

# Annual Internal Audit Report 2023/24

## Whitchurch-on-Thames Parish Council

<https://whitchurchonthames.com/council.html>

During the financial year ended 31 March 2024, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2023/24 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

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 assessed 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.	No petty cash held		✓
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. (If the authority had a limited assurance review of its 2022/23 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.	✓		
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).	✓		
N. The authority has complied with the publication requirements for 2022/23 AGAR (see AGAR Page 1 Guidance Notes).	✓		
<b>O. (For local councils only)</b> Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes	No	Not applicable
			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

Name of person who carried out the internal audit

31/05/2024

Claire Connell

Signature of person who carried out the internal audit

*Claire Connell*

Date

07/06/2024

\*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

\*\*Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).



# Claire Connell MA, ACA, CTA

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The Parish Councillors  
Whitchurch on Thames Parish Council  
c/o Ms Jane Yamamoto  
11 Hillside  
Hardwick Road  
Whitchurch on Thames  
RG8 7HL

7<sup>th</sup> June 2024

Dear Ladies and Gentlemen

## **Internal audit for the year ended 31<sup>st</sup> March 2024**

Local councils are required to have an internal audit of their accounting records and their system of internal control by Regulation 5 of the Accounts and Audit Regulations 2015. My work in May 2024 was carried out remotely.

My internal audit testing was based on the guidelines included in the JPAG Governance & Accountability Practitioners Guide. My correspondence with Jane Yamamoto confirmed the internal controls in place and a series of tests using the financial records, vouchers, minutes, previous audit reports etc were conducted to establish the effectiveness of these controls.

### **Overall conclusion**

Generally the accounts and internal controls appear well maintained. I have therefore signed the internal audit report contained within the AGAR, making no adverse comments.

A detailed report outlining the work carried out and conclusions reached is contained within Appendix 1.

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I trust that these comments are self-explanatory, but please do not hesitate to contact me if you would like further details.

Yours faithfully



Claire Connell

### Appendix 1: Summary of internal audit work covered in 2023-24

<u>Annual Return Section</u>	<u>Objective met?</u>	<u>Comments</u>
<b>A.</b> Appropriate accounting records have been properly kept throughout the financial year.	Yes	The Council maintains its accounting records using Rialtas software which is specifically designed for Parish Councils.
<b>B.</b> This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	Yes	Testing a sample of invoices and a review of systems shows that expenditure is properly incurred, payments approved and VAT appropriately accounted for.
<b>C.</b> This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	Yes	Minutes, Standing Orders, Financial Regulations, insurance cover and the Risk Management Policy indicate that there are proper risk management procedures.  A quarterly internal controls review process has taken place during the year.
<b>D.</b> The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	Yes	Monthly receipts and payments reports are provided to the Council.  The budget setting process appeared robust.
<b>E.</b> Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	Yes	No issues arose during the review of income.  The precept was agreed to Council minutes and the precept spreadsheet compiled by MHCLG.  No VAT claim was made in the year. There are now two years' claims outstanding.  Other income included grants and income for adverts collected by the printer of the Bulletin.
<b>F.</b> Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	N/A	No petty cash is held by the Council
<b>G.</b> Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	Yes	Payroll is operated correctly in-house. Backpay was correctly paid in the financial year following notification of the increase in nationally agreed salary scales
<b>H.</b> Asset and investments registers were complete and accurate and properly maintained.	Yes	The fixed assets register is maintained in Excel and was updated for changes in the year.

<u>Annual Return Section</u>	<u>Objective met?</u>	<u>Comments</u>
<b>I.</b> Periodic bank account reconciliations were properly carried out during the year	Yes	Bank reconciliations are prepared monthly and reviewed by Councillors
<b>J.</b> 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.	Yes	The Council prepares its accounting statements on a receipts and payments basis which is appropriate for a council of this size.  The balance carried forward was agreed to the cashbook and bank statement.
<b>K.</b> 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.	N/A	Not covered – the Council had a limited assurance review of its 2022-23 AGAR
<b>L.</b> The authority published the required information on a free to access website up to date at the time of the internal audit in accordance with the relevant legislation	Yes	The Council provides the AGARs for the past five years on its website in accordance with the Accounts and Audit Regulations 2015.
<b>M.</b> 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.	Yes	Yes, the Council correctly provided for the period for the exercise of public rights.
<b>N.</b> The authority has complied with the publication requirements for 2022-23 AGAR (see AGAR Page 1 Guidance Notes).	Yes	Yes, the correct documents were published and deadlines were met.
<b>O. (For local councils only)</b> Trust funds (including charitable) – The council met its responsibilities as a trustee.	N/A	The Council is custodian trustee of Whitchurch Village Hall which is registered with the Charity Commission.  As the Council is not a sole managing trustee, this section is not applicable.

