

West Swindon Parish Council

Year-end Internal Audit Report 2024-25

Prepared by Claire Lingard

Consultant Auditor

*For and on behalf of
Auditing Solutions Ltd*

Background and Scope

Statute requires all town and parish councils to arrange for an independent internal audit examination of their accounting records and system of internal control and for the conclusions to be reported each year in the Annual Return.

This report sets out the work undertaken in relation to the Internal Audit process for the 2024-25 financial year; the year-end review took place over the 30th of April 2025, with supplementary work undertaken thereafter, due to the requirement for additional information to complete the audit. The review was undertaken remotely.

Internal Audit Approach

In concluding our review for the year, we have again had regard to the materiality of transactions and their susceptibility to potential mis recording or misrepresentation in the year-end Statement of Accounts contained within the Annual Governance and Accountability Return (AGAR). Our programme of cover is designed to afford appropriate assurance that the Council has appropriate and robust financial systems in place that operate in a manner to ensure effective probity of transactions and to afford a reasonable probability of identifying any material errors or possible abuse of the Council's own and the national statutory regulatory framework.

The programme is also designed to facilitate our completion of the 'Internal Audit Report' as part of the Council's AGAR process, which requires independent assurance over a number of internal control objectives.

Overall Conclusion

We report that, on the basis of the work undertaken to date, the Council continues to operate effective internal controls in all areas examined. Resultantly, no recommendations for improvement have been made as a result of this year-end audit.

We thank the Parish Manager who prepared the required documentation for the year-end review. We are grateful for the expedient and exemplary manner in which the documents were presented for this review process, and the speed with which our queries were responded to.

We thank the Parish Manager for their assistance in undertaking this audit and we ask that Members consider the content of this report and acknowledge that the report has been formally reviewed and adopted by Council.

Detailed Report

Review of Accounting Arrangements & Bank Reconciliations

Our objective here is to ensure that the accounting records are being maintained accurately and currently and that no anomalous entries appear in cashbooks or financial ledgers to date. The Council currently operates a current bank account at Barclays Bank, supplemented by deposit accounts at Nationwide Building Society, Virgin Money / Clydesdale Bank and the Acorn Community Bank. The Council continues to utilise the Rialtas Omega accounting software for its transaction processing. To meet the above objective, we have: -

- Agreed the opening trial balance detail in the software for 2024-25 with that in the verified closing Statement of Accounts for 2023-24;
- Ensured that an appropriate cost centre and accounting structure remains in place;
- Checked and agreed four sample months (April, September and December 2024 and March 2025) receipts and payments transactions in the Council's current bank account cashbooks to the relevant bank statements in full;
- Checked and verified all transactions on the Council's Credit Card account for the months of April, September and December 2024 and March 2025 ensuring that the disclosed balance as at the 31st of March 2025 was zero in compliance with JPAG requirements; and,
- Checked detail on the bank reconciliations as at the 31st of March 2024 for all accounts to ensure that no long-standing uncleared cheques or anomalous entries exist: no such items were identified. We note that the Parish Manager is duly reporting detail of the monthly reconciliations to members at each Finance and Staffing Committee, minutes of which are subsequently approved at Full Council meetings.

Conclusion

There are no matters arising in this area of Review warranting formal comment or recommendation.

Review of Corporate Governance

Our objective is to ensure that the Council has a robust series of corporate governance documentation in place; that Council and Committee meetings are conducted in accordance with the adopted Standing Orders and that, as far as we can reasonably be expected to ascertain, no actions of a potentially unlawful nature have been or are being considered for implementation. We have: -

- Noted that the Council received the Notice of Conclusion of Audit for the 2023-24 financial year on the 30th of September 2024, recording an unqualified audit;
- Reviewed minutes of the Full Council and its supporting Finance & Staffing Committee meetings, as published on the Council's official website, for the year to the 31st of March 2025, to identify whether or not any issues exist that may have an adverse effect, through litigation or other causes, on the Council's future financial stability, also ensuring that the Council has neither considered nor is considering any actions that may result in ultra vires expenditure;
- Noted that the Council's Standing Orders and Financial Regulations were readopted, unamended, using the current NALC model documents at the Annual Meeting of the Full Parish Council meeting on the 19th of May 2024. The Standing Orders were readopted under Minute reference 24/17, and the Financial Regulations under Minute reference, 24/187;

- Noted that the Council maintains its official website on a secure server as required by statute, published at: <https://www.westswindon-pc.gov.uk>. The website was redeveloped during the 2023-24 financial year is well designed, quick and easy to use and contains all the statutory documentation that the Council is required to publish. As far as it is possible to ascertain, the website is fully compliant with current Accessibility Legislation as amended from time to time;
- Noted that the Council maintains a wide portfolio of policy documents which may be accessed by clicking on the following hyperlink: [Policy Documents](#);
- Noted that the Council maintains a 'Facebook' account, and holds an Approved and Adopted Social Media policy;
- Noted that the Council confirmed that it continued to meet the criteria to avail itself of the General Power of Competence, and Resolved to readopt the General Power of Competence for the 2024-25 financial year during the Annual Meeting of the Full Parish Council on the 19th of May 2024, under Minute reference 24/15;
- Noted that the Council correctly provided the opportunity for the Exercise of Public Rights (EoPR) for 30 working days including the first 10 working days in July; from the 01st of July 2024 to the 09th of August 2024 inclusive. The date of the announcement of the Notice was the 27th of June 2024. The Notice period was not formally Resolved at full council; and,
- Noted that the Council has an adopted and published General Data Protection Regulation (GDPR) policy on its website and that the Council is registered as a 'Data Controller' with the Information Commissioner's Office.

Conclusion

There are no matters arriving in this area of review warranting formal comment or recommendation. We take this opportunity to advise the Parish Manager that it is now considered Best Practice to formally Resolve the period of the Notice for the Period of the Exercise of Public Rights at a meeting of the Parish Council.

We take this opportunity to commend the Parish Manager for the exemplary quality of the Council's Approved and Published Minutes and Appendices which we consider the standard which other Clerks should work towards achieving.

Review of Expenditure

Our aim here is to ensure that: -

- Council resources are released in accordance with the Council's approved procedures and budgets;
- Payments are supported by appropriate documentation, either in the form of an original trade invoice or other appropriate form of document confirming the payment as due and/or an acknowledgement of receipt, where no other form of invoice is available;
- An official order has been raised for all purchases and service delivery where one would be expected;
- All discounts due on goods and services supplied are identified and appropriate action taken to secure the discount;
- The correct expense codes have been applied to invoices when processed; and,
- VAT has been appropriately identified and coded to the control account for periodic recovery.

We have completed our substantive testing of non-payroll related payments for compliance with the above criteria, selecting a sample of 41 payments for the 2024-25 financial year, comprised of all payments individually above £3,000, together with every 25th cashbook transaction (irrespective of value), and totalling £309,233.88 and equating to approximately 59% of all non-pay expenditure processed to the above date with no issues arising.

We note that the Council has undertaken two major procurements during the 2024-25 financial year, the first in relation to the procurement leased vehicles and the second in relation to the procurement of a Kubota X1110 UTV. Both procurements were in excess of the tender threshold at that time being in excess of £25,000 exclusive of VAT and both were correctly registered on the government's Contracts Finder website and may be accessed by clicking on the hyperlinks below:

- 1) [Kubota Tender](#)
- 2) [Fleet Lease / Purchase Tender](#)

Finally, in this area of our review, we have checked and verified all four quarterly VAT reclaims for the 2023-24 financial year, ensuring that these were correctly submitted in accord with the Omega control record and properly disclosed in the year-end accounting statements, with no issues arising.

Conclusion

There are no matters arising in this area of review warranting formal comment or recommendation.

Review of Assessment and Management of Risk

Our aim here is to ensure that the Council has put in place appropriate arrangements to identify all potential areas of risk of both a financial and health and safety nature, whilst also ensuring that appropriate arrangements exist to monitor and manage those risks in order to minimise the opportunity for their coming to fruition. Consequently, we:

- Noted that the Council's insurance cover for the 2024-25 financial year was provided under a multi-year deal by Zurich Insurance under a 'Local Councils Policy', Policy Number: YLL2720872723, with the period of cover running from: 01/04/24 to 31/03/25:

Key Features

Public liability	£10,000,000
Products liability	£10,000,000
Employers liability	£10,000,000
Commercial Legal Protection	£1,000,000
Commercial Crime	£1,000,000
Corporate Legal liability	£250,000
Directors & Officers Indemnity	£250,000
Money & Assault	£250,000
Business Interruption	£50,000

We consider the above insured values appropriate for the Council's immediate requirements.

- Noted that the Council has an exemplary approach to risk management and mitigation. The Council maintains a well-developed combined Health & Safety and Business Risk Schedule containing multiple Risk Assessments. The Council most recently Approved and Adopted its Combined Risk Schedule, Financial Risk Register and Play Risk Management Policy during the 19th of May 2024 Annual Meeting of the Parish Council under Minute reference 24/22;

- Reviewed the Council's arrangements for the regular inspection of playgrounds and recreational areas noting that the Council is responsible for 20 Children and young people's playgrounds and one skatepark. The Parish Manager advises me that the estates teams undertake twice weekly visual checks from the 1st of April to the October half-term, and weekly inspections from the October half term to the 31st of March. These inspections are recorded on standardised forms, and hard copies kept on file and electronically; and,
- The annual independent playground inspections are undertaken by RoSPA.

Conclusion

There are no matters arising in this area of review warranting formal comment or recommendation.

Precept Determination and Budgetary Control

We aim in this area of our work to ensure that the Council has appropriate procedures in place to determine its future financial requirements leading to the adoption of an approved budget and formal determination of the amount to be precepted on the Borough Council, that effective arrangements are in place to monitor budgetary performance throughout the financial year and that the Council has identified and retains appropriate reserve funds to meet future spending plans. Consequently, we have:

- Noted that the Precept for 2025-26 financial year was formally approved and adopted at the 27th of January 2025 meeting of the Parish Council, under Minute reference 25/209 in the amount of £1,129,395 (£1,145,463 prior-year) an increase of £17.80 (13.7%) over the prior year, and representing a precept of £147.66 for a Band D property;
- Noted that the Parish Manager continues to provide Members with regular management accounting information, including schedules of all payments and bank reconciliations at each Finance Committee meeting;
- We have also considered the ongoing appropriateness of the level of retained reserves, as at the 31st of March 2025, noting that they have increased to £1,389,298 (£1,176,026 prior-year). Of that total, £466,906 (£254,571 prior-year) is held in earmarked reserves; funds, ringfenced for specific projects.

The residual General Reserve balance of £922,392 equates to approximately 12 months' average monthly revenue expenditure at prior-year levels. This sits at the maximum level of retained General Reserve in the generally accepted range for Councils of West Swindon Parish Council's size: between 3 and 12 months retained General Reserve, and,

- Finally, in this area of review, we have reviewed the year-end outturn and the Parish Manager's Variance Report and did not identify any unexplained variances requiring further investigation or explanation; and

Conclusions

There are no matters arising in this area of review warranting formal comment or recommendation.

Review of Income

In considering the Council's income streams, we aim to ensure that robust systems are in place to ensure that all income due to the Council from its various sources is identified and invoiced in a timely manner and effective procedures are in place to pursue of any outstanding monies due to the Council. Other than the funds received from the Borough Council by way of the Precept and Council Tax Support Grant payments, the Parish receives very limited incomes at present; Allotment rentals, VAT reclaims, bank interest, occasional grants and donations.

- As noted earlier in this report we have checked and verified samples of receipts from cashbooks to bank statements for all three accounts for the year with no concerns noted;
- We previously noted from our prior year Review of the Minutes of the Council and its Committees, that Members Resolved, at the 30th of October 2023 meeting of the Parish Council to Resolve to Approve the Endorsement (Minute reference 23/117) of the Planning, Leisure & Environment Committee, to increase the fees in relation to Allotment Plots for the 2024-25 financial year by 10% as follows:
 - £43 for non-parish half plot
 - £32 for parish half plot
 - £85 for non-parish full plot
 - £62 for parish full plot

None-precept income during the 2024-25 financial year was received as follows:

INCOME SOURCE	AMOUNT
Bank Interest	£ 18,269.41
Council Tax support grant	£ 22,053.00
Sponsorship	£ 781.39
Allotments	£ 1,421.00
Scrap metal disposal	£ 304.00
Grants & donations	£ 2,400.00
Grounds maintenance services	£ 22,646.05

- We have reviewed the Rialtas Omega Sales Ledger noting that there were no apparent anomalous entries or aged debt.

Conclusions

There are no matters arising in this area of review warranting formal comment or recommendation.

Review of Petty Cash Account(s) and Credit/Debit Card Usage

The Council does not operate a petty cash account.

However, the Council operates a commercial Barclaycard, which is retained in secure conditions "on-site", for urgent / internet purchases. The Card has an associated credit limit of £5,000. Settlement is currently in full by monthly BACS transfer, approved in the same manner as all other supplier payments.

We have checked and verified a sample of payment transactions with the card, during the Review of Payments, to supporting invoices, ensuring that each was appropriate for the Council's activities and that any relevant VAT was separated for periodic recovery.

Conclusions

There are no matters arising in this area of review warranting formal comment or recommendation.

Review of Salaries and Wages

In examining the Council's payroll function, we aim to confirm that extant legislation is being appropriately observed as regards adherence to the Employee Rights Act 1998 and the requirements of HM Revenue and Customs (HMRC) legislation as regards the deduction and payment over of income tax and NI contributions. To meet this objective, by reference to March 2025 for both the administrative and grounds staff, detail of which is prepared in house using bespoke BrightPay Software, we have:

- Noted that sixteen people were in the Council's employ as at the 31st of March 2025;
- Noted that the Finance & Staffing Committee had undertaken formal reviews of employment terms and conditions and remuneration during the 2024-25 financial year;
- Reviewed the overall payroll for the 2024-25 financial year from the 1st of April 2024 to the 31st of March 2025;
- Ensured that the Council has approved staff pay rates for the financial year, where appropriate, and that these have been duly and accurately applied throughout the year;
- Checked to ensure that the appropriate tax code and NIC table has been applied with tax and NI deductions / Council contributions calculated correctly and paid over to HMRC in a timely manner;
- Similarly, checked and agreed the pension scales being applied and the settlements paid over to Wiltshire Council and NEST where appropriate; and
- Verified the sum of the individuals' net payslip amounts to the cashbooks and relevant bank statement entries for the month of March 2025.

Conclusions

There are no matters arising in this area of review warranting formal comment or recommendation.

Review of Fixed Asset & Investment Register(s)

Our objective in this area is to ensure that the Council is complying with the Accounts and Audit Regulations (as amended periodically) and maintaining a complete and accurate register of the assets owned and is also observing best practice in managing its stock of assets.

The Fixed Asset Register which was provided for the purposes of this audit is compliant with the requirements of the Joint Panel on Accountability and Governance guide 2024.

The total value of Fixed Assets recorded on the Council's Register is in the amount of £1,387,438, (£913,429 prior-year) in accordance with in-year acquisitions and disposals.

We have noted that photographic images of all machinery and vehicles are now included in the Fixed Asset Register.

There are no matters arising in this area of review warranting formal comment or recommendation.

Review of Investments and Loans

Our objectives here are to ensure that the Council is “investing” surplus funds, be they held temporarily or on a longer term basis in appropriate banking and investment institutions, that an appropriate investment policy is in place, that the Council is obtaining the best rate of return on any such investments made, that interest earned is brought to account correctly and appropriately in the accounting records and that any loan repayments due to or payable by the Council are transacted in accordance with appropriate loan agreements.

The Council Adopted a detailed Investment Strategy at the 24th of July 2023 meeting of the Parish Council under Minute reference 23/75. The Strategy is reviewed annually, and was last reviewed and readopted during the 19th of May 2024 Annual meeting of the Parish Council under Minute reference 24/23.

Account	Cashbook Number	Reconciled balance as at 31-03-25
Current Account	CB1	£787,875.27
Barclaycard Credit Card	CB2	£ 0.00
Nationwide Building Society	CB3	£388,396.13
Virgin Money / Clydesdale Bank	CB4	£155,456.85
Acorn Community Bank	CB5	£ 57,570.00
		Total £1,389,298.25

As at the 31st of March 2025 the Council held finds, totalling circa £1,389,298 as indicated in the table above. The detail of each account has been checked and verified against the prime documentation, i.e. bank statements as at the 31st of March 2025, cashbook entries and corresponding bank account reconciliation reports.

As the Council has a turnover which is greater than €500,000 none of the public funds under its management are eligible to be covered under the Government’s Financial Services Compensation Scheme.

The Council has no loans repayable by or to it currently.

Conclusions

There are no matters arising in this area of review warranting formal comment or recommendation.

We take this opportunity to remind the Parish Manager and Members of the Council’s obligation to continuously review the investment of the Public Funds under its management, in line with the Council’s adopted Investment Strategy, to ensure as far as it is possible to do so that the funds are protected and produce a reasonable and proportionate return on investment.

Statement of Accounts and Annual Return

As noted elsewhere in this report, the Council continues to utilise Rialtas Omega accounting software for the maintenance of its accounts and the preparation of the detailed annual financial Statements of Accounts and Annual Return data.

As recorded in previous years' final reports, the Annual Return provides the Council's statutory Statements of Account subject to external audit certification.

We have checked and verified, by reference to the accounting system's closing Trial Balance and other relevant documents, the content of the Statement of Accounts and the supporting notes, detail of which is transferred to Section 2 of the Annual Return.

We have also reviewed the procedures in place for identifying year-end debtors, creditors and accruals and agreed the detailed values recorded in the year-end Balance Sheet to the underlying records with no long-standing unpaid accounts or other issues arising.

Conclusion

We are pleased to record that there are no matters arising in this area of our review warranting formal comment or recommendation and, on the basis of the work undertaken during the course of our review for the year.

We have "signed off" the Annual Internal Audit Report in the Annual Governance and Accountability Return assigning positive assurances against each internal control objective.

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NOTE TO REPORT

We confirm that all confidential & sensitive information, supplied for the purposes of this audit including, Personnel Minutes, Payroll and Employment data have been permanently deleted from Auditing Solutions Ltd.'s servers and any printouts made for the purposes of this audit have been destroyed in accordance with the Company's data and document retention policies and with the prevailing General Data Protection Legislation.