

Reply to: Jenny McCabe
Our ref: ARN402 / JMC / GEW
Your ref:

12 July 2023

The Members of the Council
Arnside Parish Council
Cemetery Chapel
Silverdale Road
Arnside
LA5 0ER

Dear Sirs

Annual Internal Audit 2022/23 - Arnside Parish Council

We have carried out the work as set out in our engagement letter dated 11th July 2023. Accompanying this letter is a memorandum noting our findings.

This report has been prepared for the sole use of the Members of the Council of Arnside Parish Council and must not be shown to third parties without our prior consent. No responsibilities are accepted by MHA Moore and Smalley towards any party acting or refraining from action as a result of this report.

Yours faithfully

MHA Moore and Smalley
jenny.mccabe@mooreandsmalley.co.uk

Findings in accordance with our engagement letter dated 11 July 2023:

Scope	Findings
(A) Appropriate accounting records have been properly kept throughout the year.	Accounting records (as reconciled to the final accounts and the final bank statements) are considered to have been properly kept throughout the year.
(B) This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	The authority appears to have complied with its financial regulations – the process for approval of payments has been documented to confirm that in order for an invoice to be paid, it has to be approved and a sample of payments have been agreed to invoices with the VAT treatment agreed.
(C) This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	The authority has detailed risk assessment policies in place.
(D) The precept or rates requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored; and reserves were appropriate.	The precept for 2022/23 has been agreed to the South Lakeland District Council minute and has also been agreed to the 2022/23 budget. Budget has been monitored compared to actuals. Given net income of £573 for the year ended 31 March 2023 per the Accounting Statements this appears to have been an adequate process.
(E) Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	From a review of the accounting records income appears to have been fully received, recorded and banked. No VATable income.
(F) Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	This authority does not use Petty Cash.
(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.	Salaries to employees have been paid in accordance with approvals, with each month's payroll reports signed by 2 members of the council. PAYE and NI requirements have been applied.
(H) Asset and investment registers were complete and accurately and properly maintained.	A complete Fixed Asset Register is held, with most items having been professionally valued in the year.
(I) Periodic bank account reconciliations were properly carried out during the year.	Both bank balances have been reconciled monthly.
(J) Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to cash	Accounts have been correctly prepared on the receipts and payments basis, as confirmed on the reconciliation of the cash book receipts and cash book payments to the Accounting Statements.

	book, supported by an adequate audit trail and where appropriate debtors and creditors were properly recorded.	The amounts for the year ended 31/03/23 have been agreed to the cash book, which has a supporting audit trail. Accounts prepared on the receipts and payments basis therefore no debtors and no creditors.
(K)	If the authority certified itself as exempt from a limited assurance review in 2021/22, it met the exemption criteria and correctly declared itself exempt. <i>(If the authority had a limited assurance review of its 2021/22 AGAR tick "not covered")</i> .	The authority had a limited assurance review of its 2021/22 AGAR therefore this is "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.	The authority published the notice for the period of the exercise of public rights on the 2 nd of July (i.e. after the 30 th June). This notice also states that the authority has certified itself as exempt from the appointed auditor's review. This authority is not exempt from the appointed auditor's review. <i>Action being taken – the RFO will ensure that the relevant notice is filed on time for 2023/24, and is aware that the authority is not exempt from the appointed auditors review.</i>
(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 <i>(during the 2022-23 AGAR period, were public rights in relation to the 2021-22 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set)</i>	The authority has provided for a period for the exercise of public rights by a notice on the website.
(N)	The authority has complied with the publication requirements for 2021/22 AGAR.	The authority has complied with the publication requirements for 2021/22 except for the following: <ul style="list-style-type: none"> No notice of conclusion of the audit was published. <i>Action being taken – the RFO will ensure that the relevant conclusion is filed for 2022/23.</i>
(O)	(For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee	Not applicable – the council does not act as a trustee