

Claire Connell MA, ACA, CTA

Chartered Accountant and Chartered Tax Adviser

86 Silverdale Road

Earley

Reading RG6 7LT

Tel: 0118 966 9706

Email: accounts@claireconnell.co.uk

The Councillors
Aldworth Parish Council
c/o Mrs F Bates
23 Slade Road
Didcot
Oxfordshire
OX11 7AR

30th April 2025

Dear Ladies and Gentlemen

Internal audit – year ended 31st March 2025

Local councils are required to have an internal audit of their accounting records and their system of internal control by Regulation 5 of the Accounts and Audit Regulations 2015. During my review in April 2025 I reviewed the financial systems and controls for the year, together with the draft Annual Governance & Accountability Return (AGAR).

My internal audit testing was based on the guidelines included in the revised NALC Governance & Accountability Practitioners Guide. Internal controls in place were confirmed and a series of tests using the financial records, vouchers, minutes, previous audit reports etc were conducted to establish the effectiveness of these controls.

Overall conclusion

The financial records have been well maintained during the year and appear complete and fit for purpose. I did not identify any significant weaknesses in the control systems and procedures and it is clear that the council takes governance, policies and procedures seriously. There are no matters that I need to draw to your attention.

Specific comments for each assertion on the internal audit report contained within the AGAR are listed in Appendix 1. I have marked assertion M as not being met as the dates for the exercise of public rights did not include the first 10 working days of July, due to the late completion of the internal audit last year.

Audit work completed

I have completed the Annual Internal Audit Report within the AGAR prior to the Council approval of the AGAR as my work for the year is now complete. The external auditors have stated that my internal audit report gives important evidence for the Council to consider when completing assertions 2, 6 and 7 on the on the governance statement.

Yours faithfully



Claire Connell

Appendix 1: Summary of internal audit findings in 2024-25

<u>Annual Internal Audit Report Section</u>	<u>Objective met?</u>	<u>Comments</u>
A. Appropriate accounting records have been properly kept throughout the year	Yes	This year the Council has switched from using an accounting package which is specifically designed for parish and town councils to using a spreadsheet. The spreadsheet is simple but adequate.
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for	Yes	Testing and review of systems shows that expenditure is properly incurred, payments approved and VAT appropriately accounted for. No large contracts were entered into during the year.
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	Yes	Minutes, Standing Orders, Financial Regulations and the Risk Register indicate that there are proper risk assessment and management procedures.
D. The precept resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	Yes	The budget was set in January 2025. Financial updates are provided at each Council meeting.
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	Yes	The precept was agreed to the central government register of precepts. The only other income was CIL and a VAT reclaim which was agreed to the VAT reclaim form.
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	N/A	There is no petty cash.
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.	Yes	The payroll is run by an external payroll company. No issues arose during the testing of payroll.
		/continued overleaf

Appendix 1: Summary of internal audit findings in 2024-25 (continued)

H. Asset and investments registers were complete and accurate and properly maintained.	Yes	An adequate fixed assets register is maintained in Excel. This has been updated to reflect additions and disposals of the assets this year.
I. Periodic and year-end bank reconciliations were properly carried out during the year	Yes	The bank balances are reported to each council meeting. The year end bank reconciliation was checked and confirmed.
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.	Yes	These assertions have been met. The accounts are prepared on a receipts and payments basis which is appropriate for a council of this size.
K. If the authority certified itself as exempt from a limited assurance review in 2023/24, it met the exemption criteria and correctly declared itself exempt.	Yes	These assertions have been met.
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.	Yes	AGARs for the past five years are available on the website as required by the Accounts and Audit Regulations 2015. Please see appendix 3 for a list of documents which are required to be displayed on the Council website. Please note that as well as publishing the accounting statement and bank reconciliation, an explanation of variances should also be published. Meeting papers are also required to be published by the ICO and by the Transparency Code.
M. In the year covered by this AGAR, the authority correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations.	No	Proper opportunity was provided and this was correctly advertised. However, the exercise started late, due to the late completion of the internal audit last summer.
N. The authority has complied with the publication requirements for 2023/24 AGAR (see AGAR Page 1 Guidance Notes).	Yes	The correct documents were published before the relevant deadlines.
O. Trust Funds (including charitable) - the Council met its responsibilities as a trustee	N/A	Not applicable

Appendix 2 – AGAR accounting statement figures

AGAR box number		2023/24	2024/25	Internal auditor comments
1	Balances brought forward	8,353	10,606	Agreed
2	Precept	13,500	13,500	Agreed to government central precept record
3	Total other receipts	2,405	2,498	Agrees to spreadsheet
4	Staff costs	5,169	3,980	Agrees to spreadsheet
5	Loan interest/ capital repayments	1,229	1,212	Agrees to spreadsheet and PWLB records
6	All other payments	7,254	3,731	Agrees to spreadsheet
7	Balances carried forward	10,606	17,681	

8	Total value of cash and short-term investments	10,606	17,681	Agrees to bank reconciliations
9	Total fixed assets and long-term investments	37,482 <i>Restated</i>	37,482	Agrees to fixed asset register
10	Total borrowings	20,750	20,250	Agreed to PWLB records

For local councils only		Yes	No	N/A	
11a	Disclosure note re Trust Funds (including charitable)		✓		<i>The Council, as a body corporate, acts as sole trustee and is responsible for managing Trust funds or assets.</i>
11b	Disclosure note re Trust Funds (including charitable)			✓	<i>The figures in the accounting statements above do not include any Trust transactions</i>

Appendix 3 – Transparency Code Documentation

When the Council has income and expenditure less than £25,000, it is required to comply with publishing requirements of the Transparency Code.

Other items are required to be published by legislation such as the Accounts and Audit Regulations and CIL legislation. The end of year documents are required to be published by 1st July following the year end.

Item	Comments
All items of expenditure > £100	Yes
End of year accounts	<p>This should include</p> <ul style="list-style-type: none">• Accounting statement from the AGAR• The bank reconciliation as at the year end• An explanation of variances <p><i>The explanation of variances was omitted from the website for 23-24</i></p>
Annual governance statement	Yes
Internal audit report	Yes
List of councillor responsibilities	The website shows a list of all councillors and identifies the Chairman and Vice-Chairman
Details of public land & building assets	<p>The Asset Register is published</p> <p><i>The asset value on the AGAR for 23-24 has been restated so it agrees with the published asset register</i></p>
Minutes, agendas & meeting papers of formal meetings	<p>Minutes and agendas are available on the website.</p> <p><i>Meeting papers should also be published</i></p>
AGARs for the past five years	Yes
CIL reports	The 2024-25 CIL report is displayed on the council website.