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13 April 2025

Billingsley, Deuxhill, Glazeley and Middleton Scriven Parish Council

Ladies and Gentlemen

I have again been appointed as your Internal Auditor and am employed by the Council to conduct such tests as are agreed and are sufficient to enable me to complete the Internal Auditor's Report contained within the Audit Commission's Annual Return Form for the appropriate financial year.

My report this year is also again based on the Guide issued by the Joint Panel on Accounting Guidance (JPAG). Whilst the tests I have made are taken from the Practitioners' Guide, they are relevant to the various headings on the Annual internal audit report. I have again given my rationale for the answers given on that report.

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

Appropriate books of account have been kept properly throughout the year. A Cash Book has been maintained, and is up to date, and regularly balanced, the reconciliation of the cash book balance and the bank statement are agreed by the clerk, and I am aware that Cllr. Richardson has been tasked with scrutinising the accounts. This he has done, but only the check undertaken after the first quarter has been minuted. It would be helpful if when the invoices for payment are agreed by the council at each meeting, the minute approving those payments also contained a note that the Bank reconciliation had been carried out and quote the balance. The books are made up to 31st March 2025 and were audited by me on 13th April 2025.

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

The Council approved its Financial Regulations at their meeting on 1st November 2023, and are now complying with those financial regulations and the receipts and payments are being monitored. Payments are supported by invoices and expenditure is approved and VAT has been appropriately accounted for. A claim for VAT in the sum of £377.74 was made in November 2024 and has been received.

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

The council has an up to date Risk Assessment policy dated 26th September 2023. This was approved, discussed and adopted by the Council at their meeting on 1st November. This Risk Assessment was reviewed and approved by the Council at their meeting on 4th September 2024. There is no evidence that the Insurance cover was discussed at the May 2024 meeting of the Council, as mentioned last year, but I am aware from the paper which the Clerk has produced that arrangements are in hand to ensure the Insurance cover and the value of the Council's assets agree. Again this should be minuted annually.

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

The draft budget for 2025-26 was discussed by the council and was dealt with in detail at their meeting in January. An expenditure Budget was set, and a Precept of £9,850 has been requested. Reserves are appropriate and the Council has reserves of just over £7,000.

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

All the expected income, including the Annual Precept, Policy Community Grant, Environmental Main Grant and VAT Refund has been received and all criteria met. As mentioned above VAT has now been accounted for.

F. The Council does not deal in Petty Cash.

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.

The Clerk has a Contract of Employment, which is based on the NALC model and his salary is paid in accordance with council approvals. PAYE and NI requirements were roperly applied. Payments to HMRC from his salary are up to date. The new Clerk's salary has been duly approved and minuted. No allowances to members were paid.

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

The Asset Register was discussed at the July meeting of the Council and the outcome minuted. The Assets have been reviewed and re-valued and I am advised that this has been reflected in the insurance policy. The review is still ongoing. There is no Investment register as the Council have no investments.

I. Periodic bank account reconciliations were properly carried out during the year.

As mentioned above, whilst Bank reconciliations are properly carried out, the balances may have been communicated by the Clerk and approved by the Councillors at some meetings, but these actions do need minuting.

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.

Accounting statements prepared at the year end by the Clerk were prepared on the correct accounting basis, agreed to the cash book, and supported by an audit trail. At the year-end there are no unexplained balancing entries in either reconciliation, The year-end accounts have been prepared on the correct accounting basis and the value of investments held is not applicable. At the year end, there are original bank statements for all accounts.

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").

The authority certified itself as exempt from a limited assurance review in 2023/24. It met the exemption criteria and correctly declared itself exempt although again, there was no minute showing this..

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.

I am advised the authority published the required information on the website but the whole website requires re-vamping, a task which the new clerk is undertaking.

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 2024/25 AGAR period, were public rights in relation to the 2023/24 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).*

I am informed that this exercise was correctly provided for. I just mention that whilst the AGAR gives an "and/or" requirement, it would be helpful if the date for the period of exercise was minuted before the event, and minuted in confirmation at the meeting after the event as well as appearing on the website.

N.* The authority has complied with the publication requirements for 2023/24 AGAR*. (see AGAR Page 1 Guidance Notes).

I am advised that the authority has complied with the publication requirements. Again this fact should be minuted.

***O.* (For local councils only).**
Trust funds (including charitable) – The council met its responsibilities as a trustee.

Not applicable.

Conclusion.

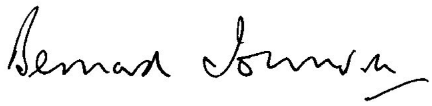
I have marked all the categories on the internal audit form as conforming to the required standard on the basis that under risk management there is little, or no risk attached to the council from any of the comments I have made.

I am aware that your Clerk is still sorting things out, and I would like to thank the Clerk for the excellent way in which the accounts and other audit material have been prepared.

I am happy that the new Clerk has or will have put measures in place to ensure things are done correctly in the future, and am conscious that there was a great deal to put right. I mentioned last year a suggestion that a line be drawn under matters now and we start afresh with 2024-25, and I am happy that things are now progressing satisfactorily.

As a final point, I can do no better than repeat my final paragraph from last year. There has been a turnaround in the way the Clerk and Council now appear to be undertaking the business of the Council and I am also very conscious of the fact that you as council members willingly give of your time to carry out these important tasks, for no remuneration. You are to be commended for your public spiritedness, and, as I have mentioned previously, if you or your clerk need any assistance that I am able to give, I will gladly do so. Whilst my report is based on my findings, this is only a guide and you have the right to ignore it. That is entirely your decision, but I do hope that we can continue to work together to make it work.

Yours faithfully



Bernard Townson
Internal Auditor
13th April 2025