

REPORT BY THE INTERNAL AUDITOR TO APPLEBY TOWN COUNCIL
PERIOD 1ST OCTOBER 2021 – 31ST MARCH 2022
FINANCIAL YEAR ENDING 31 MARCH 2022

I confirm I have, on the 13th June 2022 undertaken an internal audit for the period 1st October 2021- 31st March 2022 in accordance with the Account and Audit Regulations (England) 2015 as outlined in the Audit Plan, incorporating any new requirements as outlined in “Governance and Accountability for Local Councils” A Practitioners’ Guide (England) March 2022

This report supplements the information in the previous report covering the period 1st April 2021– 30th September 2021.

1. Accounting Records

A clear audit trail exists from all primary accounts in Excel. The manually prepared management accounts enables Council to achieve accurate control of public money. All transactions are balanced monthly and are accurate. Robust back-up procedures exist to safeguard computer records by backups undertaken after each activity.

2. Standing Orders/Financial Regulations/Transparency Legislation

All documentation is current having been reviewed and adopted as required. Standing Orders were further reviewed and adopted 25th May 2022 and incorporate current legislation.

3. Invoice procedure

A random check was made of invoices paid in the period. All comply with the tendering procedures as outlined for contracts in the Financial Regulations.

At all times the Clerk/RFO ensures, when sourcing suppliers, that there is adherence to the principle of Best Value.

4. VAT

Vat has been recorded and the sum of £20817.79 has been claimed for the period. 1st January 2022– 31st March and has subsequently been paid by BACs into the Council’s bank account.

5. Sct 137 Payments

Appleby Town Council is a General Power of Competence Council, which is the “power of first resort” therefore Sct 137 is not used.

6. Risk Management

All Risk Assessment documents and Health and Safety policies are current and constantly kept under review. Last review March 2021.

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 that the Council is in control of the use of public monies.

8. Register of Interest

Copies of all documentation are retained on file and members fulfil their obligation to advise and declare as appropriate and update their personal register.

9. Budgetary Control

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

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

10. Cash Balances at the Bank

The balances at the bank as at the 31st March 2022 are considered adequate to enable the Council to fulfil budgeted expenditure, deliver planned projects and retain an adequate cash flow.

Earmarked sums are correctly identified.

External Audit guidance advises a free revenue cash reserve nearer 3 months Net Revenue Expenditure (N.R.E.) for authorities with a N.R.E. in excess of £200,00.

11. Income Controls

All income is promptly banked upon receipt. All are demanded in a timely manner and meticulous records ensure monitored receipts and overdue amounts.

12. Petty Cash

A Petty Cash system was discontinued during the year, prior to that all sums drawn were allocated to the appropriate budget head and VAT identified and claimed.

13. Payroll Controls

PAYE/NIC records are properly operated and up to date.

All statutory payments to HMRC have been made. The accuracy of the deductions and payments is confirmed.

14. Asset Controls

The Asset Register accurately records the assets of the Council.

All assets are adequately covered by insurance. The completed Asset Register has been reviewed to comply with the requirement to record the updated amount in the Annual Governance and Accountability Return (2022 AGAR)

15. Bank Reconciliation

The core cash accounts are reconciled to the bank statements monthly and accurately state the financial position of the council.

16. Year End Accounts

Appleby Town Council produces accounts on an Income and Expenditure basis.

I conclude Appleby Town Council is fully compliant with all Account and Audit Regulations and statutory obligations.

I confirm and report that the Clerk/Responsible Financial Officer (RFO), Finance Officer and Administration Assistant have maintained a high standard of recordkeeping, which has simplified the audit process. The Council's control systems are efficient and effective and give the appropriate level of confidence. The financial statements and reports reflect a true and accurate account of the Council's finance and governance records.

A black rectangular redaction box covers the signature of the Internal Auditor. The box is centered horizontally and vertically within the page's content area.

Georgina D. Airey – Internal Auditor. 13th June 2022