

HAVENSTREET & ASHEY PARISH COUNCIL

INTERNAL AUDIT REPORT 2023-24

1.INTRODUCTION

- . All Local Councils in England are required to complete an Annual Governance and & Accountability Return (AGAR) summarising their financial records at the end of the financial year. The Annual Internal Audit Report section of the AGAR needs to be completed by an Auditor who shall be independent of the Council. The Councils External Auditor needs to place reliance on the work of the Internal Auditor and provides guidance on the minimum level of testing required to provide this assurance.

2.SCOPE OF AUDIT

The audit includes for examination on a test basis of evidence relevant to the amounts and disclosures as contained in the accounts. This examination has included the following-

- Matching of financial statements to invoices and receipts.
- Examination of budget preparation & precept setting.
- Inspection of bank statements.
- Completion of risk assessment.
- External Audit requirements.
- Compliance with Transparency Code for Smaller Authorities.

3.FINDINGS

- (1) The payroll service is provided by Community Action Isle of Wight (CAIOW) who provide all HMRC reporting requirements. CAIOW have been asked to confirm that all statutory returns to HMRC have been submitted in respect of the 2023-24 tax year.
- (2) The accounting record's, bank statement's and bank reconciliation for the year ended 31st March 2024 were examined and agreed. VAT had been accounted for correctly. VAT paid ts recoverable from HMRC and a VAT refund of £700.86 was received in the year
- (3) The Annual Governance & Accountability Return requires the Internal Auditor to be satisfied that the Council has assessed the risks to not achieving its objectives. A Risk Assessment was approved at the Parish Council held on 2nd February 2023.
- (4) The Council precept was set following a proper budget process and a Band D Council Tax of £50.52 the 2024-25 financial year was agreed at the Council meeting held on 1st February 2024. It is recommended for future years that the amount of the precept is detailed in the minutes.
- (5) Accounting records have been kept on a payments and receipts basis which is

in accordance with audit requirements. The Parish Council maintains an Asset Register which was approved at the Annual Parish Council held on 4th May 2023.

- (6) Havenstreet & Ashley Parish Council has income & expenditure of less than £25,000 per annum and is therefore only required to submit to the External Auditor a contact detail and a Certificate of Exemption signed by the Chairman & Responsible Financial Officer (RFO). The Certificate of Exemption for the 2022-23 financial year was approved at the meeting held on 4th May 2023.
- (7) The Transparency Code for Smaller Authorities requires the publication of certain information on a website. On examination of information contained on its website I am of the opinion that the Parish Council is complying with the requirements of the code. The following documents will be required to be placed on the website arising from the Annual Governance & Accountability requirements –
1. Certificate of Exemption.
 2. Section 1 of AGAR – Annual Governance Statement.
 3. Section 2 of AGAR – Accounting Statements.
 4. External Auditors Report and Certificate.
 5. Notice of Public Rights.

Having regard to the above I am of the opinion that I have adequate assurance to complete and sign the Annual Internal Audit Report section of the Annual Governance & Accountancy Return.

Gareth Hughes

GARETH HUGHES BA(Hon) Former CPFA

13th May 2024