Report of the annual internal audit of Foxley Parish Council for the year ended 31st March 2024

I confirm that I have acted independently and on the basis of the assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the relevant period.

I have completed the Annual internal audit report 2023/24.

Although overall I am in agreement that the council has complied with their responsibilities (with the exception of objective M) and has taken steps to address the concerns raised in the internal audit 2022/23, I would make the following observations;

I have ticked no to objective M as I have been unable to confirm that the Notice of the period for the exercise of public rights has been published on the website and there was no authority approved minute confirming date set. Smaller authorities must publish on their website the Notice of the period for the exercise of public rights (and other information) as required by Regulation 15 (2) Accounts and Audit Regulations 2015 and the Transparency Code for smaller authorities

Although I have ticked yes to objective N, no bank reconciliation was published on website for end of year 2022/23. Although a summary cash and bank statement has been provided, no evidence seen/provided that an end of year bank reconciliation has been carried out for 2023/24 (line 8 of accounting statement should agree with bank reconciliation).

It is noted that as at 31st March 2023 the Council had earmarked reserves of £6000 (£1000 CANT, £5000 playground) this would leave the Council with no general reserves (minus figure). I would recommend a review of reserves (consider a reserves policy) to ensure the Council has sufficient general reserves in case of unexpected expenditure and earmarked reserves to meet future needs.

VAT – There is no indication where VAT needs to be reclaimed against invoices / payments in the cashbook 2023/24.

Minutes approve ICO payment of £40 but direct debit of £35 taken.

No receipt attached in respect of expenses for postage stamps £2.25

It is noted that the Annual accounts were proposed and seconded but no resolution recorded. Outcome of proposal should be recorded (e.g. 'it was AGREED.....)

It is noted that in the minutes January 2024 the Council agreed that *'the decision on what amount to spend on each (budget) item should be made at the time that they are requested'*. – The Council should be aware that the budget has two main purposes: • It results in the authority setting the precept for the year and provides a basis for monitoring progress during the year by comparing actual spending and income against planned spending and income. • The budget thus sets the legal limit of spending pre-authorised by the authority, as required by LGA 1972. It is noted that the minutes indicate that the precept was approved prior to considering the budget.

A precept of £5540 was approved as per option 4, but it is noted that although a precept calculation exists for option 4, no corresponding budget for option 4 has been evidenced so I am unsure what budget figures were used to support the Council's decision to request a precept of £5540 and from which the Council will be able to compare expenditure to the budget in 2024/25.

Please do not hesitate to contact me if you have any concerns / questions with regards to the points raised in this audit.

Regards

Jo

J Boxall

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