

**INTERIM REPORT BY THE INTERNAL AUDITOR TO  
ULVERSTON TOWN COUNCIL  
PERIOD 1<sup>ST</sup> APRIL 2023 – 30<sup>TH</sup> SEPTEMBER 2023  
FINANCIAL YEAR ENDING 31 MARCH 2024**

I confirm I have, on the 23<sup>rd</sup> November 2023 undertaken an internal audit for the period 1<sup>st</sup> April 2023- 30<sup>th</sup> September 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 and governance procedures are appropriate and relevant to Ulverston Town Council.

The areas covered in the audit are noted below.

**1. Appropriate accounting records have been accurately kept throughout the financial year.**

**Periodic bank account reconciliations were properly carried out during the year.**

The Council compiles its annual accounts on an Income and Expenditure basis. Primary Accounts are kept in the Xero accounting package, which allocates all spending to the appropriate budget heading. Additionally, primary records are kept in house for submission to the External Accountant, which serves as a cross-reference. All records are balanced monthly. A random check confirmed accuracy of all the entries.

The random sample checked confirms there is a clear audit trail from invoices, which are indexed to the schedule of payments and the appropriate Minute Number.

Bank reconciliations are carried out monthly in the Xero accounts package. The accuracy of the information provided is verified by the signature of a member of the Council on the corresponding bank statement.

**2. The authority complied with its Financial Regulations. Invoices supported payments, all expenditure was approved and VAT was appropriately accounted for.**

Financial Regulations and Standing Order were reviewed and adopted at the meeting held on 23<sup>rd</sup> May 2023 – Minute Ref: AO16.3; AO16.3 respectively, and incorporates current legislation.

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

The review of the Risk Assessment documentation is undertaken annually, meeting 23<sup>rd</sup> May 2023 Minute Ref: AO16.14. There is on-going monitoring of risks throughout the year and the risk policy documents are amended as appropriate.

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

Confirmation of the budgeting process is readily available on the Council website. The budget monitor showed no significant variances, but evidence exists in the minutes that if occurring they are appropriately addressed.

The General Fund balance as at 30<sup>th</sup> September 2023 is £76891.54

Identified Earmarked reserves, as at 30<sup>th</sup> September 2023 is £213543.94

Cash sums available are adequate to allow Ulverston Town Council to achieve the budgeted spending plans.

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

There is a comprehensive record of all received income with an exact audit trail. All income is promptly banked upon receipt. All fees are reviewed on a regular basis. Allotment rents were reviewed and an increase approved - Finance & General Purposes Committee 5<sup>th</sup> July 2023.

**Vat was appropriately recorded**

VAT reclaims are submitted quarterly and will be verified for accuracy at the conclusion of the current financial year.

**6. Petty Cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT accounted and reclaimed**

Petty Cash is no longer operated. A Debit Card is provided with a maximum spend ceiling of £500. All transactions appear on the schedule of payments and the relevant receipts are in the invoice file. Vat is identified on these payments and recorded in the appropriate budget heading.

**7. Salaries to employees and allowances to members were paid in accordance with the council's approvals. PAYE and NI requirements were properly applied.**

All payments reflect salary scales approved by Council. Evidence was provided to verify that the appropriate tax codes and deductions are made.

Periodic checks on the payroll operator are made in house to ensure accuracy. Additionally the Xero package provides reconciliation.

Returns to HMRC and the pension provider are up to date.

**8. Asset and investment registers were complete and accurate and properly maintained.**

The Asset Register was approved and adopted in May 2023 in readiness for the completion of the 2022-2023 Annual Governance and Accountability Return (AGAR) – Assets recorded £3,531,317.

Throughout the year acquisitions and disposals are recorded if appropriate and the relevant changes notified to the insurer.

**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.

Inspection of the website – [ulverstoncouncil.org.uk](http://ulverstoncouncil.org.uk) confirms that the RFO has undertaken the obligation. The notice was posted 19<sup>th</sup> June 2023 with the inspection period being 20<sup>th</sup> June 2023 – 31<sup>st</sup> July 2023

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

The Local Audit and Accountability Act 2014 Sct 20(2) & 25 and The Accounts and Audit (England) Regulations 2015 (S1 2015/234) requires a Council to publish, as soon as reasonably practicable, after the conclusion of the audit, a statement on the website advising that the 2022-23 Audit has been completed.

The Clerk/RFO has undertaken the requirement and the Notice of Conclusion of Audit was published on the website 29<sup>th</sup> September 2023.

The return of the External Audit report was notified to Council – 16<sup>th</sup> October 2023  
– Minute Ref: A103.

The Clerk/Responsible Financial Officer (RFO), and Finance and Administration Officer have 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. The financial statements and reports reflect a true and accurate account of the Council's finance and governance records.



**Georgina D Airey – Internal Auditor -23<sup>rd</sup> November 2023.**