

Tony Jay  
Parish Clerk  
The Charltons Parish Council

12<sup>th</sup> May 2025

Dear Tony,

**The Charltons Parish Council End of Year Audit May 2025**

Parish & Town Auditing Services have been appointed to undertake the internal audit for The Charltons Parish Council. The End of Year audit was completed on 8<sup>th</sup> May 2025.

I can confirm that I am independent of the Parish Council.

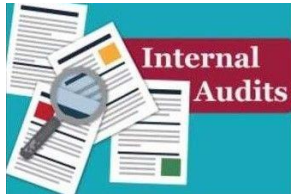
As stated in the Letter of Engagement letter, the scope of our work is limited to completing the audit testing and enquiries we deem necessary to complete Section 4 of the Annual Report for Local Councils in England. We do not provide assurance over or accept responsibility for areas of work not included in this scope, unless specifically agreed with the Council during the financial year. In providing internal audit services we are not conducting a financial statement audit in accordance with standards and guidelines issued by the Audit Practices Board and our procedures are not designed to provide assurance over the reliability and quality of your financial statements. This will be undertaken by the Council's appointed External Auditor.

We are required by the Annual Internal Audit Report included in the Annual Governance and Accountability Return (AGAR) to review controls in place at the Council against predefined control assertions. These controls are included in the following report.

Thank you for all the information you have provided. I would be grateful if you could present this report at the next available meeting of Full Council.

Yours sincerely,

Paul Russell, Internal Auditor



**A. Appropriate accounting records have been properly kept throughout the financial year.**

The Council maintains its financial records using a spreadsheet. The internal audit has confirmed that income and expenditure balances to the cashbook and is reconciled to the bank statements on a regular basis. During the review it has been confirmed that there is a clear audit trail from the accounts to supporting documentation such as invoices.

The Council receives monthly financial updates. Payments are outlined in the agenda and approved by Council. Monthly budget reports and reconciliations are signed off by a Councillor.

The opening balances in the cashbook agreed back to the 2023/24 accounts. Bank reconciliations are undertaken monthly and reconciliations are presented to Council, minuted and signed off. A sample of invoices have been inspected against the accounts for payment. No material differences were identified.

The accuracy of the year-end bank reconciliation details has been verified and accurate disclosure of the combined cash and bank balances have been stated in the AGAR, section 2, line 8.

**The Council has met this control objective.**

**B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.**

Both Standing Orders and Financial Regulations are based on the latest version of the NALC templates. Please note that from 24<sup>th</sup> February 2025, both above and below threshold notices for new UK procurements will need to be published on Find a Tender: [Find a Tender](#)

The financial limits between Standing Orders and the Financial Regulations match.

All other payments under Box 6 of the AGAR have increased from £14,173 to £14,836.

Invoices are entered onto the spreadsheet and a list of payments are presented to Full Council at each meeting for approval.

A sample test has been undertaken and the following is confirmed:

- Payment agreed to the invoice.
- A sample of Payments have been checked against the bank statements to verify accuracy.
- Expenditure is appropriate.

The Council is not registered for VAT and submits a VAT claim on an annual basis to HMRC. A claim of £569.50 was received for the 2023/24 financial year.

**The Council has met the requirements of this control objective.**

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

The Council has a Risk Register in place. It has been reviewed at the Council Meeting and is available for download from the website.

The Council is insured with Zurich on a standard local council package for employer liability and public liability. Adequate cover is provided and the policy was in date at time of audit.

**The Council has met this control objective.**

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

Council had initial balances of £31,844 at the beginning of the year and these have increased to £41,437 which corresponds to the end of year bank statement.

The Council does not have any Earmarked Reserves in place. Council may wish to consider setting up some earmarked reserves to help meet the cost of replacing assets when they reach the end of their lives.

The precept for 2024/25 was approved at the Full Council meeting on 16<sup>th</sup> January 2024 (minute: 24/05.c) (£28,330).

The precept for 2025/26 was approved at the Full Council meeting on 21<sup>st</sup> January 2025 (minute: 25/07.c) (£32,000)

Budget Monitoring reports are reviewed by the Full Council as part of the financial information presented.

**The Council has met this control objective.**

**E. Expected income was fully received, based on correct prices, properly recorded and promptly banked and VAT was appropriately accounted for.**

Precept as stated in box 2 is £28,330. This was paid in one payment from Somerset Council. This has been agreed to third party documentation provided by central government.

Income per box 3 to the accounts was £2,425, a decrease of £1,274 from income received in 2023/24 of £3,699. An explanation regarding this variance has been published on the website.

A sample has been tested during the year from the cashbook. The transactions were selected randomly and included items from each month of the 2024/25 financial year. No material differences were identified.

**The Council has met this control objective.**

**F – Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.**

The Council does not operate a petty cash account. **Not Covered.**

**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.**

Staff costs per box 4 to the accounts were £6,326 compared to the previous year of £5,797.

Box 4. I can confirm that the Staff Costs stated on the AGAR only include payments relating to the employment of staff.

A sample of payroll has been reviewed. I am satisfied that gross pay was calculated correctly and all payments to HMRC have been submitted.

**The Council has met this control objective.**

**H - Asset and investments registers were complete and accurate and properly maintained.**

The asset register has been reviewed and updated to include purchases during the year. The Fixed Assets box 9 stated £11,997 for 2023/24 and has decreased to £11,308.

**The Council has met this control objective.**

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

The Council has no outstanding loans.

All the Bank Accounts are reconciled promptly on a monthly basis. This was verified by reviewing the bank reconciliation file. All reconciliations have been signed off by a Councillor.

**The Council has met this control objective.**

**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.**

The Charltons Parish Council prepares its annual accounts on a receipts and payments basis as required as it has a turnover of less than £200,000 per annum

**The Council has met this control objective.**

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

The Council is subject to a limited assurance review. **Not covered.**

**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**

Smaller authorities must publish various documents on a publicly available website as required by the Accounts and Audit Regulations 2015, the Local Audit (Smaller Authorities) Regulations 2015 and the Transparency Code for Smaller Authorities. These include:

- Annual Internal Audit Report (published)
- Section 1 – Annual Governance Statement (published);
- Section 2 – Accounting Statements (published)
- Analysis of variances (published)
- Bank reconciliation (published)
- Notice of the period for the exercise of public rights and other information required by Regulation 15 (2), Accounts and Audit Regulations 2015. (published)

**The Council has met this control objective.**

**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 2024-25 AGAR period, were public rights in relation to the 2023-24 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).**

The Council published Sections 1 & 2 of the AGAR and the internal audit report.

The Public Notice is published on the Council's noticeboards. Dates were 3<sup>rd</sup> June to 12<sup>th</sup> July 2024 and this meets the 30 statutory days notice requirement. This was correctly minuted.

**The Council has met this control objective.**

**N: The authority has complied with the publication requirements for 2023/24 AGAR (see AGAR Page 1 Guidance Notes)**

The Council has published AGAR documentation for the previous 5 years as required by the regulations. Documentation goes back to 2016/17.

**The Council has met this control objective.**

**O – (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.**

The Council is not a sole trustee. Not applicable.