

**REPORT BY THE INTERNAL AUDITOR TO HOLME PARISH COUNCIL  
FINANCIAL YEAR ENDING 31 MARCH 2023**

I confirm I have, on the 25<sup>TH</sup> April 2023 undertaken an internal audit for the period 1<sup>st</sup> April 2022- 31<sup>st</sup> March 2023 in accordance with the Account and Audit Regulations (England) 2015 as outlined and incorporating any new requirements as outlined in "Governance and Accountability for Smaller Authorities in England" March 2023

The following areas have been assessed to ensure the internal financial controls are appropriate and relevant to Holme Parish Council

The areas covered in the audit are noted below.

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

The Council operates Receipts and Payments Accounts as required by the Regulations in Scribe accounting software. The core accounts are maintained and 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.

It is confirmed that the prior year cashbook balance as confirmed by the bank reconciliation 31<sup>st</sup> March 2022 and recorded in the AGAR has been correctly carried forward as opening balance in the 2023 accounts.

There is a clear audit trail from the bank statements, regularly verified bank reconciliations and invoices, which confirms payments recorded in the Minutes.

The year- end bank reconciliation is accurate and correctly recorded in Box 8 of the AGAR.

**2. The authority complied with its Financial Regulations; invoices supported payments, all expenditure was approved and VAT was appropriately accounted for.**

The Clerk/ Responsible Financial Officer (RFO) e-mailed comprehensive financial information which provided evidence of a sound system for the approval of payments and verification of invoices.

The VAT reclaim for the final period 1<sup>st</sup> January 2023 – 31<sup>st</sup> March 2023 - £796.40 is confirmed by the appropriate recording in the Scribe reconciliation. Claims are made within the appropriate timescale to adhere to HMRC requirements.

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

The Council throughout the year regularly reviews, approves and adopts a comprehensive range of policies all of which are displayed on the website.

**4. The precept requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored. Reserves are appropriate.**

A precept of £25277.50 was correctly determined by the full Council and is recorded for the 2023-24 financial year – Meeting 5th– December 2022 - Minute No. 392/22. The sum is demanded from the District Council well within the allotted timescale.

Regular budget comparisons are received at Council.

It is recommended that cash reserves should be held between three to twelve months budgeted total expenditure. Holme Parish Council has available funds of £39374.89 General Cash Reserve.

**5. Expected income was fully received based on correct prices, properly recorded and promptly banked. Vat was appropriately recorded**

Expected income is subject to regular review. All income is promptly banked and measures are in place to segregate collection from deposit routines.

**6. Petty Cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT accounted and reclaimed**

The Council does not operate a petty cash system. All Clerk's Expenses are presented for payment on the accounts schedule of payments. Receipts are filed with invoices and VAT is noted and reclaimed as appropriate.

**7. Salaries to employees and allowances to members were paid in accordance with the council's approvals. PAYE and NI requirements were properly applied.**

All returns to HMRC are up to date and verified by the year- end P60. The correct tax code has been operated. Members do not receive an allowance.

**8. Asset and investment registers were complete and accurate and properly maintained.**

The asset register is reviewed and approved annually while acquisitions and disposals are recorded as they occur. (if appropriate) The Register records assets of £99120.00, which is correctly recorded in the 2022-23 AGAR

The council does not hold investments.

**9. The authority has, during the previous year, correctly provided for the exercise of public rights as required by the Account and Audit Regulations.**

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. An inspection of the website confirmed that a notice was published 21st June 2022 with the inspection period 27<sup>th</sup> June – 5<sup>th</sup> August 2022.

## **10. The authority complied with the publication requirements of the prior year AGAR**

The Accounts and Audit (England) Regulations 2015 (SI 2015/234) as amended by the Accounts and Audit (Coronavirus) (Amendment) Regulations 2020 (SI 2020/404) requires a Council to publish, as soon as reasonably practicable, after the conclusion of the audit, a statement on the website advising that the 2021-2022 Audit has been completed.

The clerk has undertaken the requirement to publish the Annual Governance and Accountability Return, (AGAR) together with all relevant statutory documents, upon receipt from the External Auditor on the Council website [dentwithcwgillpc.co.uk](http://dentwithcwgillpc.co.uk) and within the deadline dates. Published 30<sup>th</sup> September 2022.

The Council received a qualified report with no matters arising ensuring compliance with all statutory obligations under the Account and Audit Regulation 2015.

In concluding the report I acknowledge the assistance of the Clerk/RFO for his thorough preparation and availability of all documents and the completeness of the website, with all required information up to date, ensuring openness and transparency, which greatly expedited the audit process.



**Georgina D Airey – Internal Auditor 25<sup>th</sup> April 2023.**