Annual Internal Audit Report 2023/24

CENTRAL SWINDON NORTH PARISH COUNCIL

https://www.centralswindonnorth-pc.gov.uk/

During the financial year ended 31 March 2024, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2023/24 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	N/A		
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. *		✓	
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic bank account reconciliations were properly carried out during the year.	✓		
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.	✓		
K. If the authority certified itself as exempt from a limited assurance review in 2022/23, it met the exemption criteria and correctly declared itself exempt. *(If the authority had a limited assurance review of its 2022/23 AGAR tick "not covered")*			✓
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.	✓		
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 2023-24 AGAR period, were public rights in relation to the 2022-23 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).* *		✓	
N. The authority has complied with the publication requirements for 2022/23 AGAR *(see AGAR Page 1 Guidance Notes).* *		✓	

O. (For local councils only)	Yes	No	Not applicable
Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken * PLS SEE ATTACHED

30/10/2023
01/11/2023
08/01/2024
31/05/2024

Name of person who carried out the internal audit

Mrs R Darkin-Miller LLB(Hons) BFP FCA

Signature of person who carried out the internal audit R [signature]

Date 24/06/2024

***If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).**

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

Internal Auditor note on Test G: Payroll

I checked to see that salaries to employees and allowances to members were paid in accordance with the authority's approvals, and PAYE and NI requirements were properly applied. I was unable to agree that the correct salary had been paid for the sample month for 10/17 staff. 9/17 appeared to be being paid slightly under the pro-rated salary based on the NALC pay award scales for 22/23 or the most recent JNC scales. 1/17 was paid slightly less per hour than the hourly rate shown in the contract. There were balances on the year-end payroll control accounts which resulted from over and under payments in year which had not been resolved by 31/03/24. The Council was unable to provide evidence that the employer's pension contribution rate was correct, and the employee contribution rates were incorrect for two members of staff. Consequently, I have responded 'No' to this test.

Internal Auditor note on test M: Public Rights

I checked to see that the authority correctly provided the proper opportunity for the exercise of public rights as per the Accounts and Audit Regulations 2015. The regulations require that the Council allows electors to inspect the accounts and supporting records during a 30 working day period, to include the first 10 working days in July. The period must be advertised at least one day in advance of the start of the public rights period. I found that the Council's public rights period was advertised on 03/07/23, and ran from 04/07/23 to 14/08/23. The first ten working days in July started on 03/07/23, meaning that the public rights period did not include required days. Consequently, I have responded 'No' to this test.

Internal Auditor note on test N: Publication

I checked to see that the Council complied with the publication requirements for the exercise of public rights. This requires that the Council publishes the following documents at least one day before the start of its public rights period and before 01/07/23:
1. ss 1&2 of the Annual Governance and Accountability Return (the Annual Governance Statement and the Accounts)
2. The notice of public rights, including a note that the Council's accounts are unaudited

The Council has to publish the following on or before 30/09/23:
1. ss1-3 of the AGAR (which includes the audited accounts and external auditor's report)
2. The notice of conclusion of audit.

As noted in recommendation 13.1, the Council's public rights period started late. The public rights notice (including a notice that the accounts are unaudited) was published on 03/07/23, and ss1&2 of the AGAR on 06/07/23, both of which were after the deadline. s3 of the AGAR (the external audit report) was published on 19/09/23, within deadline, but the notice of conclusion of audit was not published until 30/10/23. Consequently, I have responded 'No' to this test.

R Darkin-Miller LLB (Hons) BFP FCA 24/06/2024