

**REPORT BY THE INTERNAL AUDITOR TO PRESTON PATRICK 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 Preston Patrick 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 was recorded but no claim was required as the total did not reach the minimum reclaim figure of £100. VAT recorded. £1.11

**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. The annual review was recorded – Meeting 23<sup>rd</sup> May 2023 – Minute No. 22/112.

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

A precept of £4739.50 was correctly determined by the full Council and is recorded for the 2023-24 financial year – Meeting 23<sup>rd</sup> January 2023 – Minute 23/166. 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. Preston Patrick Parish Council has available funds of £10369.09. 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 £8240, which is correctly recorded in the 2022-23 AGAR

The council does not hold investments.

## **ANNUAL GOVERNANCE AND ACCOUNTABILITY RETURN (AGAR) 2021-2022**

The Local Audit and Accountability Act 2014 and The Accounts and Audit (England) Regulations 2015 requires a Council, having signed the Certificate of Exception, (Meeting - 23<sup>rd</sup> May 2022. Minute No 22/114, to publish the requisite documents on a website prior to 2<sup>nd</sup> July in the relevant year.

Notification was given at the Council meeting that the relevant notices would be posted on the website [www.prestonpatrick-pc.gov.uk](http://www.prestonpatrick-pc.gov.uk)

The Clerk/Responsible Financial Officer (RFO) has undertaken the requirement and the Exemption Certificate, Notice of Public Rights and the Annual Governance and Accountability Return, (AGAR) was publicly displayed dated 21<sup>st</sup> June 2022 for inspection for the period 27<sup>th</sup> June 2022– 5<sup>th</sup> August 2022.

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.**