Liz Daly

Bathampton Parish Council

12th May 2025

Dear Liz,

**Bathampton Parish Council End of Year Audit April 2025**

Parish & Parish Auditing Services have been appointed to undertake the internal audit for Bathampton Parish Council. The End of Year audit was completed on 12th 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,

A close-up of a signature

Description automatically generated

Paul Russell, Internal Auditor

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

The Council maintains its financial records using a series of Excel spreadsheets which interlink with each other. 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 opening balances in the cashbook agreed back to the 2023/24 accounts. Bank reconciliations are undertaken monthly and both reconciliations and bank statements are signed off by a Councillor and the RFO. 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 have been verified and accurate disclosure of the combined cash and bank balances have been stated in the AGAR, section 2, line 8.

**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 and Financial Regulations are based on the latest NALC templates. Standing Orders and Financial Regulations have been reviewed and adopted. Please 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](https://www.find-tender.service.gov.uk/Search)

All other payments under Box 6 of the AGAR has increased from £10,567 to £12720, an increase of £2,153 or 20%. A comprehensive explanation of the variances has been provided.

The Council is not registered for VAT and submits its VAT returns to HMRC on an annual basis. The VAT return for the year has been reviewed. A VAT claim of £877.43 was reclaimed for the previous year and £1,183.53 is being reclaimed from HMRC for the 2024/25 year.

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

All Council assets are adequately insured and are identified within the insurance schedule. Insurance values are at reinstatement costs.

The Council is responsible for play areas and has undertaken an independent annual inspection as required and undertakes regular monitoring.

The Council has a Risk Management Policy in place and has been reviewed and adopted.

**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 starting balances of £81,715 at the beginning of the year and these have increased to £110,740.

End of year bank balances are as follows:

|  |  |
| --- | --- |
| **ACCOUNT** | **AMOUNT** |
| Community Account | £5,426.61 |
| Business Premium Account | £6,130.32 |
| Business Premium Account | £0.12 |
| Charity Bank Savings (442) | £78,595.77 |
| Charity Bank Savings (450) | £20,587.10 |
| Balances as at 31st March 2025 | £110,739.92 |

Council has Earmarked Reserves in place and Council reviews these annually.

Precept was set by Full Council at its meeting on 18th January 2024 (Minute 2024/008). A copy of the budget is available on the website. Both tranches of the precept have been received. Receipt has been confirmed from the spreadsheet and bank statements.

Regular budget monitoring reports are presented and reviewed by the Full Council.

**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 was £29,700. This has been cross referenced to third party documentation provided by central government and confirmed.

Income in box 3 of the accounts was £26,713. 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. In all cases I was able to agree the cashbook back to the bank statements.

**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. **This area was 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 £14,668 compared to the previous year of £14,821.

I confirmed that the accounts only include payments relating to employment of staff in box 4.

A sample of payroll was reviewed. I am satisfied that gross pay was calculated correctly, pension contributions have been properly calculated 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.**

Fixed assets box 9 are stated as £112,134. There was a small movement during the year which has been recording on the asset register.

I have agreed the balance in the accounts back to the asset register. The asset register meets the relevant regulations.

**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.

**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.**

Bathampton 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 5th June to 16th July 2024 and this meets the 30 statutory days notice requirement.

**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 2018/19.

**Please note that the End of Year information relating to 2022/23 is not currently loaded onto the website and it is recommended that this be undertaken as soon as possible.**

**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.