

# LIGHTATTOUGH

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08 June 2023

**The Town Clerk**

**Ryde Town Council**

**Town Hall Chambers**

**10 Lind Street**

**Ryde**

**PO33 2 NQ**

Dear Lisa

## **Final Internal Audit Report**

### **Ryde Town Council –October 2023 to March 2024 and Year End procedures**

The Accounts and Audit (England) Regulations 2015 (as amended) require all Town and Parish Councils to undertake an effective internal audit to evaluate the effectiveness of their risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.

We confirm that we are independent of the Council.

The internal audit work we have carried out has been planned to enable us to give our opinion on the control objectives set out in the Annual Internal Auditor's Report on the 2023-24 Annual Governance and Accountability Return (AGAR).

We have complied with the legal requirements and proper practices set out in:

- 'Accountability and Governance for Smaller Authorities – A Practitioners' Guide (England)' 2023
- The Accounts and Audit (England) Regulations 2015 (as amended).

This is the final audit in 2023/2024 to check that the Council adheres to the requirements set out in the Accountability and Governance for Smaller Authorities in England ensuring that compliance with proper practices is maintained.

It was agreed with the Responsible Finance Officer that the final internal audit review was carried on Tuesday 11 June 2024. The Responsible Finance Officer also provided back-up information from RBS Omega for the period October 2023 to March 2024 and End of Year details in advance of the visit to support the current governance and financial management position of the Council.

Further confirmation has been obtained of good practice and compliance with the Transparency Code Regulations 2015 from the Council's Website.

As we have carried out an Interim Internal Audit visit in 2023/2024, we are also using the information already recorded from this visit to complete the internal control objectives on the (AGAR) Internal Audit Report.

Where this is necessary, we will complete the AGAR Annual Internal Audit Report on evidence already seen from the previous reviews. This is acceptable practice for the External Auditor.

We have noted that the banking arrangements have been actioned to close the Nat West Bank accounts and open new bank account with Unity Trust Bank.

The work as at March 2024 is nearing completion for St Thomas's Church. We have noted that the funding from the Youth Investment Fund Grant totalling £578,557 is continuing to be received. The contracts for the work continue and are monitored on a regular basis.

The Ryde Marina project is now progressing, and the first phase is nearing completion.

We note that the Council have deposited monies in the CCLA Deposit Account which stand at £200,000 as at the 31 March 2024 and are benefiting from a good rate of return on their investment.

The following good Practice continues at the Town Council as:

- The Council maintains its books and records on RBS Omega software
- The Council is aware of the requirements of GDPR.
- The Council is registered with the ICO.
- Total payments to be authorised are recorded in the Council Minutes
- The budgeting process continues to be detailed and monitored.
- The Council continue to take an active scrutiny role.
- All income and expenditure could be traced to the Council's bank accounts.
- VAT claims continue to be made regularly.
- Payments to HMRC for National Insurance and PAYE are made regularly.
- The website is compliant with the requirements of the Transparency Code Regulations 2015.

As part of this final Internal Audit review, we checked:

**Bank Reconciliations including Petty Cash**

- the Bank Reconciliations at 31 March 2024 was re-performed and the petty cash totals were checked. No errors were noted.

**Income and Expenditure**

- all income and expenditure items were confirmed and details are accurate to the records held by the Council as at 31 March 2024.

#### **VAT Reimbursement**

- the Responsible Finance Officer has submitted a VAT claim to HMRC for the period January 2024 – March 2024 in the sum of £38975.29. This was submitted in April 2024 and was received on the 24 April 2024.

#### **Risk Assessment 2023/2024**

- the risks of the Town Council were approved by the Town Council at their March 2024 meeting to ensure that the requirements of the Governance and Accountability for Smaller Authorities in England (March 2023) is met.

#### **Town Council Minutes**

- Minutes of the Council were checked on the website for approvals and decisions made and approval of payments was checked for October 2022 to March 2023. (*Audit Note: Draft Minutes should be confirmed at each Town Council or Committee meeting and the full set of approved minutes posted on the Town Council website without reference to draft minutes*). (*Audit Note: The details of the approved Budget and Precept sums should be recorded in the Town Council minutes*).

#### **Asset Register**

- The Asset Register has been continually reviewed in 2023/2024 and additions and deletions are updated as required.

#### **End of Year Procedures 2023/2024**

A full check was carried out on the End of Year documentation provided by the Responsible Finance Officer to confirm the accuracy of the details to be submitted to the External Auditor. This also included the validation of any variances of totals over 15% between 2022/23 and 2023/2024 shown on Section 2 of the AGAR as required by the External Auditor.

The 2023/2024 AGAR Internal Audit Report requires the Internal Auditor to check the Council has correctly provided the proper opportunity for the Exercise of Public Rights in accordance with the requirements of the Accounts and Audit Regulations 2015.

This includes the Internal Auditor being shown evidence that the posting of the Notice on the website was done at least one clear day before the 30-working day period begins. (*Audit Note; We are pleased to report that the Town Council have displayed the Notice correctly to comply with the requirements of the Accounts and Audit Regulations 2015*).

The Annual Internal Audit Report to be submitted to the External Auditor was completed and signed by Tim Light.

This report should be noted and taken to the next meeting of the Council to inform them of the Internal Audit work carried out. The details of this Internal Audit Letter Report should also be Minuted by the Council.

Yours sincerely,  
Tim Light FMAAT  
Internal Auditor.

# Annual Internal Audit Report 2023/24

ENTER NAME OF AUTHORITY  
Ryde Town Council

ENTER FULLY AVAILABLE WEBSITE/WEBPAGE ADDRESS  
<https://www.rydetowncouncil.gov.uk/>

During the financial year ended 31 March 2024, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in an operation and obtained appropriate evidence from the authority.

The internal audit for 2023/24 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	✓		
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.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic bank account reconciliations were properly carried out during the year.	✓		
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.	✓		
K. If the authority certified itself as exempt from a limited assurance review in 2022/23, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2022/23 AGAR tick "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.	✓		
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 2023-24 AGAR period, were public rights in relation to the 2022-23 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).	✓		
N. The authority has complied with the publication requirements for 2022/23 AGAR (see AGAR Page 1 Guidance Notes).	✓		
<b>O. (For local councils only)</b> Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes	No	Not applicable
			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

19/10/2023 11/06/2024 DD/MM/YYYY

Name of person who carried out the internal audit

Tim Light FMAAT OF INTERNAL AUDITOR

Signature of person who carried out the internal audit

SIGNATURE REQUIRED

Date

11/06/24

\*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

\*\*Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).