

**REPORT BY THE INTERNAL AUDITOR TO EGTON WITH NEWLAND, MANSRIGG AND OSMOTHERLY  
PARISH COUNCIL (ENMO)  
1<sup>ST</sup> APRIL 2023 – 31<sup>ST</sup> MARCH 2024  
FINANCIAL YEAR ENDING 31 MARCH 2024**

I confirm I have on the 10<sup>th</sup> April 2024 undertaken an internal audit for the period 1<sup>st</sup> April 2023-31<sup>st</sup> March 2024 in accordance with the Account and Audit Regulations (England) 2015 as outlined and incorporating any new requirements in “Governance and Accountability for Smaller Authorities in England” March 2023

The following areas have been assessed to ensure the internal financial controls are appropriate and relevant to ENMO Council.

The areas covered in the audit are noted below.

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

The Council operates Receipts and Payments Accounts as required by the Regulations in Excel spreadsheets. The Cashbook is maintained and up to date. There were no arithmetical errors and there is a clear audit trail and a checking system for data input into the computerised records. It is confirmed that the prior year balance as confirmed by the bank reconciliation 31<sup>st</sup> March 2023 Box 8 ,and recorded in the AGAR, has been correctly carried forward to Box 1. - £.41156 There is a clear audit trail from the bank statements, regularly verified bank reconciliations and invoices, which confirms payments recorded in the Minutes.

The year- end bank reconciliation is accurate - £41349 and correctly recorded in Box 8 of the AGAR.- as at 31<sup>st</sup> March 2024.

**Financial Regulations, Standing Orders, Publication of Relevant Legislation.**

The Council has a statutory obligation under the Transparency Code, and other relevant legislation, to display specific information as detailed in the legislation. The Council has a comprehensive website, and all information is displayed in a format easily understood by the elector.

**RECOMMENDED that the review of the Financial Regulations and Standing Orders is recorded annually in the Minutes as required. See Page 39 5.40 Practitioners’ Guide.**

**2. The authority complied with its Financial Regulations; invoices supported payments, all expenditure was approved and VAT was appropriately accounted for.**

The Clerk/ Responsible Financial Officer (RFO) e-mailed comprehensive financial information which provided evidence of a sound system for the approval of payments and verification of invoices. Transactions in the financial year did not require tendering procedures.

The VAT reclaim for the period 1<sup>st</sup> April 2023 – 31<sup>st</sup> March 2024 - £343.68 is confirmed by the appropriate recording in the cashbook. Claims are made within the appropriate timescale to adhere to HMRC requirements.

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

No risk management review has been documented in the Minutes of the Council for the current year ending 31<sup>st</sup> March 2023

To comply with requirement in the Annual Governance and Accountability Return(AGAR)

It is **RECOMMENDED** that a full Financial Risk Assessment as outlined in the Practitioner's Guide 2023, is drafted and submitted for approval by the Council annually, together with the appropriate risk assessment of other activities undertaken by the Council.

**4. The precept requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored. Reserves are appropriate.**

A precept of £8000 is recorded for the 2024-25 financial year, which is correctly demanded from the Westmorland Council well within the allotted timescale.

Regular budget comparisons are received at Council. Earmarked reserves are identified.

**It is recommended by External Auditor that cash reserves should be held between three to twelve months budgeted total expenditure. The recommendation for the smaller authority is twelve months expenditure.**

**5. Expected income was fully received based on correct prices, properly recorded and promptly banked. Vat was appropriately recorded**

ENMO Council has minimal cash income other than the precept. VAT has been claimed for the period from 20<sup>th</sup> March 2023 – 16<sup>th</sup> January 2024 - £343.68.

**6. Petty Cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT accounted and reclaimed**

The Council does not operate a petty cash system. All Clerk's Expenses are presented for payment on the accounts schedule of payments. Receipts are filed with invoices and VAT is noted and reclaimed as appropriate.

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

All returns to HMRC are up to date and verified by the year- end P60. The correct tax code has been operated.

Members do not receive an allowance.

**8. Asset and investment registers were complete and accurate and properly maintained.**

Assets listed on the council website mainly outlines land only. In order to meet the criteria for the confirmation of Section H in the Internal Auditor Report in the AGAR the following is

**RECOMMENDED** that compliance will be achieved if advice in the Practitioner's Guide is followed.

An Asset Register is to be drafted and submitted to the Council annually for approval.

**9. The authority has, during the previous year, correctly provided for the exercise of public rights as required by the Account and Audit Regulations.**

Regulation 15(2) Accounts and Audit Regulations 2015 requires the Responsible Financial Officer (RFO) to publish a Notice of Public Rights of inspection of accounts for a period of thirty days

which must include the first 10 working days in July. Inspection of the website confirmed that a notice was published 4<sup>th</sup> June 2023 with the inspection period 5<sup>th</sup> June – 14<sup>th</sup> July 2023.

The Local Audit and Accountability Act 2014 and The Accounts and Audit (England) Regulations 2015 requires a Council, having signed the Certificate of Exception, (Meeting - 9<sup>th</sup> May 2023 – Minute No. 1518d to publish the requisite documents on a website prior to 2<sup>nd</sup> July in the relevant year. The notification was posted on the website [enmoparishcouncil.org.uk](http://enmoparishcouncil.org.uk).

In concluding the report, I acknowledge the assistance of the Clerk/RFO and the thorough preparation and availability of all compiled documents, which expedited the audit process as a result of accurate and transparent records.

The Council's control systems are efficient and effective and give the appropriate level of confidence, that the financial statements and reports reflect a true and accurate account of the Council's finance and governance records.

To ensure full compliance with the Accounts and Audit Regulations (England) 2025. It is advised that all recommendations, if implemented, will enhance the governance and statutory obligations of ENMO Parish Council

A handwritten signature in black ink, appearing to read 'Georgina D Airey', with a stylized flourish at the end.

**Georgina D Airey – Internal Auditor 10<sup>th</sup> April 2024.**