

West Swindon Parish Council

Year-end Internal Audit Report 2022-23

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 2022-23 financial year; the year-end review took place over the 26th May, 5th, 6th and 9th June 2023 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

The Council continues to operate robust and effective internal controls in all areas examined to date, however we have recorded three negative assertions against Internal Control objectives 'C', 'H' and 'M' in the Annual Internal Audit Report for the 2022-23 financial year:

Internal Control Objective 'C' : *“This authority assessed the significant risk to achieving its objectives and reviewed the adequacy of arrangements to manage these.”*

Internal Control Objective 'H' : *“Asset and investments registers were complete and accurate and properly maintained.”*

Internal Control Objective 'M' : *“In the year covered by this AGAR, (FY2021-22 for EoPR), the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations.”*

Correspondingly, twelve recommendations for improvement have been made which are detailed in the main body of this report and the appended Action Plan.

We thank the Parish Manager and the Deputy 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 and Virgin Money / Clydesdale Bank, and 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 2022-23 with that in the verified closing Statement of Accounts for 2021-22;
- Ensured that an appropriate cost centre and accounting structure remains in place;
- Checked and agreed four sample months (April, September and December 2022 and March 2023) receipts and payments transactions in the Council's current bank account cashbooks to the relevant bank statements in full;
- Checked and agreed all transactions for the year in the Council's two reserve bank accounts at Nationwide and Virgin Money / Clydesdale Bank (due to the low volumes of transactions) for the year to 31st March 2023; and
- Checked detail on the bank reconciliations as at the 30th April, 30th September, 31st December 2022, and 31st March 2023 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 conclusion of audit notice for the 2021-22 financial year on the 3rd October 2022, asserting a qualified 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 March 2023, 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 23rd May 2023. The Standing Orders were readopted under Minute reference 22/15, and the Financial Regulations under Minute reference, 22/16;

- 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 is basic in nature and contains the Council's published and approved Agenda, Minutes, some statutory documentation and policy documents. It does not appear that the website is fully compliant with current accessibility legislation;
- Noted that the Council maintains a 'Facebook' account, but has not Adopted or Published 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 2022-23 financial year during the Annual Meeting of the Full Parish Council on the 23rd May 2023, under Minute reference 22/13;
- Noted that the Council incorrectly provided the opportunity for the Exercise of Public Rights (EoPR) for 31 working days including the first 10 working days in July; from the 1st July to the 12th August 2022 inclusive. Additionally, the date of the announcement of the Notice was the 1st July. The period for the Notice for the Exercise of Public Rights must commence at least one day after the date of the announcement. As a result of the incorrect notice of EoPR, a negative assertion has been recorded against Internal Control Objective 'M'; 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.

Conclusions and recommendations

It is a requirement that all Councils correctly announce and advertise the Notice for the Exercise of Public Rights, which in relation to this audit were in relation to the 2021-22 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the date set. The Notice for the Exercise of Public Rights period must be exactly 30 working days, to include the first 10 working days of July and the period of the Notice must commence at least one day after the announcement of the Notice is made.

Resultantly the Council has failed to meet the requirement of Internal Control Objective 'M' of the Annual Internal Audit Report:

"In the year covered by this AGAR (EoPR in relation to the 2021-22 AGAR), the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations."

- R1. *The Parish Manager must ensure that in future, the correct period for the Notice for the Exercise of Public Rights is established and that the first day of the Notice is at least one day after the formal announcement of the Notice is made.*

The Council's current website does not appear to comply with the current Accessibility Legislation, and it is now a mandatory requirement that Local and Smaller authority websites do so.

- R2. *The Parish Manager and Members must ensure that the Council's official website is fully compliant with current Accessibility legislation as amended from time to time.*

The Council's current website does not contain all of the statutory information that it is required to. Council's are required to publish five years accounting information. Currently, only part of the accounting information for the 2021-22 financial year is published.

R3. *The Parish Manager and Members must ensure that statutorily required information is published, and easily accessible, on the Council's Official website.*

The Council's current GDPR Policy does not refer to a Data Impact Assessment or a Document Retention Policy which are both required to be compliant with GDPR. Further the General Privacy Notice section records the retention of personal injury records as having a retention period of between 3 – 8 years as an example, but does not relate to a full Document Retention Policy.

R4. *The Parish Manager and Members should ensure that the Council undertakes a Data Impact Assessment, and develops a Document Retention Policy to be properly compliant with the General Data Protection Regulation.*

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 68 payments for the 2022-23 financial year, comprised of all payments individually above £2,500, together with every 25th cashbook transaction (irrespective of value), and totalling £491,406.71 and equating to approximately 74% of all non-pay expenditure processed to the above date with no issues arising.

We note that the Council has undertaken one major procurement during the 2022-23 financial year in relation to the Rivermead skatepark pump track. This procurement was in excess of the tender threshold at that time being in excess of £25,000 exclusive of VAT and was correctly registered on the government's Contracts Finder website - link: [Pump Track tender](#).

There were three other procurements undertaken during the financial year, all in excess of £25,000 plus VAT that did not go out to Tender and were not listed on the Government's Contracts Finder managed instead as quotations at the Finance and Staffing Committee: One in relation to a Trimax Mower, one in relation to a tractor and side-arm, and one in relation to a Toyota vehicle. We have discussed this situation with the Parish Manager who advised me in here email of the Monday the 5th June as follows:

“We did advertise for mowers and a tractor on Contract Finder in 2020 but it did not yield interest from local suppliers. We found asking key local providers directly was the best way to get a quotation.”

Whilst we acknowledge the increasing difficulty obtaining quotations from suppliers, and have noted the Parish Manager’s comment that unlisted procurements were for specialist equipment. However, we do not consider that Toyota vehicles and general farm/grounds maintenance equipment as specialist procurements and do not agree that there is any mitigation from following the statutory Tender Process. We will however defer to the External Auditor’s opinion in this regard, having brought this matter to their attention in this report.

Finally, in this area of our review, we have checked and verified all four quarterly VAT reclaims for the 2022-23 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.

Conclusions

We strongly recommend that the Parish Manager and Members ensure that all procurements in excess of the tender threshold are properly listed on the Government’s Contracts Finder website in compliance with the Councils currently adopted Standing Orders and Financial Regulations.

We also take this opportunity to advise the Parish Manager, and Members that the Cabinet Office amended the Tender Threshold as at the 1st January 2023. It has been amended from £25,000 excluding VAT to £30,000 including VAT. We have attached the Cabinet Office Legal Note PPN 01/23 as an addendum to this report for your information.

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 2022-23 financial year was provided by Hallam WPS under a ‘Council Guard Policy’. The current year’s policy schedule running to 31st March 2023 is as follows:

Policy number: RTT284462/00169

Term of cover: 01st April 2022 to the 31st March 2023

Key features

Products & Public liability	£15,000,000
Employers liability	£10,000,000
Hirers indemnity	£2,000,000
Fidelity Insurance	£1,000,000
Legal Expenses	£1,000,000
Environmental clean up	£1,000,000
Libel & Slander	£250,000
Legal Defence costs	£250,000
Money	£2,000

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

- Noted that the Council has a well-developed combined Risk Assessment. The Risk Assessment presented for Audit records the date of last review as at the 30th March 2020;
- Noted the most recent reference to any review of the Council's Risk Registers made during the 2022-23 financial year was recorded in the Minutes of the Finance & Staffing Committee dated the 6th May 2020, under Minute reference 382:

“The Parish Manager updated that work on collating risk assessments across a broad range of tasks that had been drafted, a copy of the template was distributed and appears in the Minute Book as Appendix D. RESOLVED that the Parish Manager liaise with the Team Supervisor to finalise the set of risk assessments for the new workforce.”

It is a statutory requirement for all Councils to review, and readopt their general and health & Safety Risk Assessments at least once annually and the Council has failed to undertake this task during the 2022-23 financial year;

- 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 April to the October half-term, and weekly inspections from the October half term to the 31st March. These inspections are recorded on standardised forms, and hard copies kept on file and also electronically; and,
- The annual independent playground inspections are undertaken by the RoSPA Playsafety company.

Conclusions and recommendations

RISK REGISTERS

We have noted, above, the requirement to formally review and Readopt the Council's Health & Safety and Business Risk Registers during the financial year. The Council has failed to undertake this task. Resultantly the Council has failed to meet the requirement of Internal Control Objective 'C' of the Annual Internal Audit Report:

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

- R6. *The Parish Manager and Members must ensure that the Council undertakes a formal review of its Risk Registers, at least once annually, and readopts them, recording that readoption in the Approved and Published Minutes of the Full Parish Council or one of its committees.*

PLAY AREA MANAGEMENT

We have noted that the Council is responsible for the management and maintenance of 20 children's and young people's playgrounds and recreation areas and one Skate Park. This is an unusually large number of facilities to be managed by a Parish Council. It is a legal requirement for all organisations which own, or are responsible for, the maintenance of playgrounds and recreation facilities to maintain them in a safe condition.

We are advised by the Parish Manager that regular visual inspections of all playground equipment: the playground environment, general conditions of equipment, precinct and environs, fencing and signage is conducted as described above: (it is considered ‘Best Practice’ that the person(s) undertaking visual inspections have attended a Playground Inspectors course run by RoSPA, or other qualified training organisation.) We are advised that the outcome of these inspections are recorded in appropriately designed Playground inspection forms and passed to the Parish Manager for retention.

We take this opportunity to remind the Parish Manager and Members that it is a mandatory legal requirement that all inspection reports, including the Annual Independent Inspection report be retained for a period of 21 years. Formally 18 years plus 3 years, as a person is able to bring a claim for injury in a playground, against the organisation responsible for its maintenance and safe operation, up to their obtaining the age of ‘majority’ - 21 years of age. This fact should be recorded in the Council’s Document Retention Policy.

Currently, the Council has no Playground Management policy which details its management, inspection, and maintenance regime. As such, the Council could be at risk of unfounded accusations of neglect, should an unfortunate incident take place, and a compensation claim made.

R7. The Parish Manager and Members should consider developing an overarching Playground Management Policy, which links to the Council’s Combined Risk Assessments to be formally Reviewed and Adopted by Members at Full Parish Council or one of its committees. (I have attached an example of such a policy as an addendum to this report).

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 2023-24 financial year was formally approved and adopted at the 23rd January 2023 meeting of the Full Parish Council, under Minute reference 23/209 in the amount of £954,674 (899,872 *prior-year*) excluding the Council Tax Support Grant which is still in place at £22,053, thus representing an increase of £3.30 (3%) on a Band D equivalent house;
- 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, and the March 2023 final accounts outturn review did not identify any unexplained variances arising to warrant further enquiry by officers; and,
- We have also considered the ongoing appropriateness of the level of retained reserves, as at the 31st March 2023, noting that they have increased slightly to £1,073,489 (£1,048,061 *prior-year*). Of that total, £206,208 is held in earmarked reserves; funds ringfenced for specific projects. The residual General Reserve balance of £867,281 equates to approximately 10 months’ average revenue expenditure at prior-year levels, and is in line with the generally accepted level of between 3 and 12 months’ retained General Reserve.

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 Review of the Minutes of the Council and its Committees, that Members Resolved, at the 7th June 2022 Planning, Leisure & Environment Committee, under Minute reference 2022/082, to retain the fees in relation to Allotment Plots for the 2023/24 financial year at the prior year level; and,
- We have reviewed the Rialtas Omega Sales Ledger noting that there are no apparent anomalous entries or long-term 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 2023 for both the administrative and grounds staff, detail of which is prepared in house using bespoke BrightPay software, we have:

- Reviewed the overall payroll for the 2022-23 financial year from the 1st April 2022 to the 31st March 2023;
- 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 September 2022.

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 not compliant with the requirements of the Joint Panel on Accountability and Governance guide 2023, in that:

- Assets are not recorded individually;
- Assets are not recorded at their purchase costs, rather a group of Assets has a combined cost;
- No registration number or serial numbers are recorded in relation to vehicles or machinery;
- There is no way of separating owned, from leased equipment;
- Date of acquisition/disposal is not individually recorded; and,
- There is no separate column for insured value.

The total value of Fixed Assets recorded on the Register provide is in the amount of £795,501, (£612,501 prior-year). We are not able to check or verify the stated Fixed Asset Value due to the manner in which the Fixed Asset Register has been presented.

Conclusions and recommendation

The Joint Panel on Accountability and Governance guide 2023 requires that Councils maintain a formal asset register and update it routinely to record new assets at historic cost

price, net of VAT and removing any disposed of / no longer serviceable assets, recording the date of disposal. The Register is required to:

- *Physically verify the existence and condition of high value, high risk assets*
- *Identify for each asset the purchase cost and the replacement / insured cost, the latter being updated annually and used to assist in forward planning for asset replacement;*
- *Additions and disposals records should allow tracking from the prior to the current financial year;*
- *Facilitate the verification that the asset value to be reported in the AGAR at section 2, line 9 equates to the prior year reported value, adjusted for the nominal value of any new acquisitions and / or disposals; and,*
- *Facilitate the comparison of the asset register with the insurance schedule to ensure that all assets as recorded are appropriately insured or “self-insured” by the Authority.*

In the Fixed Asset Register provided for audit, the following information is recorded for example:

<i>1) Machines: Mowers/Tractors</i>	<i>31/02/23</i>	<i>£260,000.00</i>
<i>2) Tools: Service Tools</i>	<i>31/03/20</i>	<i>£ 7,000.00</i>

No individual information is recorded, registration number, vin number, serial number, Make/Model of tractor, or tractor hours recorded at the year-end, which could be used to justify the Council’s diesel fuel bill if required.

Resultantly the Council has failed to meet the requirement of Internal Control Objective ‘H’ of the Annual Internal Audit Report:

“Asset and investments registers were complete and accurate and properly maintained.”

R8. The Parish Manager and Members should develop and maintain an appropriate Fixed Asset Register which is compliant with the requirements of the Joint Panel on Accountability and Governance guide as amended from time to time . (I have attached an example of a basic Microsoft Excel Spreadsheet Fixed Asset Register as an addendum to this report).

R9. As the Council holds many high value fixed assets, including tractors, grounds maintenance equipment and playground equipment, the Parish Manager and Members should consider adding photographic images of its assets to the register, to assist with potential insurance claims.

R10. The Parish Manger should ensure that a column is inserted in the spreadsheet to record the hours that a tractor has completed at the end of each financial year, as this impacts the resale value, maintenance and replacement cycle of the machine.

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.

We have noted that the Council does not maintain and has not Adopted a detailed Investment Strategy/Policy, which it is required to do as the Council retains in excess of £100,000 in its bank accounts.

Account	Cashbook Number	Reconciled balance as at 31-03-23
Current Account	CB1	£743,420.50
Barclaycard Credit Card	CB2	
Nationwide Building Society	CB3	£153,721.35
Virgin Money / Clydesdale Bank	CB4	£150,919.33
		Total £1,048,061.18

As at the 31st March 2023 the Council held finds, totalling circa £1,048,061, 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 March 2023, cashbook entries and corresponding bank reconciliations.

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 and recommendations

We take this opportunity to remind the Parish Manager and Members that the Council is required to protect the public funds under its management to the extent that it is reasonably possible to do so. The first step towards achieving this objective is to develop an Investment Strategy/Policy for the Council: This is a mandatory requirement for all Council's which holds public funds at bank, in excess of £100,000.

R11. The Parish Manager and Members should expeditiously develop an Investment Strategy/Policy as required of all Councils which hold at least £100,000 on deposit.

As indicated above, specialist advice for councils wishing to de-risk their investments may be obtained from the CCLA at www.ccla.co.uk, with a number of options available for councils wishing to create an investment strategy that de-risks their organisation from the potential loss of funds including the Public Sector Deposit Fund. Other investment solutions are available, and the Parish Manger and Members should seek independent financial advice in this regard.

R12. The Parish Manager and Members should consider taking action to minimise the risk of having the majority of the Council's funds invested in one financial institution, by seeking additional / alternative investment opportunities for its surplus funds.

R13. The Parish Manager and Members should monitor the level of the public funds under its management at all times, ensuring as far as is practicably possible, that these are dispersed amongst a number of different financial organisations to protect the Council from potential losses.

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 agreed, 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 in all areas, with the exception of Internal Control Objectives:

Internal Control Objective 'C' : *"This authority assessed the significant risk to achieving its objectives and reviewed the adequacy of arrangements to manage these."*

Internal Control Objective 'H' : *"Asset and investments registers were complete and accurate and properly maintained."*

Internal Control Objective 'M' : *"In the year covered by this AGAR, (FY2021-22 for EoPR), the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations."*

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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.

Rec. No.	Recommendations	Response
Review of Corporate Governance		
R1	The Parish Manager must ensure that in future, the correct period for the Notice for the Exercise of Public Rights is established and that the first day of the Notice is at least one day after the formal announcement of the Notice is made.	
R2	The Parish Manager and Members must ensure that the Council's official website is fully compliant with current Accessibility legislation as amended from time to time.	
R3	The Parish Manager and Members must ensure that statutorily required information is published, and easily accessible, on the Council's Official website.	
R4	The Parish Manager and Members should ensure that the Council undertakes a Data Impact Assessment, and develops a Document Retention Policy to be properly compliant with the General Data Protection Regulation.	
Review of Assessment and Management of Risk		
R5	The Parish Manager and Members must ensure that the Council undertakes a formal review of its Risk Registers, at least once annually, and readopts them, recording that re-adoption in the Approved and Published Minutes of the Full Parish Council or one of its committees.	
R6	The Parish Manager and Members should consider developing an overarching Playground Management Policy, which links to the Council's Combined Risk Assessments to be formally Reviewed and Adopted by Members at Full Parish Council or one of its committees. (I have attached an example of such a policy as an addendum to this report).	
Review of Assessment and Management of Risk		
R7	The Parish Manager and Members should develop and maintain an appropriate Fixed Asset Register which is compliant with the requirements of the Joint Panel on Accountability and Governance guide as amended from time to time . (I have attached an example of a basic Microsoft Excel Spreadsheet Fixed Asset Register as an addendum to this report).	
R8	As the Council holds many high value fixed assets, including tractors, grounds maintenance equipment and playground equipment, the Parish Manager and Members should consider adding photographic images of its assets to the register, to assist with potential insurance claims.	
R9	The Parish Manger should ensure that a column is inserted in the spreadsheet to record the hours	

that a tractor has completed at the end of each financial year, as this impacts the resale value, maintenance and replacement cycle of the machine.

Review of Investments and Loans

- R10 The Parish Manager and Members should expeditiously develop an Investment Strategy/Policy as required of all Councils which hold at least £100,000 on deposit.
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- R11 The Parish Manager and Members should consider taking action to minimise the risk of having the majority of the Council's funds invested in one financial institution, by seeking additional / alternative investment opportunities for its surplus funds.
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- R12 The Parish Manager and Members should monitor the level of the public funds under its management at all times, ensuring as far as is practicably possible, that these are dispersed amongst a number of different financial organisations to protect the Council from potential losses.
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Addenda to report:

- 1) Cabinet Office Procurement Notice PPN 01/23*
- 2) Torbay Playground Management Policy*
- 3) Sample Microsoft Excel Spreadsheet Cashbook (populated with example data which must be deleted prior to use).*