

**REPORT BY THE INTERNAL AUDITOR TO LEVENS PARISH COUNCIL  
FINANCIAL YEAR ENDING 31 MARCH 2023**

I confirm I have, on the 19<sup>TH</sup> May 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 Levens 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 Income and Expenditure Accounts, as required by the Regulations, in Excel spreadsheets. The Cashbook is 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 Annual Governance and Accountability Return (AGAR) has been correctly carried forward to 1<sup>st</sup> April 2022-2023 financial year.

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 31<sup>st</sup> March 2023 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) provided comprehensive financial information which gave evidence of a sound system for the approval of payments and verification of invoices. All expenditure complies with financial regulations and goods and services are acquired to align with the principle of Best Value.

Appropriate Powers are used for all expenditure. Sct. 137 payments have the required identification in the cashbook. Payment made under this Power in the financial year.

British Legion – Poppy Appeal - £30.

The VAT identified for the period 1<sup>st</sup> January – 31<sup>st</sup> March 2023 – Parish Council - £532.99 Parish Project - £ 7237.80 is confirmed by the appropriate recording in the cashbook. Claims are made within the appropriate timescale to adhere to HMRC requirements.

**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.

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

A precept of £14421.00 – Net after grant - £13960.05 – Meeting 10<sup>th</sup> January 2023 – Minute 94/22 is recorded for the 2023-24 financial year, which is correctly 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. Levens Parish Council has available funds of £8754.05. General Reserve.

In addition £1410,450.32 is held in the Levens Community Project Account.

**5. Expected income was fully received based on correct prices, properly recorded and promptly banked. Vat was appropriately recorded**

Levens Parish Council has minimal cash income. Most other income is paid by grants, cheques or BACs. Allotment rents are collected expediently. All income is promptly banked on receipt.

**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.**

Salaries are as approved by Council and reviewed as appropriate.

All returns to HMRC are up to date and verified by the year- end P60. The correct tax code has been operated. A

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. The assets register record assets of £305,010.00, which is correctly recorded in the 2022-23 AGAR.

All assets are adequately covered by insurance with Zurich. A loyalty agreement exists until October 2025. Premium paid Meeting – 11<sup>th</sup> October 2022 – Minute No. 64/22g.

**9. The authority has, during the previous year, correctly provided for the exercise of public rights as required by the Account and Audit Regulations.**

Regulation 15(2) Accounts and Audit Regulations 2015 requires the Responsible Financial Officer (RFO) to publish a Notice of Public Rights of inspection of accounts for a period of thirty days which must include the first 10 working days in July. While inspection of the website confirmed that a notice was published 15<sup>th</sup> June 2022 with the inspection period 16<sup>th</sup> June – 27<sup>th</sup> July 2022. Notification of intended publicising was recorded – Meeting 4<sup>th</sup> June 2022 – Minute – 27/22iv.

## **10. The authority complied with the publication requirements of the prior year AGAR**

The Accounts and Audit (England) Regulations 2015 (SI 2015/234) as amended by the Accounts and Audit (Coronavirus) (Amendment) Regulations 2020 (SI 2020/404) requires a Council to publish, as soon as reasonably practicable, after the conclusion of the audit, a statement on the website advising that the 2021-22 Audit has been completed.

The clerk has undertaken the requirement to publish the Annual Governance and Accountability Return, (AGAR) together with all relevant statutory documents, upon receipt from the External Auditor on the Council website and within the deadline dates. Published 30<sup>th</sup> September 2022.

I conclude and report that the Clerk/Responsible Financial Officer (RFO) has maintained a high standard of recordkeeping, which has simplified the audit process. The Council's control systems are efficient and effective and give the appropriate level of confidence, that the financial statements and reports reflect a true and accurate account of the Council's finance and governance records.

A handwritten signature in black ink, appearing to read 'G. Airey', with a stylized flourish at the end.

**Georgina D Airey – Internal Auditor 19<sup>th</sup> May 2023.**