



Our Ref: MARK/

Clerk to the Council
Melksham Town Council
Town Hall
Market Place
Melksham
Wiltshire
SN12 6ES

9th May 2025

Dear Tracy

Re: Melksham Town Council
Internal Audit Year Ended 31 March 2025 – Year-End Audit report

Executive summary

Following completion of our year-end internal audit we enclose our report for your kind attention and presentation to the council. This report contains details of the additional testing conducted at year-end and should be considered alongside any interim audit reports issued. The audits were conducted in accordance with current practices and guidelines and testing was risk based. Whilst we have not tested all transactions, our samples have where appropriate covered the entire year to date.

Our report is presented in the same order as the assertions on the internal auditor report within the published AGAR. The start of each section details the nature of the assertion to be verified. Testing requirements follow those detailed in the audit plan previously sent to the council, a copy of this is available on request. The report concludes with an opinion as to whether each assertion has been met or not. Where appropriate **recommendations for action are shown in bold text and are summarised in the table at the end of the report.**

Unfortunately, our sample testing uncovered some weaknesses in the governance and processes that require reporting to the external auditor, we did not however, identify such significant weaknesses in the internal controls that public money would be put at significant risk, nor did we identify any errors or misstatements in the accounts.

It is clear the council is taking strides to improve the governance and internal processes of that of the council that will in my mind no doubt lead to better and more transparent reporting.

Regulation

The Accounts and Audit Regulations 2015 require smaller authorities, each financial year, to conduct a review of the effectiveness of the system of internal control and prepare an annual governance statement in accordance with proper practices in relation to accounts. In addition to this, a smaller authority is required by Regulation 5(1) of the Accounts and Audit Regulations 2015 to “undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.”

Internal auditing is an independent, objective assurance activity designed to improve an organisation’s operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. The purpose of internal audit is to review and report to the authority on whether its systems of financial and other internal controls over its activities and operating procedures are effective.

Internal audit's function is to test and report to the authority on whether its specific system of internal control is adequate and working satisfactorily. The internal audit reports should therefore be made available to all Members to support and inform them when they considering the authority's approval of the annual governance statement.

Independence and competence

Your audit was conducted by Mark Mulberry of Mulberry Local Authority Services Ltd, who has over 30 years' experience in the financial sector with the last 13 years specialising in local government.

Your auditor is independent from the management of the financial controls and procedures of the council and has no conflicts of interest with the audit client, nor do they provide any management or financial assistance to the client.

Engagement Letter

An engagement letter was previously issued to the council covering the 2024/25 internal audit assignment. Copies of this document are available on request.

Planning and inherent risk assessment

The scope and plan of works including fee structure was issued to the council under separate cover. Copies of this document are available on request. In summary, our work will address each of the internal control objectives as stated on the Annual Internal Audit Report of the AGAR.

It is our opinion that the inherent risk of error or misstatement is low, and the controls of the council can be relied upon and as such substantive testing of individual transactions is not required. Testing to be carried out will be "walk through testing" on sample data to encompass the period of the council year under review.

Year-End Audit

The year-end audit was conducted on site. Information was requested from the council in advance of the audit taking place, and this was reviewed along with other information published on the council's website <https://www.melksham-tc.gov.uk/>

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Year End 2023/24 Audit - Points Carried Forward

Audit Area	Audit point	Council comments
Books of Account: VAT reporting	Reporting against a deadline leads to an increase of inherent risk and error, and may result in inadequate hierarchical review time. It would be advisable to be more timely in future.	VAT is being reclaimed as soon as possible, and before the deadline.
Governance	<p>The councillors should sign a formal acceptance to receive information by electronic means. I have provided some sample wording below for council consideration.</p> <p>“As per Schedule 12 of the Local Government Act 1972, I consent to the receipt of all council meeting papers by electronic methods. I understand I may withdraw this consent at any time.”</p>	<p>Went to Full Council Annual Meeting Monday 17th May 2021.</p> <p>128/21 Electronic Summons and Agendas It was proposed by the Town Mayor, Councillor Hubbard, seconded by Councillor Oatley and UNANIMOUSLY RESOLVED to approve the receipt of the summons, agendas and minutes by electronic means using the Modern.Gov system.</p> <p>New Clerk was asked to ensure new Members sign the form before 31st March, and for it to be included in the councillor induction pack. Template form sent to the Clerk.</p>
	Minutes are uploaded to the council website. These have been agreed to the signed minutes. I would recommend that the footer be updated to include the file path and the page number 1 of 7 etc – this then proves beyond responsible doubt the entirety of the minutes.	<p>13/3/25 Em'd Committee Clerk to see if 1 of 7 and mtg details can be added to footer. Currently page number on footer. Committee Clerk responded: Modern.Gov does not have the functionality to add the other details you suggest, and also no option for retrospective.</p> <p>May 25 - Council no longer use Modern.Gov and use Word so this can now be actioned.</p>
Financial Regulation 5.15	It is noted the second and third bullet points refer to the same threshold, whereas it is usual for the clerk and chair to have a lower threshold after which committee then full council approval is required. I recommend a review of this regulation.	Actioned, updated and approved by Council.
	The whole procedure from ordering goods and services to payment of the physical invoice is in our opinion weak and needs a thorough review. The regulation is there to provide a control and review process before an order is accepted and placed and to ensure that is sufficient budget in place. I recommend a full review of this and by the year end I order to sign off the AGAR positively I will need to see full evidence of a robust control and review process.	<p>3 quotes are obtained. A PO system is in place and training for Officers is being arranged.</p>
Risk	We were unable to locate the council financial risk assessments. These will need to be seen and noted as being approved by council before the 31 st March for the AGAR to be signed off.	<p>Revised and approved by Council – Risk Assessment / Risk Register.</p> <p>A working document as there are issues to address. This is being worked through.</p>
Budgets and Reserves	The general reserve balance does not appear to be within range. I would like to see council or committee acknowledgement of the overdrawn budget headings and the implication this will have on general reserves.	Councillors were spending their reserves instead of keeping to the budget. We have been a lot more strict with them this year, so hopefully the outcome has improved; it will definitely be better this year with stricter controls are in place and

	It will be necessary for council to properly discuss the low reserves position and overdrawn budget heading and be seen to actively take action on this.	<p>officers being more aware and responsible of their budgets.</p> <p>Budget review will be carried out after the year end / audits are out of the way and this will be checked. Previous RFO addressed this with Council.</p>
Bank	I recommend bank reconciliations and balances are reported on in the minutes each month. "Council resolved to approve the bank reconciliation dated "	<p>All financials are now being presented to every Finance Committee meeting.</p> <p>Two councillors check and sign off the bank reconciliations.</p>

B. FINANCE REGULATIONS, GOVERNANCE AND PAYMENTS

Internal audit requirement

This authority complied with its Finance Regulations, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for.

Audit findings

Check that the council's Finance Regulations are being routinely followed.

Further to the testing conducted at the interim audit, I checked a sample of invoices and payments made towards the end of the financial year. I was able to confirm amounts processed matched the amounts paid on the bank statements, were consistent with the associated invoice and had been approved in accordance with the council's adopted Financial Regulations. This is a vast improvement from the results of the interim audit.

I am satisfied the requirements of this control objective were met for 2024/25.

C. RISK MANAGEMENT AND INSURANCE

Internal audit requirement

This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.

Audit findings

It was noted at the interim audit that the risk register was incomplete. I am able to confirm that this has now been updated and completed to March 2025.

I asked if assertion 8 of the annual governance statement had any impact on the council. There is no impact.

"We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements."

The Clerk confirmed that they were not aware of any event having a financial impact that was not included in the accounting statements.

I am satisfied the requirements of this control objective were met for 2024/25.

D. BUDGET, PRECEPT AND RESERVES

Internal audit requirement

The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.

Audit findings

Analysis of the council's year-end income and expenditure report shows total income for the year reported as 164.3% (£797,565) and total expenditure as 132.6% (£353,335) against budget resulting in a surplus of £444,230 of which £620,243 has been transferred into earmarked reserves resulting in a deficit of £176,013 on the general reserve.

I have reviewed the income and expenditure against budget and note the additional income against budget is due in the main to £620k of CIL, £12k of Interest received, Grants of £127k and £13k of Assembly Hall Bar. The overspends against budget are attributable in the main to an additional spend of £210k on wages £40k on legal fees, £62k on play areas, £32k on CCTV.

It was noted at the interim visit that several cost centres in total were overdrawn; however, it was clear from evidence that council has been made fully aware of this and was taking remedial action. During the budget setting period for the 2025/26 budget the budget was extensively reworked to avoid these types of variances manifesting again.

At the end of the financial year, the council held circa £1,294,703 in earmarked reserves (EMR) and a further £292,81 in the general reserve. The earmarked reserves are listed and appear to be for bonafide ongoing projects.

The Smaller Authorities Proper Practices Panel (SAPPP) formally JPAG Practitioner's guide states '*the generally accepted recommendation with regard to the appropriate minimum level of a smaller authority's general reserve is that this should be maintained at between three and twelve months of net revenue expenditure*' (para 5.33).

I estimate the net revenue expenditure of the council is in the region of £1m, this would give a general reserve balance in the range of £300k to £1m. The general reserve balance is just within the recommended range but at the lower end.

This is a vast improvement on the interim result, and whilst the reserves position at the end of the year is improved from the interim result (no overdrawn earmarked reserves and general reserve now in range) – the fact remains that for the year under review the evidence is lacking that the budget was correctly set and that adequate reporting and budget monitoring was in place.

I am not satisfied the requirements of this control objective were met for 2024/25. However, if the council continues as it is with its current budget monitoring and reporting this will be a positive response for 2025-26.

G. PAYROLL

Internal audit requirement

Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.

Audit findings

I reviewed the total figure being included within box 4 (staff costs) on the Annual Governance and Accountability Return (AGAR) and was able to confirm this includes only salary payments, HMRC payments and pension contributions. However, the March payroll journal was missing at the time of the audit, this will need rectifying before the AGAR is finalised.

I reviewed the payroll reports provided by the payroll provider and am of the opinion that these do not contain sufficient information for the council to be sure beyond reasonable doubt that the wages are correctly calculated. **I recommend council review this internally and discuss more suitable options.** However, in terms of payments to staff and payments of PAYE & NI, there is sufficient evidence to show that council is properly approving and paying these.

I am satisfied the requirements of this control objective were met for 2024/25.

H. ASSETS AND INVESTMENTS

Internal audit requirement

Asset and investments registers were complete and accurate and properly maintained.

Audit findings

I confirmed the council has an asset register in place, but it is clear this is still being worked on and will need to be substantially updated for the current year additions and disposals as I have not been able to locate evidence that in accordance with financial regulation 16 that council has been provided with a business case for all additions and disposals over £500 and indeed whilst the nominal ledger shows details of fixed assets purchased in the year, these have not been added to the register. **I have recommended that a reconciliation is also shown that will show the movement from the prior year to the current year.**

The asset register is maintained on excel and is in a simple list format. The council is custodian of over £6m of assets and for a council of this size excel can become unwieldy. **I recommend a fixed asset reporting package be acquired that is better suited to the council requirements and that council review the requirements of Financial Regulation 16.**

The balance on the AGAR does not match the register – the AGAR needs to be amended

I am not satisfied the requirements of this control objective were met for 2024/25.

I. BANK AND CASH

Internal audit requirement

Periodic and year-end bank account reconciliations were properly carried out.

Audit findings

I reviewed the March 2025 bank reconciliation for all accounts and was able to confirm all the balances except one to the bank statements and cashbooks and found no errors. The balances agreed to the end of year AGAR.

The council has no underlying documentation from the Cambridge Building Society to verify the year end closing balance of £86,682 as shown in the accounts. This must be rectified before the accounts are finalised. IA Update – the Cambridge BS statement was received 05/06 which showed an additional £2,471.84 of interest needs to be recognised in the accounts. I have advised the RFO.

The council benefits in part from the £85,000 protection limit offered by the Financial Services Compensation Scheme (FSCS). The council also has an adopted investment strategy on its website.

Financial regulations 2.6 requires the council to review and sign off the bank reconciliation on an at least quarterly basis and this activity to be reported to council. The council is not following this regulation. The bank reconciliation is a key control account and council verification is required to reduce the risk of error or misstatement. The council must be seen to verify the council bank balances as part of protecting public money.

It was mentioned in the interim report reported to Finance Committee in January 2025 that the minutes should show council approval, and the council has asserted “*All financials will be presented to every Finance Committee meeting.*”; however, there is no evidence to show the bank reconciliation or the face of the bank statement were signed in accordance with regulation, indeed the minutes refer only to the cashbooks..

I am not satisfied the requirements of this control objective were met for 2024/25.

J. YEAR END ACCOUNTS

Internal audit requirement

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.

Audit findings

The council, at its meeting to sign off the year-end accounts, must discuss Section 1 of the AGAR (Annual Governance Statement) and record this activity in the minutes of the meeting. **COUNCIL IS REMINDED THAT THIS MUST BE A SEPARATE AGENDA ITEM PRIOR TO THE SIGNING OF SECTION 2 OF THE AGAR (ANNUAL ACCOUNTS).**

Section 1 – Annual Governance Statement

Based on the internal audit finding I recommend using the table below as the basis for that discussion.

	Annual Governance Statement	'Yes', means that this authority	Suggested response based on evidence
1	We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	<i>prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i>	YES – accounts follow latest Accounts and Audit Regulations and practitioners guide recommendations.
2	We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	<i>made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.</i>	YES – there is regular reporting of financial transactions and accounting summaries, offering the opportunity for scrutiny.
3	We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	<i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i>	YES – the Clerk advises the council in respect of its legal powers.
4	We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	<i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.</i>	YES – the requirements and timescales for 2023/24 year-end were followed.
5	We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	<i>considered and documented the financial and other risks it faces and dealt with them properly.</i>	YES – the council has a risk management scheme and appropriate external insurance.
6	We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	<i>arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.</i>	YES – the council has appointed an independent and competent internal auditor.
7	We took appropriate action on all matters raised in reports from internal and external audit.	<i>responded to matters brought to its attention by internal and external audit.</i>	YES – matters raised in internal and external audit reports have been addressed.
8	We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this	<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>	YES – no matters were raised during the internal audit visits.

	authority and. Where appropriate, have included them in the accounting statements.		
9	Trust funds including charitable – In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/asset(s), including financial reporting and, if required, independent examination or audit.	<i>has met all its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.</i>	N/A – the council has no trusts

Section 2 – Accounting Statements

AGAR box number		2023/24	2024/25	Internal Auditor notes
1	Balances brought forward	1,310,511	1,143,255	Agrees to 2023/24 carry forward (box 7)
2	Precept or rates and levies	999,784	1,047,270	Figure confirmed to central precept record
3	Total other receipts	223,096	989,398 + 2,472	Agrees to underlying accounting records – interest added from Cambridge BS
4	Staff costs	546,345	846,537	Agrees to underlying accounting records. Includes only expenditure allowed as staff costs (see section G) – but March payroll journal missing
5	Loan interest/capital repayments	0	0	Confirmed to PWLB documents
6	All other payments	843,791	780,709	Agrees to underlying accounting records
7	Balances carried forward	1,143,255	1,552,677 + 2,472	Casts correctly and agrees to balance sheet

8	Total value of cash and short-term investments	1,201,957	1,564,446 + 2,472	Agrees to bank reconciliation but not for all accounts – interest added from Cambridge BS
9	Total fixed assets plus long-term investments and assets	6,202,477	6,247,469 6,252,39	AGAR does not match FAR changes from previous year have been traced
10	Total borrowings	0	0	Confirmed to PWLB documents

For Local Councils Only		Yes	No	N/A	
11a	Disclosure note re Trust Funds (including charitable)		<input checked="" type="checkbox"/>		<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)			<input checked="" type="checkbox"/>	<i>The figures in the accounting statements above do not include any Trust transactions.</i>

Audit findings

The year-end accounts have been correctly prepared on an income and expenditure basis.

In reviewing the balance sheet accounts it was noted that a number of year-end adjustments will be required before the accounts are finalised; namely account 111 Prepayments there are items that are no longer required to be prepaid, the March 2025 wages journal needs to be posted and the events control accounts need to be corrected. **I recommend that at least quarterly, the council prepare a schedule of balance sheet reconciliations that show not just the movement on the accounts but the definitive composition of the closing balances.**

The AGAR correctly casts and cross casts and last year's comparatives match the figures submitted for 2023/24 and published on the council website. However, the figures presented for the internal audit are not the final balances and will be subject to change when the adjustments noted above are posted. This will result in further a deficit.

The variance analysis has not been completed at the audit date, I am told this will be completed after the close down is finalised.

I am satisfied the requirements of this control objective were met for 2024/25.

K. LIMITED ASSURANCE REVIEW

Internal audit requirement

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. (If the authority had a limited assurance review of its 2023/24 AGAR tick "not covered")

Audit findings

The council did not certify itself exempt in 2023/24 due to not exceeding the income and expenditure limits therefore this test does not apply.

L: PUBLICATION OF INFORMATION

Internal audit requirement

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

Audit findings

We have considered the requirements of Statutory Instruments 2015/480 The Local Government (Transparency Requirements) Regulations 2015 [<https://www.legislation.gov.uk/ukxi/2015/480/made/data.pdf>] and, 2015/494 The Smaller Authorities (Transparency Requirements). https://www.legislation.gov.uk/ukxi/2015/494/pdfs/ukxiem_20150494_en.pdf

In addition to this, we have considered the additional publication requirements as set out in the ICO Model Publication Scheme for Parish Councils. <https://ico.org.uk/media/for-organisations/documents/1153/model-publication-scheme.pdf> & https://ico.org.uk/media/for-organisations/documents/1266/parish_council_information_guide.doc

All councils are required to follow The Accounts and Audit Regulations which include the following requirements:

13(1) An authority must publish (which must include publication on that authority's website)

- (a) the Statement of Accounts together with any certificate or opinion entered by the local auditor in accordance with section 20(2) of the Act; and
- (b) the Annual Governance Statement approved in accordance with regulation 6(3)

13(2) Where documents are published under paragraph (1), the authority must

- (a) keep copies of those documents for purchase by any person on payment of a reasonable sum; and
- (b) ensure that those documents remain available for public access for a period of not less than five years beginning with the date on which those documents were first published in accordance with that paragraph.

The council has income & expenditure greater than £200k and is in part following (as best practice) the requirements of the Local Government Transparency Code 2015. The councils opening paragraph on its finance page even expresses agreement with the transparency code requirement for greater transparency. However it is clear that some areas of publication on the website need to be updated because they only show historic information; Expenditure over £500 & Fixed asset/Land register and some are not published at all, details of senior salaries, pay multiples, parking accounts.

As noted the requirement to follow the code is not legally required and I mention this only for completeness.

I reviewed the model publication scheme requirements and can confirm the council has a dedicated web page in place to cover the requirements.

I was able to confirm that pages 4 (Annual Governance Statement), 5 (Accounting Statements) and 6 (External Auditor's Report and Certificate) of the AGAR are available for review on the council website for financial years 2018/19 to 2023/24 inclusive.

I am satisfied the requirements of this control objective were met for 2024/25.

M: EXERCISE OF PUBLIC RIGHTS - INSPECTION OF ACCOUNTS

Internal audit requirement

In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations.

(During the 2024/2025 AGAR period, were public rights in relation to the 2023/2024 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).

Audit findings

Inspection – key dates	2023/24	2024/25 Proposed
Date AGAR signed by council	26 June 2023	23 rd June
Date inspection notice issued	27 June 2023	24 th June
Inspection period begins	28 June 2023	25 th June
Inspection period ends	8 August 2023	5 th August
Correct length (30 working days)	Yes	Yes
Common period included (first 10 working days of July)	Yes	Yes

I am satisfied the requirements of this control objective were met for 2023/24, and assertion 4 on the Annual Governance Statement can therefore be signed off by the council.

I was able to confirm that the proposed dates for 2024/25 meet the statutory requirements.

I am satisfied the requirements of this control objective were met for 2024/25.

Achievement of control assertions at year-end audit date

Based on the tests conducted during the year-end audit, our conclusions on the achievement of the internal control objectives are summarised in the table below and are reflected in the completion of the Annual Internal Audit Report within the AGAR.

	INTERNAL CONTROL OBJECTIVE	YES	NO	NOT COVERED
A	Appropriate accounting records have been properly kept throughout the financial year	<input checked="" type="checkbox"/>		
B	This authority complied with its Finance Regulations, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for	<input checked="" type="checkbox"/>		
C	This authority assesses the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these	<input checked="" type="checkbox"/>		
D	The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.		<input checked="" type="checkbox"/>	
E	Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for	<input checked="" type="checkbox"/>		
F	Petty cash payments were properly supported by receipts, all petty cash expenditure was approved, and VAT appropriately accounted for	<input checked="" type="checkbox"/>		
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.	<input checked="" type="checkbox"/>		
H	Asset and investments registers were complete and accurate and properly maintained.		<input checked="" type="checkbox"/>	
I	Periodic bank account reconciliations were properly carried out during the year.		<input checked="" type="checkbox"/>	
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.	<input checked="" type="checkbox"/>		
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. <i>(If the authority had a limited assurance review of its 2023/24 AGAR tick "not covered")</i>			<input checked="" type="checkbox"/> N/a
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	<input checked="" type="checkbox"/>		
M	M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations. (During the 2024/2025 AGAR period, were public rights in relation to the 2023/2024 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).	<input checked="" type="checkbox"/>		
N	The authority has complied with the publication requirements for 2023/24 AGAR.	<input checked="" type="checkbox"/>		
O	Trust funds (including charitable) – The council met its responsibilities as a trustee.			<input checked="" type="checkbox"/> N/a

Should you have any queries please do not hesitate to contact me.

Yours sincerely



Mark Mulberry

Mulberry Local Authority Services Ltd

Year-End Audit - Points Carried Forward

Audit Point	Audit Findings	Council comments
Payroll	I reviewed the payroll reports provided by the payroll provider and am of the opinion that these do not contain sufficient information for the council to be sure beyond reasonable doubt that the wages are correctly calculated. I recommend council review this internally and discuss more suitable options. However, in terms of payments to staff and payments of PAYE & NI, there is sufficient evidence to show that council is properly approving and paying these.	A proposal was submitted to Full Council for approval of a better payroll system more suitable for a council. Council resolved to defer until a permanent RFO is in post.
Fixed Assets	<p>I confirmed the council has an asset register in place, but it is clear this is still being worked on and will need to be substantially updated for the current year additions and disposals as I have not been able to locate evidence that in accordance with financial regulation 16 that council has been provided with a business case for all additions and disposals over £500 and indeed whilst the nominal ledger shows details of fixed assets purchased in the year, these have not been added to the register. I have recommended that a reconciliation is also shown that will show the movement from the prior year to the current year.</p> <p>The asset register is maintained on excel and is in a simple list format. The council is custodian of over £6m of assets and for a council of this size excel can become unwieldy. I recommend a fixed asset reporting package be acquired that is better suited to the council requirements and that council review the requirements of Financial Regulation 16.</p>	<p>All additions and disposals are shown on the Register. The Register also shows the movements between years.</p> <p>Business case – Clerk to action.</p> <p>The Locum RFO has already reported to Council that an asset management software system is required to better record the assets. Deferred until a permanent RFO is in post.</p>
Bank	<p>The council has no underlying documentation from the Cambridge Building Society to verify the year end closing balance of £86,682 as shown in the accounts. This must be rectified before the accounts are finalised.</p> <p>I recommend bank reconciliations and balances are reported on in the minutes each month. "Council resolved to approve the bank reconciliation dated "</p>	<p>This has finally been received and the AGAR / accounts have been updated accordingly.</p> <p>Committee Clerk has been asked to action.</p>
Accounts	<p>I recommend that at least quarterly, the council prepare a schedule of balance sheet reconciliations that show not just the movement on the accounts but the definitive composition of the closing balances.</p> <p>Missing interest from boxes 3 and 8</p> <p>Fixed assets on the AGAR do not agree to the FAR</p>	<p>Will be actioned.</p> <p>Adjusted now that Cambridge bank statement has finally been received.</p> <p>Addressed and amended.</p>
Transparency pages	The council has income & expenditure greater than £200k and is in part following (as best practice) the requirements of the Local	When the internal audit was carried out, Council were in the

	<p>Government Transparency Code 2015. The councils opening paragraph on its finance page even expresses agreement with the transparency code requirement for greater transparency. However it is clear that some areas of publication on the website need to be updated because they only show historic information; Expenditure over £500 & Fixed asset/Land register and some are not published at all, details of senior salaries, pay multiples, parking accounts.</p>	<p>process of creating a new website. Access to the old site was removed so there was a short period where the old site was not being updated. The new website is now live and all data is being uploaded to ensure transparency.</p> <p>Expenditure over £500 is up-to-date except for the one month where the old website was not being updated.</p> <p>The current Fixed Asset was on the website. The 24/25 Asset Register will be uploaded once the audit is completed / approved.</p> <p>Senior salaries are published on the old and new website so there is no action needed here.</p> <p>The new website will continue to be populated with as much information as we can to ensure transparency.</p>
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