, who has over 34 years' experience in the financial sector with the last 14 years specialising in local government.

Your auditor is independent from the management of the financial controls and procedures of the council and has no conflicts of interest with the audit client, nor do they provide any management or financial assistance to the client.

Engagement Letter

An engagement letter was previously issued to the council covering the 2024/25 internal audit assignment. Copies of this document are available on request.

Planning and inherent risk assessment

The scope and plan of works including fee structure was issued to the council under separate cover. Copies of this document are available on request. In summary, our work will address each of the internal control objectives as stated on the Annual Internal Audit Report of the AGAR.

It is our opinion that the inherent risk of error or misstatement is low, and the controls of the council can be relied upon and as such substantive testing of individual transactions is not required. Testing to be carried out will be "walk through testing" on sample data to encompass the period of the council year under review.

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A. BOOKS OF ACCOUNT

Internal audit requirement

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

Audit findings

The audit was conducted on site with the Clerk, who also acts as the council's Responsible Financial Officer (RFO). The Clerk had prepared the information advised in advance of the visit, and overall, I have the impression that accounting records are neatly maintained and easily accessible. Other information was reviewed through discussion with the Clerk and a review of the council website www.northhorsham-pc.gov.uk

The council uses the Rialtas Business Solutions (RBS) accounting package for recording the council's finances. This is an industry specific accounting package. The accounting package is updated regularly and used to produce management information reports for review at council meetings. The council makes use of the sales and purchase ledger functions within the accounting package.

I reviewed the nominal ledger entries for the period 1 April 2024 to date. I found no evidence of instances of netting off and transactional items were posted with sufficient narrative detail to explain their source and appeared to be placed to the most appropriate nominal code budget headings.

A review of the printed cashbook 1 for October confirms detailed narrative entries for cashbook and ledger items, and I was able to trace a sample of cashbook entries to the corresponding nominal codes within the nominal ledger report.

B. FINANCE REGULATIONS, GOVERNANCE AND PAYMENTS

Internal audit requirement

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

Audit findings

Check the publication and minuting of the prior year audited AGAR and notice of conclusion of audit

The External Auditor's Report for 2023/24 was not qualified and has been published on the council website along with the completed Notice of Conclusion of Audit form. The conclusion of the audit was reported to the council at the meeting held on 5 September 2024 (minute ref FC/67/24).

There is evidence within the minutes of council meetings of the receipt and review of internal audit reports during the year, with the interim report being considered at the Finance & Administration Committee meeting on 14 December 2023 (minute ref FA/46/23) and the final report considered at the council meeting held on 2 May 2024 (minute ref FC/19/24).

Confirm by sample testing that councillors sign statutory office forms

I confirmed by sample testing that councillors sign "Acceptance of Office" forms. The council website includes details of the councillors by ward, and among their details are the individual Register of Members' Interests forms.

Confirm that the council is compliant with the relevant transparency code

As the council's income and expenditure exceeds £25,000, it is not a statutory requirement to follow the requirements of the Local Government Transparency Code, although it is recommended best practice to do so.

Confirm that the council is compliant with GDPR

The council is fully aware of GDPR and has undergone training. It was noted the council has established common email addresses for all councillors. This is recommended because it gives a natural segregation between work and personal lives, making it clear beyond doubt in what capacity a councillor is acting. In addition to this it gives control to the council, adds a degree of professionalism and in the event of a FOI request limits access to personal computers.

The Joint Panel on Accountability and Governance (JPAG) Practitioner's Guide (March 2024) contains updated guidance on the matter as below:

The importance of using .gov.uk domains for websites and emails

- 5.210. All Parish, Town and Community Councils are eligible to use, and are advised to use, a .gov.uk domain for their websites and email communications. Your community, suppliers and partners will now reasonably expect a local council to have a .gov.uk domain name. Note that Parish meetings are exempt from the requirement to have a website.
- 5.211. To assist with compliance with the General Data Protection Regulations (GDPR), it is advised that clerks provide official .gov.uk email accounts to their councillors, which must only be used for official council business.
- 5.212. When choosing a domain name all councils must follow the rules set out by the Cabinet Office to choose a .gov.uk domain name, for example, 'ourparishcouncil.gov.uk' with email addresses linked to that domain.
- 5.213. Using a .gov.uk domain for your council website and email accounts gives Parish Councils the following advantages:
- 5.214. Increased professionalism and trust from members of your community, partners and suppliers because your email address and website domains are a trusted government brand.
- 5.215. Separation of your personal life from your professional life, ensuring members of your community, partners and suppliers understand what capacity you are emailing them in - whether a Councillor or Clerk.
- 5.216. Increased control for the Responsible Officer over email accounts and documentation when managing new joiners, leavers, sudden absences or Freedom of Information and Subject Access Requests.

The council has a Privacy Notice and Accessibility Statement on its website, and it is clear the council has made every effort to comply with the website requirements.

Confirm that the council meets regularly throughout the year

In addition to full council, the council has a committee structure in place. Terms of reference for each committee and working party are appended to the council's adopted Standing Orders and are available for review on the council website.

A diary of future meeting dates is also published on the council website, along with historic agendas and minutes for council and committee meetings.

Check that agendas for meetings are published giving 3 clear days' notice

I was able to confirm that at least 3 clear days' notice is given on agendas. Whilst we have not tested every single committee and council meeting there was no evidence of non-compliance in giving three clear days' notice of the meeting.

I note that the non-confidential supporting papers are published on the council website alongside agendas in accordance with the requirements of the Information Commissioner's Office.

Check the draft minutes of the last meeting(s) are on the council's website

Draft minutes are uploaded to the council website and clearly marked a draft.

Confirm that the Parish Council's Standing Orders have been reviewed within the last 12 months

The Standing Orders are based on the current NALC model and were most recently reviewed and adopted by council on 4 July 2024 (minute ref FC/39/24 39.2).

Confirm that the Parish Council has adopted and recently reviewed Financial Regulations

Financial Regulations are based on the new NALC model and were last reviewed and adopted by council on 4 July 2024 (minute ref FC/39/24 39.1). The regulations contain provisions for the approval of spending, setting of budgets, reconciliation of the bank and reporting to council.

Check that the council's Financial Regulations are being routinely followed

The council has thresholds in place at which authorisations to spend must be obtained as below:

FR 5.14 Expenditure on revenue items may be authorised up to the amounts included for that class of expenditure in the approved budget. The authority for expenditure outside of an approved budget is to be determined by:

- the Council for all items over £5,000.
- the Finance and Administration Committee for items between £2,000 and £5,000
- a duly delegated committee of the Council for items up to £2,000.
- The Clerk, in conjunction with the Chairman of the Council in accordance with clause 4.5.

Such authority is to be evidenced by a minute or by an authorisation slip duly signed by the Clerk and the appropriate Chairman.

FR 5.16 No expenditure may be authorised that will exceed the amount provided in the revenue budget for that class of expenditure other than by request for Supplementary Budget. Supplementary Budgets will only be validated by resolution of the Finance and Administration Committee for all amounts over £2,000. Requests for a Supplementary Budget of over £5,000 must also be approved by resolution of the Council. During the budget year and with the approval of Council having considered fully the implications for public services, unspent and available amounts may be moved to other budget headings or to an earmarked reserve as appropriate ('virement').

Virements must be approved as follows:-

- Up to £2,000 by the responsible Committee
- Over £2,000 by the Finance and Administration Committee
- Over £5,000 by the Finance and Administration Committee and the Council.

FR 5.17 In cases of serious risk to the delivery of Council services or to public safety on Council premises, the Clerk may authorise expenditure of up to £10,000 excluding VAT on repair, replacement or other work that in their judgement is necessary, whether or not there is any budget for such expenditure. The Clerk shall report such action to the Chair as soon as possible and to the Council as soon as practicable thereafter.

Based on the level of financial activity of the council, and through discussion with the Clerk, these authorisation thresholds appear appropriate.

A review of council minutes shows that council authorises payments in accordance with the adopted Financial Regulations.

I note the council has an Internal Controls Working Party, and reference to their schedule of internal control checks is within the minutes of the Finance & Administration Committee meetings. It is clear the council makes every effort to ensure a robust system of internal controls is in place.

Confirm all section 137 expenditure meets the guidelines and does not exceed the annual per elector limit of £10.81 per elector

The council has adopted the General Power of Competence (GPC) and the Section 137 threshold does not apply.

Check receipt of VAT refund matches last submitted VAT return

The council submits its VAT return on a quarterly basis. I reviewed the submission for the period ending 30 June 2024 which showed a refund amount due of £14,902.77 and was fully supported by the required details. I was able to confirm receipt of this amount to the council's bank account on 15 July 2024. The council is up to date with its VAT submissions.

Confirm that checks of the accounts are made by a councillor

The system noted above details internal review takes place and I am under no doubt that council properly approves expenditure.

C. RISK MANAGEMENT AND INSURANCE

Internal audit requirement

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

Audit findings

The council's adopted Financial Regulations include a section covering Risk Management and state:

FR 2.1 The council must ensure that it has a sound system of internal control, which delivers effective financial, operational and risk management.

FR 2.2 The Clerk shall prepare, for approval by the Council, a risk management policy covering all activities of the council. This policy and consequential risk management arrangements shall be reviewed by the council at least annually.

FR 2.3 When considering any new activity, the Clerk shall prepare a draft risk assessment including risk management proposals for consideration by the council.

FR 2.4 At least once a year, the council must review the effectiveness of its system of internal control, before approving the Annual Governance Statement.

The council has a risk management scheme in place which was most recently reviewed and approved on 4 July 2024 (minute ref FC/45/24). I reviewed the financial and management risk assessment record, which details the types of risk identified, the likelihood and impact of occurrence, assigns a perceived overall risk level, identifies the people who may be at risk, records existing control measures in place and any actions required.

This is a comprehensive approach and includes analysis of all risks typically associated with a council of this size with its range of services and facilities, demonstrating the council takes its risk management responsibilities seriously.

I note that the council reviewed its internal control procedures and practices at the annual council meeting held on 2 May 2024 (minute ref FC/20/24), prior to approving the Annual Governance Statement in accordance with the adopted Financial Regulations.

I confirmed that the council has a valid insurance policy in place with Hiscox Insurance through Gallagher which covers the year under review. The policy includes Public Liability and Employers Liability cover of £10 million each and a Fraud and Dishonesty (Fidelity Guarantee) level of £750,000.

The council should keep the Fidelity Guarantee level under review, as total balances held during the year are close to this level upon receipt of the precept and the council may wish to consider increasing the level accordingly.

D. BUDGET, PRECEPT AND RESERVES

Internal audit requirement

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

Audit findings

The council set a precept of £380,247 for 2024/25. With a tax base of 8.874.3, this equates to a band D equivalent of £42.85 (compared to the average in England of £85.89).

I was provided with a draft copy of the 2025/26 budget, which shows the current year budget, projected estimates for the year-end and suggested figures for 2025/26, supported by notes explaining the rationale behind any changes.

The budget setting process is underway, with elements considered by each committee at their meetings in September and October. The initial draft was then reviewed at the Finance & Administration Committee meeting held on 24 October 2024 (minute ref FA/36/24).

Further consideration will be undertaken at the next committee meeting scheduled for 12 December, with the objective for a recommendation to be formed to present to the council meeting scheduled for 9 January 2025 for approval.

I reviewed the October income and expenditure report presented at the interim audit. This is awaiting month-end adjustments but shows income year to date as 85.8% of budget and expenditure as 62.6% of budget, suggesting that the budget has been accurately set and carefully monitored throughout the year.

At the date of the interim audit, the council held circa £264,800 in earmarked reserves, spread across a range of clearly identifiable projects. Sums from Community Infrastructure Levy (CIL) are noted by year of receipt and are easy to identify. I checked the purpose of the earmarked reserves with the Clerk and am satisfied that they are all for legitimate future planned projects of the council.

The Joint Panel on Accountability and Governance (JPAG) Practitioner's guide provides updated guidance on the appropriate level of general reserves that councils should retain as below:

5.33. The general reserve of an authority comprises its cash flow and contingency funds to cover unexpected inflation, unforeseen events and unusual circumstances.

5.34. The generally accepted recommendation with regard to the appropriate minimum level of a smaller authority's general reserve is that this should be maintained at between three and twelve months of net revenue expenditure.

5.35. The reason for the wide range is to cater for the large variation in activity level between individual authorities. The smaller the authority, the closer the figure may be to 12 months expenditure, the larger the authority, the nearer to 3 months. In practice, any authority with income and expenditure in excess of £200,000 should plan towards 3 months equivalent general reserve.

5.36. In all of this it is important that each authority adopt, as a general reserve policy, the level appropriate to their size, situation, risks and plan their budget so as to ensure that the adopted level is maintained. Consideration of the minimum level of reserves requires not only consideration of level of income and expenditure but also the risks to that income.

5.37. Authorities with significant self-generated income (other than the precept or levy) should take into account situations that may lead to a loss in revenue as well as increased costs and adapt their general reserve accordingly.

A review of the general reserve balance will be conducted as part of the final internal audit, and the council is recommended to consider the JPAG guidance in determining an appropriate level.

E. INCOME

Internal audit requirement

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

Audit findings

Apart from the precept, the council has a range of other budgeted sources of income including lettings income from its buildings, sports facility income and allotment rental.

Financial Regulation 13.2 states 'The Council will review all fees and charges for work done, services provided, or goods sold at least annually as part of the budget-setting process, following a report of the Clerk who shall be responsible for the collection of all amounts due to the Council.'

I was able to confirm that the council reviews its fees and charges regularly as part of the budget setting cycle, with a proposed set of charges considered at the Property Committee meeting held on 3 October 2024 (minute ref PR/042/24) which were recommended for approval to the Finance and Administration Committee meeting held on 24/10/24 (minute ref FA/36/24) and subsequently included in the budget calculations for 2025/26.

I reviewed a sample of invoices issued for the hire of facilities and was able to confirm charged amounts matching the published prices. From a review of the accounting records, income appears to be recorded with sufficient narrative detail to identify the source and allocated to the most appropriate nominal code.

A review of the sales ledger for 30 September 2024 shows no outstanding entries beyond three months, and only three over a month old totalling less than £200. For a council of this size, with its range of income sources and associated customers, this demonstrates a good level of credit control.

F. PETTY CASH

Internal audit requirement

Petty cash payments were properly supported by receipts, all petty cash expenditure was approved, and VAT appropriately accounted for.

Audit findings

The council maintains a petty cash float with a maximum balance of £150 which is used for incidental expenditure. The petty cash is recorded as cashbook 2 on the Rialtas accounting package.

A petty cash folder is maintained which includes a spreadsheet listing all entries. I reviewed the entries for the current year and these are all for amounts under £20, with many for only a couple of pounds, and all appear to be for legitimate petty cash items. Receipts for items purchased are attached and available for review.

The petty cash is reconciled and balanced by the Deputy Clerk on a quarterly basis. I am in no doubt that the council has in place appropriate measures for the safe and appropriate management of petty cash.

G. PAYROLL

Internal audit requirement

Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.

Audit findings

The council has eleven employees as per the August 2024 payroll summary. Payroll is outsourced to West Sussex County Council (WSCC), who complete all the deduction calculations based on a submission from the council providing details of any additional hours worked. WSCC make the salary, HMRC and pension payments and invoice the council for the total for the month.

I reviewed the salary slips and payroll summary for August 2024 and was able to confirm deductions amounts for tax and national insurance and pension contributions appear to be calculated correctly. The back-dated NJC pay rise is to be included in the December 2024 pay.

I was able to confirm HMRC and pensions payments are up to date and that the council is correctly not claiming the employment allowance for national insurance contributions.

There is a councillor allowance scheme in place, with eligible councillors receiving payment through payroll on a quarterly basis. I was able to evidence this from the information on the April and July payroll summaries.

H. ASSETS AND INVESTMENTS

Internal audit requirement

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

Audit findings

The council has a fixed asset register in place, which includes a description of each asset, its date of acquisition, purchase value or proxy cost, replacement cost, insured value, disposal date (where applicable) and supporting notes. A check of the register to ensure it is up to date and matches the AGAR information will be completed at the year-end audit.

This is a detailed register and is an appropriate method of recording assets for a council of this size.

Assets are correctly listed at original net cost/proxy cost, or where gifted/donated, given a nominal £1 value for the purpose of the asset register.

The register has been updated with new acquisitions this year, and I confirmed by sample testing of the invoice that items added have been accurately recorded at the original net purchase price.

The council has borrowing through the Public Works Loan Board (PWLb) and a check of the year-end balances and confirmation of yearly payments will be conducted at the final internal audit.

The council has no long-term investments.

I. BANK AND CASH

Internal audit requirement

Periodic and year-end bank account reconciliations were properly carried out.

Audit findings

Financial Regulation 2.6 states 'On a regular basis, at least once in each quarter, and usually at the meetings of the Finance and Administration Committee the Chairman of the Finance & Administration Committee Meeting at which the reconciliations are received shall be appointed to verify bank reconciliations (for all accounts) produced by the RFO. The member shall sign the reconciliations and the original bank statements (or similar document) as evidence of verification. This activity shall on conclusion be reported, including any exceptions to, and noted by the Finance Committee.'

Bank reconciliations are completed monthly. I reviewed the reconciliations covering April to September and was able to confirm the balances to the bank statements and found no errors. The reconciliations have been signed, but I was unable to locate any signed bank statements as per FR 2.6 and to achieve a positive sign-off for this internal control objective I will need to see evidence of the statements also being signed in accordance with FR 2.6 at the final internal audit.

There is evidence within the minutes of the Finance & Administration Committee meetings of bank reconciliations being noted and approval given for the Chair to sign them.

Due to the size of the council's budget, it does not benefit from the depositor protection through the Financial Services Compensation Scheme (FSCS). The council currently holds account with Lloyds and the CCLA to attempt to diversify and maximise the credit interest it earns on balances held.

J. YEAR END ACCOUNTS

Internal audit requirement

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.

Audit findings

Testing to be conducted at final interim audit.

K. LIMITED ASSURANCE REVIEW

Internal audit requirement

IF the authority certified itself as exempt from a limited assurance review in 2023/24, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2023/24 AGAR tick "not covered")

Audit findings

The council did not certify itself exempt in 2023/24 due to exceeding the income and expenditure limits and this test does not apply.

L: PUBLICATION OF INFORMATION

Internal audit requirement

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

Audit findings

Testing to be conducted at final interim audit.

M: EXERCISE OF PUBLIC RIGHTS - INSPECTION OF ACCOUNTS

Internal audit requirement

The authority has demonstrated that during summer 2024 it correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations.

Audit findings

| Inspection – key dates | 2023/24 Actual |
|--|----------------|
| Date AGAR signed by council | 2 May 2024 |
| Date inspection notice issued | 31 May 2024 |
| Inspection period begins | 3 June 2024 |
| Inspection period ends | 12 July 2024 |
| Correct length (30 working days) | Yes |
| Common period included (first 10 working days of July) | Yes |

I am satisfied the requirements of this control objective were met for 2023/24, and assertion 4 on the Annual Governance Statement can therefore be signed off by the council.

N: PUBLICATION REQUIREMENTS

Internal audit requirement

The authority has complied with the publication requirements for 2023/24. Under the Accounts and Audit Regulations 2015, authorities must publish the following information on the authority website / webpage.

Before 1 July 2024 authorities must publish:

- Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited
- Section 1 - Annual Governance Statement 2023/24, approved and signed, page 4
- Section 2 - Accounting Statements 2023/24, approved and signed, page 5

Not later than 30 September 2024 authorities must publish:

- Notice of conclusion of audit
- Section 3 - External Auditor Report and Certificate
- Sections 1 and 2 of AGAR including any amendments as a result of the limited assurance review.

It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report, page 3.

Audit findings

Testing to be conducted at final interim audit.

O. TRUSTEESHIP

Internal audit requirement

Trust funds (including charitable) – The council met its responsibilities as a trustee.

Audit findings

The council has no trusts and testing under this internal control objective is not required.

Achievement of control assertions at interim audit date

Based on the tests conducted during the interim audit, our conclusions on the achievement of the internal control objectives to date are summarised in the table below. Confirmation of continued compliance will be conducted at the final internal audit, with testing of internal control objectives J, L and N also completed at that visit.

| | INTERNAL CONTROL OBJECTIVE | YES | NO | NOT COVERED |
|---|---|--------------------------------------|----|-------------|
| A | Appropriate accounting records have been properly kept throughout the financial year | ✓ | | |
| B | This authority complied with its Finance Regulations, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for | ✓ | | |
| C | This authority assesses the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these | ✓ | | |
| D | The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate. | ✓ | | |
| E | Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for | ✓ | | |
| F | Petty cash payments were properly supported by receipts, all petty cash expenditure was approved, and VAT appropriately accounted for | ✓ | | |
| 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. | ✓ | | |
| H | Asset and investments registers were complete and accurate and properly maintained. | ✓ | | |
| I | Periodic bank account reconciliations were properly carried out during the year. | | ✓ | |
| 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. | To be tested at final internal audit | | |
| K | If the authority certified itself as exempt from a limited assurance review in 2023/24, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2023/24 AGAR tick "not covered") | | | ✓ |
| 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 | To be tested at final internal audit | | |
| M | The authority, during the previous year (2023/24) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set). | ✓ | | |
| N | The authority has complied with the publication requirements for 2023/24 AGAR. | To be tested at final internal audit | | |
| O | Trust funds (including charitable) – The council met its responsibilities as a trustee. | | | ✓ |

Should you have any queries please do not hesitate to contact me.

Yours sincerely



Andy Beams

Mulberry Local Authority Services Ltd

Interim Audit - Points Carried Forward

| Audit Point | Interim Audit Findings | Council comments |
|----------------------------------|---|------------------|
| B. RISK MANAGEMENT AND INSURANCE | The council should keep the Fidelity Guarantee level under review, as total balances held during the year are close to this level upon receipt of the precept and the council may wish to consider increasing the level accordingly. | |
| I. BANK AND CASH | The reconciliations have been signed, but I was unable to locate any signed bank statements as per FR 2.6 and to achieve a positive sign-off for this internal control objective I will need to see evidence of the statements also being signed in accordance with FR 2.6 at the final internal audit. | |