Upton Parish Council
Financial Year 2023-24

IAC Audit and Consultancy Ltd

Year End Internal Audit Observations

Audit date: 30 April 2024

B ***This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.***

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	Has the Council formally Minuted confirmation of bank signatory arrangements?	No	*From a review of records it was not possible to verify when the Council reviewed and confirmed the bank signatory arrangements.*	Council to formally review and, if appropriate, approve the bank signatory arrangements.	Medium	
2	Have Grants awarded been appropriately considered by Council and approved in accordance with the Councils grant policy?	Yes	*Council Minutes of 4th December 2023 record (Min Ref 69/23) approval of a grant for £400 but do not state who the grant recipient is.*	The Council to ensure that Minutes of Meetings clearly record the beneficiary of any grant awarded by the Council.	Medium	
3	Are Powers under which grants are made clearly specified in Council Minutes?	No	*The Council does not formally record the Powers under which grants are awarded in Minutes.*	The Council to ensure that the appropriate Power under which grants are made is recorded in the Minutes of the meeting in which the grants are approved.	Medium	

D ***The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.***

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	Council has returned to IAC completed Internal Audit Observations spreadsheets from prior audit(s)	No	*The Council has not provided its response to the Internal Audit Observations from the previous audit and returned it to IAC.*	Council to provide its comments on the previous Internal Audit Observations.	Medium	
2	Regular budget reports have been presented to council and there is evidence that corrective actions have been taken as a result of review	No	*From a review of Minutes it was not possible to verify that the Council has regularly reviewed progress against budget.*	The Council should ensure that progress against budget is subject to regular review during the year, and that this review is formally recorded in Minutes of Council meetings.	High	
3	Does the budget recorded in the Councils accounting system agree to the budget set by Council?	No	*It does not appear that the Council has incorporated the budget for the year in the Excel cashbook.*	When reviewing financial performance against budget (see above) the Council to ensure the budget reported agrees to the budget approved.	High	

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

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	Does the investment policy clearly show an awareness of investment risk being taken?	Yes	*It was noted that the Councils Treasury and Investment Policy states* *"The maximum of the council's cash deposits which may be held with one institution must not exceed 60%. "* *As at the 31st Match 2024 all of the Council balances were held with one bank.*	The Council to note that it is not currently complying with its Treasury and Investment Policy	High	

H ***Asset and investments registers were complete and accurate and properly maintained.***

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	Assets purchased / disposed of have been added to / removed from asset register	Yes	*The Council approved the write off of the value of a laptop at a meeting held on 8th January 2024. It was noted that, as at the 31st March 2024, the laptop remains recorded on the asset register. (The laptop is recorded as a £1 nominal value)*	The Council to note that the values stated for assets (Box 9 of the Annual Accounting Statements) includes the value of the laptop approved for write off in January 2024.	High	

I ***Periodic bank account reconciliations were properly carried out during the year.***

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	There a bank reconciliation for each account (Year End)	No	*A formal year end bank reconciliation was not provided, but the bank statement balances agree to the values stated in the Excel Cashbook*	Bank reconciliations must be carried out for each of the Councils bank accounts.	High	

M ***The authority, during the previous year (2022/23) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set).***

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	The period for the Exercise of Public Rights commenced the day after the Council published the Accounting Statements, the Annual Governance Statement and the Notice as set out in Regulation 15.3 of the Accounts and Audit Regulations 2015.	No	*The period for the Exercise of Public Rights did not commence the day after the Council published the Accounting Statements, the Annual Governance Statement and the Notice as set out in Regulation 15.3 of the Accounts and Audit Regulations 2015. The Announcement Date was Thursday 1st June and the Commencement Date as Monday 5th June. (The 5th June was the earliest commencement date meeting the requirement for the Period to include the First 10 working days of July).*	The Council to note that the Commencement Date should be the next working date after the Announcement Date.	High	

N ***The authority has complied with the publication requirements for 2022/23 AGAR (see AGAR Page 1 Guidance Notes).***

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	The Council has published the unaudited Statement of Accounts (Section 2 of the Annual Return) in accordance with the requirements of Regulation 15 (2) of the Accounts and Audit Regulations	Yes	*There version of the Statement of Accounts published on the Council's website is unsigned and not fully completed*	The Council to ensure that the Statement of Accounts published on the website is the signed copy approved by Council	High	
2	The Council has published the Annual Governance Statement on its website in accordance with the requirements of Regulation 13 of the Accounts and Audit Regulations	Yes	*There version of the Annual Governance Statement published on the Councils website is unsigned and not fully completed*	The Council to ensure that the Annual Governance Statement published on the website is the signed copy approved by Council.	High	