

# Audit Report

## Thornbury Town Council

**Audit Plan Year:** 2024/25 In Year Assurance

**Audit Status:** Audit Completed

**Audit Review Date:** 25<sup>th</sup> – 27<sup>th</sup> February 2025

### Report Distribution:

Hannah Bowden – Town Clerk and Responsible Finance Officer

Wendy Sydenham – Deputy Clerk

Lesley Prout – Finance Administrator

### 1. Objective

The objective of the audit was to provide an independent opinion on the appropriateness of the financial control procedures operated in the Council. Rachel Massey, Audit Officer examined these procedures.

### 2. Opinion

The highlighted wording in the table below provides the opinion for this internal audit review and its accompanying description.

High Standard	Systems and processes are excellent providing good assurance. Significant strengths have been identified and are to be commended, any recommendations made will serve to further strengthen existing arrangements.
Reliable Standard	There are very few significant matters arising from the audit, systems of control are good and provide reasonable assurance.
Improvements Required	Existing procedures need to be improved in order to ensure that they are fully reliable. Extensive recommendations have been made but the issues are not of such a significance to represent a major risk to the Council.
Significant Improvements Required	Existing procedures are weak and reasonable assurance could not be provided over a number of areas. Prompt action is necessary to improve the situation and avoid unnecessary risks.
Fundamental Weaknesses Identified	The matters arising from the audit identify that there are fundamental weaknesses which place doubt on the reliability of the procedures reviewed. Urgent action is necessary to improve the current situation and reduce risk exposure.

### 3. Key Strengths

- Meetings for the Full Council and the Finance and General Purpose Committee were documented within adequate meeting minutes. They were quorate, numbered, approved and were available on Town Council website.
- The minutes confirm the budget has been approved and precept was requested timely.
- Quarterly budget reports, bank reconciliations and accounts for payment are presented at the Finance and General Purpose committee meetings, any significant variances are discussed.
- A sample of financial transactions from the cashbooks were reviewed, supporting documents were available and all payments were traced back to the bank statements.
- The Town Council operates a pre-payment cards for their petty cash. Expenditure is reconciled monthly and the accounts are presented to the committee. Receipts are retained on file.
- Health and Safety monitoring arrangements for play areas and open spaces were observed. Inspections are completed annually by RoSPA alongside weekly and daily checks completed by Town Council staff.

### 4. Key Risks

- None noted

## 5. Key Actions

- None noted.

## 6. Advisory Points

### Asset register:

- Following the updated NALC guidelines, a minimum value should be set for determining between fixed assets and general consumables, and if the Council has decided to group assets. Both decisions should be reviewed and minuted annually.
- It is recommended to display insurance value within the register. A further column could be added to ensure that these costs are aligned with the current insurance schedule.
- When documenting the Notice of Conclusion of audit within the meeting minutes, it would be preferable to include details of dates and locations of display.

No matters have arisen from this audit review; therefore no recommendations have been made at this time.

## 6. The Control Environment

Key Control Objectives		Achieved?
A.	Appropriate accounting records have been kept properly throughout the financial year.	Yes
B.	The authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	Yes
C.	The authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	Yes
D.	The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	Yes
E.	Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT appropriately accounted for.	Yes
F.	Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	Yes
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.	Yes
H.	Asset and investment registers were complete and accurate and properly maintained.	Yes
I	Periodic bank account reconciliations were properly carried out during the year.	Yes
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.	Test at Year end

K	Councils with turnover of below £25,000.  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. <i>(If the authority had a limited assurance review of its 2023/24 AGAR tick "not covered")</i> .	Not currently applicable to any SGC clients.
L	The authority publishes information on a free to access website / webpage up to date at the time of the internal audit in accordance with any relevant transparency code requirements.	Not covered
M	The authority, during the previous year (2023-24) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations <i>(evidenced by the notice published on the website and / or authority approved minutes confirming the dates set)</i> .	Yes
N	The authority has complied with the publication requirements for 2023/24 AGAR <i>(see AGAR Page 1 Guidance Notes)</i> .	Yes
O	Trust funds (including charitable) - The council met its responsibilities as a trustee.	Yes

## 7. Auditors & Acknowledgements

Audit Manager	Justine Lawson
Auditor	Rachel Massey

We are extremely grateful to the following officers for their help during this review:

Hannah Bowden – Town Clerk and Responsible Finance Officer

Wendy Sydenham – Deputy Clerk

Lesley Prout – Finance Administrator

