



MULBERRY & CO

Chartered Certified Accountants
& Chartered Tax Advisors

9 Pound Lane
Godalming
Surrey, GU7 1BX

t + 44(0)1483 423054
e office@mulberryandco.co.uk
w www.mulberryandco.co.uk

Our Ref: MARK/DOR003

The Clerk to the Council
Dormansland Parish Council
The Parish Office
129 Station Road
Lingfield
Surrey
RH7 6DZ

18th October 2023

Dear Jacqui

**Re: Dormansland Parish Council
Internal Audit Year Ended 31 March 2024 – Interim Audit Report.**

Executive summary

Following completion of our interim internal audit on 18th October 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 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 this is available on request. The report concludes with an opinion as to whether each assertion has been met or not at the interim audit. Where appropriate **recommendations for action are shown in bold text and are summarised in the table at the end of the report.**

The interim 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 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 <https://Dormansland-pc.gov.uk/>

Our sample testing did not uncover any errors or misstatements that are required to be reported 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.

The councillors and clerk appear to be informed, there is evidence of council taking measured decisions using the reports and financial information provided by the clerk. It is therefore clear the council takes governance, policies and procedures seriously and I am therefore pleased to report that overall, the systems and procedures you have in place are fit for purpose.

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 our opinion that the systems and internal procedures at Dormansland Parish Council are fit for purpose and more importantly followed by councillors.

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 Mark Mulberry of Mulberry & Co. We confirm we are independent from the management of the financial controls and procedures of the council and neither the internal auditor or the firm have any conflicts of interest with the audit client, nor do they provide any management or financial assistance to the client.

Your auditor has over 30 years’ experience in the financial sector with the last 20 years specialising in local government finance and internal audit.

Engagement Letter

An engagement letter was previously issued to the council covering the 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. As part of the inherent risk assessment, we have concluded that:

- There have been no reported instances of breaches of regulations in the past.
- The client uses an industry approved financial reporting package.
- The client regularly carries out reconciliations and documents these.
- There is regular reporting to council.
- The management team are experienced and informed.
- Records are neatly maintained and referenced.
- The client is aware of current regulations and practices.
- No High staff turnover

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 council continues to use the Rialtas Business Solutions (RBS) software package for recording the day-to-day financial transactions of the council. This is an industry specific accounting package and I make no recommendation to change. The system is used regularly to record transactions and produce management information reports for review at council and committee meetings. There is one user,

- Clerk/RFO – access all areas

The PCs are currently backed to an external hard drive. The financial package is cloud based. Passwords are not automatically prompted to change. The back up has been tested recently.

The financial records are stored in lever arch files along with supplier invoices and bank statements. Supplier invoices are also scanned to a folder on the PC system. The limited number of transactions lends itself to this type of simple filing.

I reviewed the cashbook and performed a walk-through test on a supplier invoice drawn at random. Invoices are filed in date paid order and then in a unique numerical order as populated on the reference column of the cashbook. The system is populated with sufficient narrative, such that a casual reader can garner an understating of the nature and scope of the transaction.

I believe the council keeps appropriate records and uses the systems for the purpose for which they are intended.

I tested the opening balances as at 1/4/23 by reviewing the balance brought forward on the Cashbook section of the bank reconciliation on the and the audited accounts for 2022/23. There were no errors.

The Council is not VAT registered and the last VAT reclaim was for the period ended 31st March 2023, which showed a refund position of £1,942.20. The refund was received on the 9th of May 2023 as evidenced to the bank statements.

Overall, I have the impression that the accounting systems are well ordered and routinely maintained and as such I make no recommendation to change. I believe the council keeps appropriate records and uses the systems for the purpose for which they are intended.

B. FINANCIAL REGULATIONS, GOVERNANCE AND PAYMENTS

Internal audit requirement

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

Audit findings

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

External auditors report was not qualified in 2022/23. This is published on the council website along with the notice of conclusion.

This will be taken to full council on 4th of October 2023. Minute Ref 7.8. Evidence was also noted in the minutes of the internal auditor's report being reviewed and accepted on the 7th of June 2023. Minute ref 7.3.

Confirm by sample testing that councillors sign statutory office forms.

I confirmed in previous audits by sample testing that Councillors sign "Acceptance of Office" forms, declaration of interest and notice to receive information by electronic means, all in accordance with current regulations.

Confirm that the Council is compliant with the GDPR.

The council is fully aware of GDPR and accessibility regulations. 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 2023) contains updated guidance on the matter as below:

The importance of secure email systems and GOV.UK

- 5.205. All authorities except parish meetings must now have an official website. To comply with GDPR, councils should provide official email accounts for their councillors as well as for their clerk and other officers.
- 5.206. When choosing a domain name for the council's website and emails, many local council websites are appropriately making use of the official GOV.UK domain (for example, ourparishcouncil.gov.uk), with email addresses being linked to that domain.
- 5.207. Using a GOV.UK domain for your council website and email accounts demonstrates the council's official local government status. Members of the public are increasingly cyber security awareness, so a GOV.UK domain can also help to build trust, and credibility and visibly demonstrates authenticity. Many people will now reasonably expect a local council to have a GOV.UK domain name.
- 5.208. For the purposes of user management, councils should ensure that the proper officer can add and remove member and staff email accounts. Commercial 'dashboard' email and web systems offer centralised searching of all data contained within the system for effective compliance with GDPR Subject Access Requests and Freedom of Information Requests.

Confirm that the Council meets regularly throughout the year.

Full council meets Eleven times per annum, together with an annual meeting. The council has two committees, personnel and planning. The terms of reference were last adopted by council in May 2023.

Confirm all section 137 expenditure meets the guidelines & does not exceed the annual per elector limit of £9.93 (2023: £8.82) per elector.

The council does not have the power of general competence yet. The council has minimal S.137 expenditure within thresholds.

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

The Clerk was able to demonstrate 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. **The agendas do not contain all background information in easily downloadable links. I remind council it is required to also post any supporting documentation with the agendas as outlined by the Information Commissioner's Office (page 3 of this link) ico.org.uk/minutesandagendas.pdf**

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

Minutes are uploaded to the council website. The web site copies are accessible.

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

The standing orders are based on the NALC model. These were reviewed and readopted in the full council meeting in May 2023.

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

Financial regulations are based on the NALC model. These were reviewed and readopted in the full council in May 2023.

The regulations being based on the NALC model 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.

Financial regulation 2.2 deals with bank reconciliations, the council is performing a monthly bank reconciliation for all accounts, and this is signed & minuted in accordance with regulations.

Financial regulation 3 deals with Annual estimates (Budget) and Forward planning. Budget reports are presented to council on a regular basis, and this is minuted.

4.0 Expenditure on revenue items may be authorised up to the amounts included for that class of expenditure in the approved budget. This authority is to be determined by: • the council for all items over £1,000; • a duly delegated committee of the council for items over £500; • the Clerk, in conjunction with Chairman of Council or Chairman of the appropriate committee, for any items

below £500. Such authority is to be evidenced by a Minute or by an authorisation slip duly signed by the Clerk, and where necessary also by the appropriate Chairman. Contracts may not be disaggregated to avoid controls imposed by these regulation.

4.1 No expenditure may be authorised that will exceed the amount provided in the revenue budget for that class of expenditure other than by resolution of the council, or duly delegated committee. 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').

4.4 In cases of extreme risk to the delivery of council services, the clerk may authorise revenue expenditure on behalf of the council which in the clerk's judgement it is necessary to carry out. Such expenditure includes repair, replacement or other work, whether or not there is any budgetary provision for the expenditure, subject to a limit of £500. The Clerk shall report such action to the chairman as soon as possible and to the council as soon as practicable thereafter.

Financial Regulation 11.1h sets out the de-minimis limit for the competitive purchase of goods and services is as listed below.

- £25,000 + Tender Process
- £4,000 - £25,000 3 quotations are required.
- £500 - £4,000 – estimates
- £0- £500 – power to spend

FR 12.2 No tangible moveable property shall be purchased or otherwise acquired, sold, leased or otherwise disposed of, without the authority of the council, together with any other consents required by law, save where the estimated value of any one item of tangible movable property does not exceed £250.

FR 12.5 Subject only to the limit set in Regulation 12.2 above, no tangible moveable property shall be purchased or acquired without the authority of the full council. In each case a report in writing shall be provided to council with a full business case.

I reviewed the cashbook for the period 1st April to 20th October and noted there were no expenditure items above £500, nor were there any fixed asset purchases. I tested items below the £500 threshold and noted that council is following its own regulations and seeking prior approval before order goods. **I would recommend a lower threshold be added that will enable the clerk to purchase day to day items without the need for prior council approval.**

I would also recommend the council with regard to high value invoice items the supplier invoice is annotated with the minute references of council approval. I am at pains to point out, I do not believe council has ever been unaware of the spending requirements.

Financial Regulation 5 deals with banking arrangements and authorisation of payments.

5.2. The RFO shall prepare a schedule of payments requiring authorisation, forming part of the Agenda for the Meeting and, together with the relevant invoices, present the schedule to council. The council shall review the schedule for compliance and, having satisfied itself shall authorise payment by a resolution of the council. The approved schedule shall be ruled off and initialled by the Chairman of the Meeting. A detailed list of all payments shall be disclosed within or as an attachment to the minutes of the meeting at which payment was authorised. Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of a contract of employment) may be summarised to remove public access to any personal information..

5.3. All invoices for payment shall be examined, verified and certified by the RFO to confirm that the work, goods or services to which each invoice relates has been received, carried out, examined and represents expenditure previously approved by the council.

5.4. The RFO shall examine invoices for arithmetical accuracy and analyse them to the appropriate expenditure heading. The RFO shall take all steps to pay all invoices submitted, and which are in order, at the next available council meeting.

The council prepares a payments list and this is signed off monthly in accordance with regulations.

Financial regulation 6 deals with making payments. The council makes payments by cheque, direct debit, SO and bacs. There is no doubt payments are properly reported to council, approved and the physical payment authorised. The bank system has a dual access requirement.

Confirm that checks of the accounts are made by a councillor.

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

I am of the opinion the council is following its own regulations and that any changes to financial regulations are to be considered minor and not indicative of errors in the system. I am therefore of the opinion that the control assertion "This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for", has been met.

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 has a risk management policy which was most recently reviewed and approved by council in May 2023. I reviewed the policy and the risk assessment record, which details the types of risk identified, who might be harmed and how, assigns a perceived risk level, records action taken and how the risk is managed. This type of approach is suitable for a council of this size and demonstrates that the council takes its risk management responsibilities seriously.

I confirmed that the council has a valid insurance policy in place with Zurich with the annual renewal date of September 2024. The council has public liability of £10,000,000 and fidelity guarantee of £250,000. The asset and money cover appear adequate for a council of this size.

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 £55,020 for 2023/24. Minute ref 10.4 on the 4th of January.

The RFO presents the budget performance information for the FCC meeting for review.

The council holds £62,500 in earmarked reserves (EMR), spread across a range of clearly identifiable projects. I checked the purpose of these EMRs with the RFO and am satisfied they are all for legitimate future planned projects of the council.

The council holds £74k in the general reserve at the audit date. It is estimated the general reserves balance will be circa £30k at the year end date

The Joint Panel on Accountability and Governance (JPAG) Practitioner's guide states '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' (para 5.33).

The general reserve balance is within the recommended range; however, it is at the lower end of the scale. I recommend council consider this in the light of the next budget setting.

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

The council has two or three streams of income, Precept, VAT refund, Grant, interest. The precept has been received in full and can be verified to the cashbooks and physical bank statements.

I also reviewed the cashbook for evidence of netting off and to ensure, the individual entries were in accordance with the heading under which they were posted and corrections/transfers where evident were bonafide. We found no evidence of breaches of financial regulations in the sample testing completed.

The council is not VAT registered and there is no indication that it should be. The VAT refund has been properly received.

I am under no doubt the council discusses fees as part of the annual budget setting process, this will be discussed in November 2023.

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 does not have any 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 payroll is processed by external firm using third party software. Salary approvals are part of the general payments approval process.

The council has fulfilled its obligations in respect of auto-enrolment and uses LGPS.

I tested the tax deduction and pay scales there were no errors. I am of the opinion salaries are correctly calculated and paid.

I tested the month 7 PAYE and NI Liability and agreed this to a physical payment made. There were no errors.

I also verified the HMRC record and noted there was evidence of an historic overpayment payment of £45.14 it would appear this has now been used.

All council employees are paid through the payroll for all council work undertaken. No employees are paid separately for any other council work undertaken.

H. ASSETS AND INVESTMENTS

Internal audit requirement

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

Audit findings

The council has a simple fixed asset register in place, broken down into sections containing land and buildings, street furniture, equipment, etc.

This simple for of recording is entirely appropriate for a council of this size.

I. BANK AND CASH

Internal audit requirement

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

Audit findings

Financial Regulation 2.2 states *'On a regular basis, at least once in each quarter, and at each financial year end, a member other than the Chairman 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 council.'*

Bank reconciliations are completed on a monthly basis, independently checked and presented to council meetings for review. I reviewed the reconciliations presented for the interim audit. I was able to confirm the balances to the bank statements and found no errors. I am also able to confirm that the reconciliations are signed. **I remind council to sign the face of the bank statements in accordance with regulation.**

As the council's budget does not exceed €500,000, it benefits from protection from the Financial Services Compensation Scheme (FSCS).

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

Section 1 – Annual Governance Statement

	Annual Governance Statement	<i>'Yes', means that this authority</i>	Suggested response based on evidence
1	We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	<i>prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i>	YES – accounts follow latest Accounts and Audit Regulations and practitioners guide recommendations.
2	We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	<i>made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.</i>	YES – there is regular reporting of financial transactions and accounting summaries, offering the opportunity for scrutiny.
3	We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	<i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i>	YES – the Clerk is experienced and advises the council in respect of its legal powers.
4	We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	<i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.</i>	YES – the requirements and timescales for 2022/23 year-end were followed.
5	We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	<i>considered and documented the financial and other risks it faces and dealt with them properly.</i>	YES – the council has a risk management scheme and appropriate external insurance.
6	We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	<i>arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.</i>	YES – the council has appointed an independent and competent internal auditor has completed two audits during the year.
7	We took appropriate action on all matters raised in reports from internal and external audit.	<i>responded to matters brought to its attention by internal and external audit.</i>	YES – where matters are raised, action taken by council is recorded
8	We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and. Where appropriate, have included them in the accounting statements.	<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>	YES – no matters were raised during the internal audit visits.
9	Trust funds including charitable – In our capacity as the sole managing trustee we discharged our accountability	<i>has met all of its responsibilities where, as a body corporate, it is a sole</i>	N/A

	responsibilities for the fund(s)/asset(s), including financial reporting and, if required, independent examination or audit.	<i>managing trustee of a local trust or trusts.</i>	
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Section 2 – Accounting Statements

AGAR box number		2021/22	2022/23	Auditor notes
1	Balances brought forward	72,611	95,001	Agrees to 2021/22 carry forward (box 7)
2	Precept or rates and levies	55,000	55,020	Figure confirmed to central records
3	Total other receipts	5,007	1,259	Agrees to underlying records
4	Staff costs	21,746	10,773	Agrees to underlying records
5	Loan interest/capital repayments	0	0	Verified against PWLB records
6	All other payments	15,871	40,801	Agrees to underlying records
7	Balances carried forward	95,001	99,706	Casts correctly and agrees to balance sheet

8	Total value of cash and short-term investments	95,001	99,706	Agrees to bank reconciliation
9	Total fixed assets plus long-term investments and assets	Restated 45,735 38,096	36,846	Matches asset register - 2022 restated To remove insurance values and replace with £1
10	Total borrowings	0	0	Verified against PWLB records

For Local Councils Only	Yes	No	N/A		
11a	Disclosure note re Trust Funds (including charitable)		✓		<i>The Council, as a body corporate, acts as sole trustee and is responsible for managing Trust funds or assets.</i>
11b	Disclosure note re Trust Funds (including charitable)			✓	<i>The figures in the accounting statements above do not include any Trust transactions.</i>

The year-end accounts have been correctly prepared on a receipts and payments basis with no requirement for the box 7 and 8 reconciliation.

The AGAR correctly casts and cross casts and last year's comparatives match the figures submitted for 2021/22.

K. LIMITED ASSURANCE REVIEW

Internal audit requirement

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")

Audit findings

The council did not certify itself exempt in 2022/23 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

The council does not have income and expenditure in excess of £200,000 and as such is not required to follow the "Local Government Transparency Code 2015" which is recommended practice not a statutory requirement. In addition to this, because 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.

I recommend reviewing the way the information is published on the website of West Chiltington Parish Council as a best practice example via this link www.wcpc.org.uk/transparency

The Code requires local authorities in England to publish the following information quarterly:

Expenditure exceeding £500
Government Procurement Card transactions
Procurement information

Additionally, local authorities are required to publish the following information annually:

Local Authority Land
Social Housing Assets
Grants to voluntary, community and social enterprise organisations
Organisational Chart
Trade union facility time
Parking account
Parking spaces
Senior salaries
Constitution
Pay multiple
Fraud

All councils are required to follow The Accounts and Audit Regulations which include the following requirements:

13(1) An authority must publish (which must include publication on that authority's website)

- (a) the Statement of Accounts together with any certificate or opinion entered by the local auditor in accordance with section 20(2) of the Act; and
- (b) the Annual Governance Statement approved in accordance with regulation 6(3)

13(2) Where documents are published under paragraph (1), the authority must

- (a) keep copies of those documents for purchase by any person on payment of a reasonable sum; and
- (b) ensure that those documents remain available for public access for a period of not less than five years beginning with the date on which those documents were first published in accordance with that paragraph.

I was able to confirm that pages 4 (Annual Governance Statement), 5 (Accounting Statements) and 6 (External Auditor's Report and Certificate) of the AGAR are available for review on the council website for the last five years.

M: EXERCISE OF PUBLIC RIGHTS - INSPECTION OF ACCOUNTS**Internal audit requirement**

The authority, during the previous year (2022-23) 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

Audit findings

Inspection – key dates	2022/23 Actual
Date AGAR signed by council	7 th June 2023
Date inspection notice issued	8 th June 2023
Inspection period begins	12 th June 2023
Inspection period ends	21 st July 2023
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 2022/23, 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 2022/23. Under the Accounts and Audit Regulations 2015, authorities must publish the following information on the authority website / webpage.

Before 1 July 2023 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 2022/23, approved and signed, page 4*
- *Section 2 - Accounting Statements 2022/23, approved and signed, page 5*

Not later than 30 September 2023 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

I was able to confirm that the publication requirements for 2022/23 have been met and the Notice of Public Rights is published on the council website.

O. TRUSTEESHIP**Internal audit requirement**

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

Audit findings

The council has no trusts. This test does not apply.

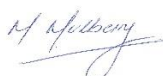
Achievement of control assertions at interim audit date

Based on the tests conducted during the interim audit, our conclusions on the achievement of the internal control objectives are summarised in the table below. A further review and update of this opinion will be conducted at the final audit.

	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 financial 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.	✓		
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. <i>(If the authority had a limited assurance review of its 2021/22 AGAR tick "not covered")</i>			✓
L	The authority publishes information on a free to access website/webpage up to date at the time of the internal audit in accordance with any relevant transparency code requirements	✓		
M	The authority, during the previous year (2022-23) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations <i>(evidenced by the notice published on the website and/or authority approved minutes confirming the dates set)</i> .	✓		
N	The authority has complied with the publication requirements for 2022/23 AGAR.	✓		
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



Mark Mulberry
For Mulberry & Co

Year End 2023 – Audit points cfwd

Audit Point	Audit Findings	Council comments
Bank Reconciliations	<p>I noted that whilst the reconciliation has been signed and minuted in accordance with regulations, the face of the bank statement was not signed.</p> <p>I remind council to ensure the face of the bank statement is also signed.</p>	
Governance	<p>I remind council it is required to also post any supporting documentation with the agendas as outlined by the Information Commissioner's Office (page 3 of this link) ico.org.uk/minutesandagendas.pdf</p>	
Financial Regulations	<p>I would recommend a lower threshold be added that will enable the clerk to purchase day to day items without the need for prior council approval.</p> <p>I would also recommend the council with regard to high value invoice items the supplier invoice is annotated with the minute references of council approval. I am at pains to point out, I do not believe council has ever been unaware of the spending requirements.</p>	