FINAL REPORT BY THE INTERNAL AUDITOR TO APPLEBY TOWN COUNCIL
1ST APRIL 2023- 31ST MARCH 2023
FINANCIAL YEAR ENDING 31ST MARCH 2023

Introduction
This final report for the financial year 1st April 2022 to 31st March 2023 covers elements required by the Account and Audit Regulations (England) 2015 which were not covered in the interim report for the period 1st April 2022 – 30th September 2022.

I confirm I have, on the 9th May 2023 undertaken a final audit which covers the period 1st October 2022 to 31st March 2023 in accordance with the Account and Audit Regulations (England) 2015 as outlined in the schedule previously circulated and approved by Council and incorporating any new requirements as outlined in "Governance and Accountability for Smaller Authorities in England" March 2023

Appropriate accounting records have been kept throughout the year.
The completed 2023 Annual Governance and Accountability Return (AGAR) confirms that the closing balance at 31st March 2022 has been correctly carried forward to 1st April 2023 to commence the financial year.
The bank reconciliation at 31st March 2023 correctly reflects the balances on all bank accounts.
The balances at the bank as at the 31st March 2023 are considered adequate to enable the Council to fulfil budgeted expenditure, deliver planned projects and retain an adequate cash flow. - £80846.05
External Audit guidance advises free revenue cash reserve nearer 3 months Net Revenue Expenditure (N.R.E.) for authorities with a N.R.E. in excess of £200,00.

The authority complied with its financial regulations, invoices supported payments, all expenditure was approved and VAT was accounted for.
The Financial Regulations were reviewed to reflect current systems and processes, received at Council and adopted at the meeting held on 22nd. March 2023. – Minute No. C4/03/23
The rigorous tendering process for goods and services was evidenced by the documentation made available. All tenders and quotes adhere to the up to date Financial Regulations.
A selection of financial transactions was reviewed in excess of £2000.00 all were supported by a clear audit trail.
Vat reclaims are prepared on a quarterly basis. Evidence was available to confirm the reclaims for the final quarter of the financial year 1st January 2023 – 31st March 2023.
The claim for the final quarter of the financial year 31st March 2023 had been reconciled and submitted to HMRC - £2681.55

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

Risk assessment is an on-going function throughout the year. All documents are reviewed annually. Significant risks are noted, with measures documented to minimise such risks. Appropriate insurance exists to cover financial and other risks.

Health and Safety and Fire Policy was reviewed and adopted at the meetings held on 22nd. February 2023 and 22nd March 2023 respectively. – Minute No. C4/03/2023.

The Precept requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored and reserves are appropriate.

The Responsible Financial Officer (RFO) with full explanations of the recommendations prepares a budget report and it is presented to the Finance Committee for approval and prior to recommendations being made to Council. The Council subsequently approves the budget and notes in the Minutes the precept to be requested for the 2023-2024 financial year. - £152.022.00– Minute No. C3/01/23

The budget is set in time to comply with the District Council's timetable.

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

The Council has significant income from sources other than the Precept, mainly rents and TIC sales. Measures are in place to segregated cash handling from confirmation of the receipt and banking.

When received, it is properly recorded and promptly banked.

Receipts properly supported Petty Cash payments, all petty cash expenditure was approved and VAT appropriately accounted for.

The Council does not operate a Petty Cash account. The Clerk's expenditure incurred on behalf of the Council on Debit Cards is fully supported by invoices/receipts. VAT is identified and purchases are allocated to the appropriate budget headings.

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

All payments reflect salary scales approved by Council. Returns to HMRC are made to meet required timescales. The record with all deductions for staff was properly prepared and available for inspection.

It is the function of the Council as the employer to carry out the performance appraisal of the Clerk and the review of salaries and conditions of all staff. It is the responsibility of the Clerk as line manager of all staff to conduct the appraisals. The recommended period is annually or on the commencement of new job responsibilities.

Assets and investments register were completed and accurate and properly maintained.
The Asset Register for the current financial year has been completed and will be reviewed and adopted, as it is annually, to a scheduled timetable ensuring accuracy for completion of the 2022-2023 AGAR.

Accounting statements prepared during the year were prepared on the correct accounting basis – income and expenditure, all schedules, etc agreed and were supported by an adequate audit trail from the core accounts. Debtors and Creditors were properly recorded. The Council has published on the website all documentation required under relevant legislation.
The Council accounts are prepared on an Income and Expenditure basis as required by the Accounts and Audit regulations being an authority with income/ expenditure in excess of £200,000. The accounts clearly identify Debtors, Creditors, Receipts in Advance, and Accruals.
It is confirmed that the Council is fully compliant with requirements to publish information in line with relevant legislation.

The audit reports confirm that Appleby Town Council has fulfilled its statutory obligations and all finance and procedures comply with legislation. The comprehensive website ensures the electorate is fully aware of the use of all public funds.

I wish to express my appreciation to the/Town Clerk/Responsible Financial Officer and the Administrative Assistant for the preparation of all relevant financial documents, reports, comprehensive governance documents and the completeness of information on the website which facilitated the audit.

Georgina D Airey - Internal Auditor – 9th May 2023.