

Marton Parish Council

Internal Audit Report and advisory comments.

Report prepared by Stephen Waltho - 26th April 2024

1. Accounting systems and records are in good order with monthly bank statements and Quarterly bank reconciliation reports available.

2. With regards to Section 2 of the AGAR – Accounts Statements for 23/24 (Page 6 of 6) There appears to be a discrepancy between the closing balance at 2023 (Box 7) and the opening balance at 2024. These amounts must agree with one another.
Having investigated this it appears that the cheque numbers 779, 780 and 781 in the total sum of £540.00 were not presented until May 2024 but have been included in the total of payments for the accounts in year ending 2023 in the sum of £2213.00 (Box 6). The final Bank rec of year ending 2023 reinstated the unpresented cheques giving a closing balance of £8843.00 which aligns with the bank statements and the opening balance for year ending 2024 (Box1).
As such the total payments for year ending 2023 (Box 6) should read £1673.00 which would then give the correct closing balance of year ending 2023 of £8843.00 and not £8303.00 as shown.
The AGAR from year ending 2023 was in retrospect completed incorrectly.

3. Although a VAT return has not been submitted in this financial year, I would point out that there are some incorrect values for VAT in the Bank Reconciliation documents. Should these figures be used for any subsequent VAT return they would need to be revised and submitted to the council for approval prior to such a VAT return being completed.

4. With regards to the precepted amount of £3500.00 and the total expenditure of £9058.00.

The council should produce a variations statement to indicate why this is the case, and whilst this is quite obviously due to the costs of the speed indicator signs there should be a statement reflecting this.

5. The Certificate of Exemption (Page 3) needs to be completed and sent to the external auditor before 30th June 2024. The subsequently completed AGAR does not then need to be sent to the external auditor, and as such no costs associated with the external auditor would be incurred. A sum of £200.00 has been included in the precept to cover any costs associated with an external audit. This would not be necessary if the exemption certificate is duly completed by the required date.

6. The submitted annual asset register indicates the speed signs that have been installed. Should this also include the nominal value items detailed in the previous year's register and if so the total value of these assets needs to be amended at item 9 on page 6 of the AGAR.
7. All minutes and agendas have been produced and are available for public viewing on the council's website. These accurately reflect the council's decision-making processes throughout the year.
8. Item 14 from the minutes of the councils meeting held 19th September 2023 indicate that the approved value of cheque reference 800 is for the total amount of the receipt for expenses incurred of £289.35. Whereas the actual amount of the issued cheque 800 was for £70.80. This was presumably for the amount that can be legitimately recouped from the parish council for such expenses.

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