



**Mrs Ruth Prins BA (Hons) FCPFA**

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Cllr T Fisher  
Strensall with Towthorpe Parish Council  
Strensall and Towthorpe Village Hall  
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Monday, 22 April 2024

Dear Cllr Fisher,

**To Members of Strensall with Towthorpe Parish Council  
Internal Audit of Accounts for the Financial Year ending 31<sup>st</sup> March 2024**

**FINAL REPORT**

My final internal audit for 2023/24 was carried out on Friday 19<sup>th</sup> April 2024. The Parish Clerk made available the paper files and a copy of the cashbook to assist with my inspection of the accounts.

I have reviewed the internal controls in place within the Council and have carried out appropriate checks and tests upon transactions within the year under review. I have also reviewed management controls and arrangements to ensure that the systems of financial and other controls over the Councils activities and operating procedures are effective and sound.

It is now noted that official policy documents within the legal documents section of the website are starting to be made available to the general public in a .pdf format rather than Word format as they are updated. It is appreciated that this task is lengthy and that replacing the file type when policies are amended is a sensible approach.

The Council does not have an Accessibility Statement and Accessible Document Statement on its website. The whole website needs to be checked to ensure that it is also compliant with the Standard.

It is noted that the Council has not adopted Investment or Internet Banking policies. These should be written and adopted to ensure that any investments are made within the criteria set by the council and all online payments are made in accordance with the Internet Banking Policy.

The Reserves Policy and reserves list have been reviewed to ensure that the general reserve is nearer to two times the precept rather than the previous higher amount. Earmarked reserves

have been reviewed so that they are realistic. The double taxation amount that was being placed within earmarked reserves annually has now been brought into general funds to be spent.

At the Annual Parish Council Meeting all policies should be adopted based on statutory requirements.

The Asset Register has been updated and will be uploaded to the Parish Council website along with the annual accounts.

Due to the limited number of Councillors within the Parish Council, an Emergency Governance Committee has been formed, comprising three council members (Chair, Vice-Chair, and Planning Chair). This committee is empowered to address urgent matters that cannot be postponed to a future Council Meeting in the event that a main Council meeting lacks a quorum. Decisions made by this committee should be documented as Emergency Governance Committee decisions and reported at the subsequent Council meeting following the decision-making process.

Despite the above no major matters arose from my work that would give cause for concern; I am happy to report that all internal controls are working as would be expected.

The Accounting Statement (AGAR) for 2023/24 will be checked to ensure that it balances back to the cashbook and accounts that have been reported to the Council throughout the year. It was not available at the time of my audit as the audit took place very close to the year end.

The Clerk should be commended for the clarity of the bookkeeping and records keeping.

### **Reviews Undertaken during both Audit Reviews**

#### 1. Bookkeeping

Detailed examinations of the cashbook, income receipts, payments and associated invoices were carried out during my reviews. The records examined were found to be complete, accurate, arithmetically correct, recorded correctly and reconciled.

Invoices and payments have been checked by 2 councillors as part of their monthly internal control checks. It is recommended that this continues.

#### 2. Financial Regulations

The Council has formally adopted standing orders and financial regulations. A responsible finance officer (RFO) has been appointed with specific duties. On a day-to-day basis, the management of the Council's finances is one of the duties of the Clerk supported by all members of the Council. The Council remains responsible for the assessment and management of risk and the provision of good governance.

The regulations and standing orders have been met, payments were supported by invoices, expenditure approved by the Committee and VAT appropriately accounted for and reclaimed periodically. Terms of reference for all sub committees have been approved within the year by the Parish Council.

3. Risk Assessment

All data is backed up to the cloud via Outlook, software and computers are password protected. All paper files are kept within a locked filing cabinet and a locked filing cupboard. All expenditure is passed through Council meetings as a resolution for payment. No petty cash is held by the Council. The Parish Council continues to be registered with the ICO as a data controller.

4. Budgetary Controls

The Council prepared an annual budget in December 23 and that was approved by the Council. This budget is monitored regularly and Budget versus Actuals reported to Committee meetings, with variances being explained.

5. VAT

The Council is able to recover all VAT paid provided that there are correct supporting invoices showing the VAT due. All VAT was recorded, claimed correctly and in a timely manner.

6. Income Recovery

Income is fully recovered for allotments and the cemetery. All burial fees and associated charges have been recovered using the correct rate. These fees and charges are available to the public on the website. All payments received have an associated receipt so that it can be matched to payments/deposits on the bank statements.

7. Payroll

The Clerks salary was paid in accordance with the Councils approval and PAYE and NI payments were applied accordingly and passed over to HMRC in a timely manner. No employees are enrolled onto the Pension Scheme.

8. Banking

Bank reconciliations are performed monthly with explanations of differences being noted. The year-end bank statements were reconciled to the cash book and accounts. Balances are reported to the Council monthly.

9. Asset Control

The Asset register has been reviewed during the year and reflects current values and assets.

Details of reserves held are backed up by a Reserves Policy along with explanation of the levels held. This formed part of the budget setting process. Both of these documents should be reviewed at least annually.

10. Year End Procedures

The year-end processes have been reviewed and found to be correct and complete. Financial statements were produced on a receipts and payments basis and were reconciled back to the cash book and bank statements. The Annual Return will be completed by the Clerk and I will ensure that it is reconciled back to the financial statements and closing balances from the previous year.

No matters arose from my work that would give cause for concern.

## **Summary of Recommendations**

1. To continually review the posting of documents onto the website in pdf format rather than in word format.
2. The Asset register should continue to be reviewed annually to ensure that it is up to date and accurate.
3. To write and implement an Investment Policy so that any monies invested is in line with Council wishes going forwards.
4. To write and adopt an Internet Banking Policy to ensure that online payments are made in accordance with the Council's policy.
5. To produces an Accessibility Statement and Accessible Document Statement for the Councils website in accordance to the guidance from NALC.
6. The Council should continue to use the sound internal controls that are currently in place to maintain the high standard of financial statements and the high level of confidence in the accounts and supporting documentation.

I would like to thank the Parish Clerk for her time and assistance before and during my audit.

Yours sincerely,

Mrs Ruth Prins FCPFA  
Prins Accountancy Services