

Kim Larsson
Clerk to Aller Parish Council

9th June 2025

Dear Kim,

Aller Parish Council End of Year Audit June 2025

Parish & Town Auditing Services have been appointed to undertake the internal audit for Aller Parish Council. The End of Year audit was completed on 9th June 2025.

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

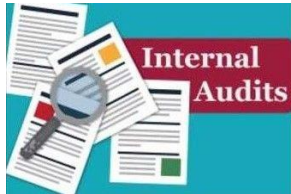
As stated in the Letter of Engagement letter, the scope of our work is limited to completing the audit testing and enquiries we deem necessary to complete Section 4 of the Annual Report for Local Councils in England. We do not provide assurance over or accept responsibility for areas of work not included 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 the Scribe accounting software. 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.

Bi-monthly finance reporting and invoice approval

Finance packs are sent to councillors with meeting agenda which includes:

- Summary position report
- Bank reconciliation
- List of payments for approval

The Finance Report is approved at the meeting and noted in the minutes. A hard copy bank reconciliation is signed by the chair of the meeting & filed with invoices. The payments list is approved at the meeting and noted in the minutes.

Recommend that consideration be given to publishing this report on the website to improve transparency.

The opening balances in the cashbook agreed back to the 2023/24 accounts.

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. (£48,842.59)

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.

Standing Orders are based on the latest NALC template and include the most up to date financial limits. Note that Contracts Finder is no longer in service.

The Council does not appear to have any Financial Regulations in place.

It is strongly recommended that Council adopts the new Financial Regulations drafted by NALC. They contain all the up to date financial limits following the adoption of the Procurement Act 2023.

Note that from 24th February 2025, both above and below threshold notices for new UK procurements will need to be published on Find a Tender: [Find a Tender](#)

All other payments under Box 6 of the AGAR has increased from £17,031.88 to £31,027.72. An explanation of the variance has been provided.

Invoices are recorded in the accounting system and 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 does not currently have a debit or credit card in place.

The Council is not registered for VAT and normally claims VAT back on an annual basis. A claim amounting to £2,037.15 has been received.

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 and this has been reviewed and updated.

The Council is insured with Clear Councils 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 is responsible for a play area and has an annual independent inspection undertaken. Copies of the inspections have been provided and reviewed.

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 £ 48,842.59 at the beginning of the year and these have decreased to £ 34,108.56.

End of year bank balances are as follows:

ACCOUNT	AMOUNT
Current A/C	£5,496.58
Business Reserve A/C	£17,367.48
West Country Savings	£11,244.50
Total	£34,108.56

The Council has Earmarked Reserves in place and these are updated throughout the year.

The 2024/25 precept of £12,900 was approved at the meeting held on 8th January 2024 (7.3)

The 2025/26 precept of £17,855.92 was approved at the meeting held on 13th January 2025 (Minute 7.4)

Budget Monitoring reports are presented to Council on a regular basis as part of the financial report.

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.

There are no aged debtors identified.

Precept as stated in box 2 is £12,900. This has been agreed to third party documentation provided by central government.

Income per box 3 to the accounts was £7,190.48, an increase of £1,022.49 from income received in 2023/24 of £6,167.99. An explanation of variance will be required.

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 is responsible for the management of the Cemetery. A Register of Burials is maintained. Various information can be downloaded from the website including internment and memorial forms and the fees/charges. Income is recorded in the accounts.

Income is also generated mainly from land rental, bank interest and grants.

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 £3,796.79 compared to the previous year of £3,938.76. It has been confirmed that the amount stated in Box 4 relates only to staff salaries.

The Clerk has a contract of employment in place and payroll is undertaken inhouse using the HMRC payroll software.

A sample of payroll has been reviewed. Verified 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 is maintained on Scribe and has been reviewed during the year. The Fixed Assets box 9 is stated as £104,063.87 for 2024/25.

Council is insured with Clear Councils on a standard policy. Adequate insurance is in place. Recommend that Council revalues its building at least once every five years to ensure that it is adequately insured to rebuild including fees.

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.

Bank accounts are reconciled on a monthly basis and signed off by the Clerk and a Councillor as part of the financial report presented to Councillors on a bi-monthly basis.

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.

Aller 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 certified itself exempt from a limited assurance review on 11t June 2024 (minute 5.1)

The Council has met this control objective.

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 should publish:

- All items of expenditure above £100 (published);
- Certificate of Exemption (published);
- End of year accounts (published)
- Annual governance statement (published)
- Internal audit report (published)
- List of councillor or member responsibilities (published)
- Details of public land and building assets (published)
- Minutes, agendas and meeting papers of formal meetings (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 website. Dates were 17th June to 26th July 2024. This meets the 30 statutory days' notice requirement. This was minuted on 11th June (Minute 5.4). **Recommend that the whole period be minutes for clarity.**

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 from 2016/17 onwards and meets the 5 year publication requirement.

Under the Accounts and Audit Regulations 2015, authorities must publish the following information on the authority website/webpage:

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

All the items above were published.

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.**