

Fair Account

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29 January, 2024

Frome Town Council
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Dear Mr Wynne

Internal Audit Report for Frome Town Council for 4/23 to 10/23

The Accounts and Audit (England) Regulations 2015 (as amended) require all Town and Parish Councils to undertake an effective internal audit to evaluate the effectiveness of their risk management, control, and governance processes by considering public sector internal auditing standards & guidance.

We can confirm that we are independent of the Town Council.

The internal audit work we have carried out has been planned to enable us to give our opinion on the control objectives set out in the Annual Internal Auditor's Report on the Annual Governance and Accounts Return (AGAR) for 2023/24.

We have complied with the legal requirements and proper practices set out in:

- 'Governance and Accountability for Local Councils – A Practitioners' Guide (England)' 2023
- The Accounts and Audit (England) Regulations 2015 (as amended).

This is the first interim audit in 2023/2024 to check that the Council adheres to the requirements set out in the Governance and Accountability for Smaller Authorities in England ensuring that compliance with proper practices is maintained.

This review was conducted remotely, with consultations by Zoom link and telephone conference calls with the Business Manager (RFO) and Assistant Finance Officer (AFO). The AFO has provided full back-up information from the RBS Omega system, and continued access to the Audit folder held on the Town Council Server for the period April to October 2023 to support the current governance and financial management position of the Council.

Further confirmation has been obtained of good practice and compliance with the Transparency Code Regulations 2015 from the Council's website.

As we conduct each interim internal audit visit and reviews through 2023/2024, we will use the information already recorded from these visits to complete the internal control objectives on the AGAR Internal Audit Report. Where this is necessary, we will complete the AGAR Internal Audit Report on evidence already seen from all previous visits. This is acceptable practice for the External Auditor.

As part of this Internal Audit review, we checked:

Bank Reconciliations for all 12 cashbooks (9 Bank a/cs, 2 Petty Cash & CCLA Deposit)

- all Bank Reconciliations at 31 October 2023 were agreed, and no errors were noted.

Income and Expenditure incl. VAT, Barclaycard, PWLB Loan aspects & Asset purchases

Test checks on income and expenditure items in this period were confirmed, and details are accurate to the records held by Council. Assets identified on paid invoices in this period (2 Arco Cabinets & Old Showground play equipment) are being added to the Asset Register. The full Asset register review will be performed on the next Interim Audit. Lotto grant funding received in 2023/24 thus far is £141,092.62 (Code 2301). PWLB loan for VP toilets was received at £149,947.50 (Code2302).

Town Council Minutes & Website

- Minutes of the Council were checked on the website for approvals and decisions made incl. approval of payments for April to October 2023. The Standing Orders, Financial Regulations & General Power of Competence were updated & approved on 17/5/23. Relevant website postings for all 2022/23 AGAR papers were correctly shown.

VAT claims

- VAT claims for quarters 1&2 (£64,313.90) were checked & refunds confirmed to Bank.

Insurance

Zurich policy YLL-272004 covering 6/11/23 to 6/4/24 is held for standard Council aspects. Gallaghers OSR policy 57540056 provides Cyber cover for 4/8/23 to 3/8/24.

We are pleased to report that the various records and procedures in place for the Council provide a very good standard of control during this audit period.

This report should be taken to the next meeting of the Council to inform them of the Internal Audit work carried out. This Report should also be minuted by the Council.

I confirm that the second interim audit will be conducted on 22nd & 23rd February 2024. In addition to the normal Cashbook reconciliations, this will also cover Payroll, Asset Register & Council Risk assessment aspects.

Your sincerely

Paul Reynolds FMAAT