

## **Report to Saffron Walden Parish Council**

### **Interim Internal Audit of the Accounts for year ending 30<sup>th</sup> September 2022**

The primary objective of Internal Audit is to independently review, appraise and provide assurance upon the control environment, making sure that controls are mitigating the Council from increased risk exposure, and to achieve this, the internal auditor will adopt a predominantly systems-based approach to audit.

The Accounts for the period year ending 30<sup>th</sup> September 2022 can be summarized as follows:

<b>Income for year:</b>	£ 1,425,772(rounded)
<b>Expenditure for year:</b>	£ 649,688 (rounded)
<b>Precept figure:</b>	£ 1,233,629 (rounded)

The following Internal Audit work was carried out on the adequacy of systems of internal control in accordance with the scope previously approved by the Council with particular emphasis upon the following:

- Review and assess the soundness, adequacy, effectiveness and reliability of financial and performance management systems
- Review and assess the efficiency and effectiveness of internal control arrangements and working practices and make recommendations to improve these where appropriate
- Review and assess the adequacy of procedures to ensure the Council's assets and interests are adequately protected and risks are identified and effectively managed
- Check for compliance with legislation and the Council's integrity and ethical standards, policies and procedures

Comments and any recommendations arising from the review are made overleaf.

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Subject & tests carried out	Comments/Recommendations
<p><b>1. Proper book-keeping.</b>  <b>Examination of</b></p> <ul style="list-style-type: none"> <li>• <b>Cashbook</b></li> <li>• <b>Reconciliations of cashbook</b></li> </ul>	<p>The council continues to use the Rialtas accounting package which produces reports on an Income and Expenditure basis. Council follows Proper Practices in ensuring that its accounting procedure gives a more accurate presentation of an authority's true financial position by focusing on the balance of economic benefits that it has under its control, rather than just its bank balance. The cashbook is reconciled on a monthly basis, regularly verified against bank statements and contains entries from day to day of all sums of money received and expended by the council along with matters to which the income and expenditure relates. In accordance with good practice, the accounting records also contain a record of income and expenditure in relation to claims made for contribution, grant or subsidies from a government department or other public body.</p> <p><i>Comment: The Responsible Financial Officer (RFO) continues to be mindful of Proper Practices, by ensuring that effective procedures are in place to accurately and promptly record all financial transactions, and that the accounting records are kept up to date throughout the year, together with all necessary supporting information.</i></p> <p>Spot checks were made and were found to be correct. Journal entries between cost codes for the period under review (ending September 2022) were seen and verified with supporting documentation reviewed. The RFO has ensured that the cash book is the focus for day-to-day accounting and is aware that the balancing off and reconciliation to the bank statement remains the most important control over the accounting system.</p> <p><i>Comment: Council continues to follow Proper Practices in ensuring that its accounting procedure gives a more accurate presentation of an authority's true financial position by focusing on the balance of economic benefits that it has under its control, rather than just its bank balance. As previously identified, for further transparency and scrutiny, the RFO, in accordance with best practice, has referenced all payments and receipts with a description as to the expenditure and income being incurred to ensure the integrity of data being input and processed.</i></p>
<p><b>2. Payment controls.</b>  <b>Examination of:</b></p> <ul style="list-style-type: none"> <li>• <b>Understanding of the process involved for reclaiming VAT</b></li> <li>• <b>Expenditure controls</b></li> <li>• <b>Internet Banking controls</b></li> <li>• <b>Procurement controls</b></li> </ul>	<p>VAT is identified in the cash book and reclaimed on a quarterly basis. The VAT Assessment File for the first and second quarters, as produced by the accounting package operated by the RFO were reviewed and verified. Settlement of the accounts for the first two quarters in the sum of £11,61.45 and £13,374.98 was evidenced from the Council's bank statements. The claim for the period ending 31<sup>st</sup> March 2022 in the sum of £35,778.22 accurately reflected the year-end position and was settled on 27<sup>th</sup> April 2022.</p>

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<ul style="list-style-type: none"> <li>• <b>General power of competence</b></li> <li>• <b>Public Works Loans</b></li> <li>• <b>Tourist Information Centre</b></li> </ul>	<p>A selection of random payments were cross checked against cheque book/payment authorisation slips, cash book, bank statement and invoices and all were found to be recorded/ authorised in accordance with Proper Practices. A further spot check of items paid via the BACS/Direct Debit system from the Council's Accounts were cross checked against cashbook, bank statements and invoices. All were found to be in order. A spot check of payments made under contractual terms were further analysed and all were found to be in accordance with agreed schedules and sums approved.</p> <p><i>Comment: in accordance with Financial Regulation 5.6, for each financial year the Clerk and RFO has drawn up a list of due payments which arise on a regular basis as the result of a continuing contract, statutory duty, or obligation (such as but not exclusively) Salaries, PAYE and NI, Superannuation Fund and regular maintenance contracts and the like for which council or a duly authorised committee, may authorise payment for the year provided that the requirements of regulation 4.1 (Budgetary Controls) are adhered to, provided also that a list of such payments shall be submitted to the next appropriate meeting of council or Finance Committee.</i></p> <p>In accordance with its scheme of delegated powers, as agreed by full Council, all expenditure is presented to Finance and Establishment on a monthly basis for review. Council has ensured that, for the settlement of its invoices by both cheque and BACS, and in accordance with Financial Regulation 6.8, there is a two-tier authorisation system which ensures that the instructions for each payment are signed, or otherwise evidenced, by two authorised bank signatories. Council is therefore operating within Financial Regulations 5.2; 6.8 and 6.9.</p> <p><i>Comment: this system continues to protect the RFO as well as fulfilling an internal control objective to ensure the safeguarding of public money thereby allowing Council to ensure that it has maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.</i></p> <p>Council continues to show good practice by ensuring that, on receipt of invoices, verification that the relevant goods or services have been received is obtained and invoices checked to ensure that the arithmetic is correct, agreed discounts have been deducted and everything is acceptable regarding reclaiming the VAT.</p> <p>The Council's Purchase Order file for items ordered in accordance with Council's own Financial Regulations was reviewed during the internal audit visit. A random sample of orders placed during the period under review shows that Council has operated within its own Financial Regulations within the limits set for the purchase of goods and services above which three</p>
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	<p>estimates or quotes should be invited from persons or firms competent to do the work.</p> <p><i>Comment: Council continues to follow good practice by ensuring that an official order is issued for all work, goods and services unless a formal contract is to be prepared or an official order would be inappropriate. Council further demonstrates good practise by understanding that official orders both commit a supplier to a price and help prevent unauthorised credit being granted in the authority's name. In accordance with proper practises, on receipt of invoices, verification that the relevant goods or services have been received is obtained and invoices are checked to ensure that the arithmetic is correct, agreed discounts have been deducted and everything is acceptable regarding reclaiming the VAT. The Purchase Order file is numerically held and controlled by the Clerk.</i></p> <p><i>Council is also mindful of guidance covering the procedures for the management of capital projects which are covered by Council's Standing Orders, and which should require payments only against certified completions under a planned and approved programme of works governed by a properly negotiated contract supervised by a named authority officer.</i></p> <p>Council, having previously declared that it fulfilled the eligibility criteria to use the power (at least two-thirds elected members and a qualified Clerk (CiLCA or higher)), is eligible to use the general power of competence until the next relevant Annual Council Meeting (post May 2023). Council operates a Grants Policy with grants being awarded under the following categories: Small Grants Scheme; Youth Partnership; Resilience Funds and Hall Hire Grants. Separate grants are awarded to the Citizens Advice Bureau and the Uttlesford Community Transport in accordance with the Annual Budget set.</p> <p><i>Comment: the Council operates the above grants within the remit of its Grants Policy which aims to ensure that funding is distributed to those who need it most, whether it is working with disadvantaged groups, health, social inclusion, sports events, charitable events, a trip or new initiatives and projects. The Policy is adhered to, regularly reviewed and considered fit for purpose.</i></p> <p>The council has the following Public Works Board Loan:  Town Hall £200,000 which was drawn down in March 2017 PW505280. Interest repayments are to be made twice yearly on the nearest working day to 20 March &amp; 20 September and the rate of 2.28% has been applied. The half yearly annuity payment of £6,254.30 was made on 20<sup>th</sup> September 2022. Balance outstanding at 31<sup>st</sup> March 2022 was £158,154.95.</p>
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	<p>Details of the profit and loss account, monthly report and shop sales for the Tourist Information Centre are received and noted by the Finance &amp; Establishment Committee on a monthly basis. An examination of the accounting records relating to the Tourist Information Centre and the submission of invoices for payment to the Town Council was carried out during the internal audit visit. Purchases are made against invoices which are submitted against an order and reconciled by the Manager prior to presenting same to the Town Council for payment. A sample of the weekly sales receipts were reviewed and verified against relevant costs codes and statements. The procedures for cash and cheques as operated by the Tourist Information Centre are clearly referenced within the Town Council's Risk Assessment and Procedures and fully implemented by the Tourist Information Centre staff.</p> <p><i>Comment: these examinations undertaken do not constitute a full audit but during the visit there were no matters which came to the Internal Auditor's attention suggesting that further investigative work be carried out to enable a proper understanding of the accounts as submitted.</i></p>
<p><b>3. Budgetary controls.</b>  <b>Examination of:</b></p> <ul style="list-style-type: none"> <li>• <b>Verification of process of setting of budget</b></li> <li>• <b>Monitoring of budget</b></li> <li>• <b>Reporting of expenditure and variances</b></li> <li>• <b>Monitoring reserves</b></li> </ul>	<p>At the meeting of 10<sup>th</sup> January 2022, Council resolved to adopt the budget for 2022 - 2023 in the sum of £1,996,311 which allowing for budgeted income would equate to a precept request in the sum of £1,233,629. The minutes demonstrate that this would equate to a 2% increase on Band D to £179.70 (against a tax base of 6,865.09) .</p> <p>A review of the budget including detailed income and expenditure position was reported at the Finance and Establishment Committee Meetings of 19<sup>th</sup> July 2022 with the minutes of that meeting being adopted at the next relevant full Council meeting. Evidence was seen of budget report to actual with committed expenditure and funds available breakdown. Expenditure breakdown by heading is provided to Finance and Establishment Committee Meeting with detailed income and expenditure by account for currently funded projects. Council continues with its procedures for reporting to the Finance &amp; Establishment Committee and ensures that the income report shows income against specific budget headings. This is then further analysed to show percentage of income against budget.</p> <p>The Council maintains a rolling 4-Year Business Plan (2019-2023) which details the Council's overall vision and objectives, strategic planning/key projects, communication/engagement, a listing of specific actions with measurable outcomes and areas of active involvement. Assessment of the projects identified is regularly reviewed in terms of suitability, feasibility, acceptability and risk. At the meeting of full Council of 11<sup>th</sup> April 2022, the Plan being a 'living' document was reviewed and updated with agreement forthcoming that appropriate and proportionate resourcing should be allocated to specific tasks if the Council is to successfully</p>

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	<p>deliver on all of its objectives along with the requirement to ensure that Council is appropriately equipped and resourced to deliver on all of the outcomes.</p> <p><i>Comment: Council continues to show good practice by following the recommended key stages as to the budgetary process to be followed for the year:</i></p> <ul style="list-style-type: none"> <li>• <i>decide the form and level of detail of the budget;</i></li> <li>• <i>review the current year budget and spending;</i></li> <li>• <i>determine the cost of spending plans;</i></li> <li>• <i>assess levels of income;</i></li> <li>• <i>bring together spending and income plans;</i></li> <li>• <i>provide for contingencies and consider the need for reserves;</i></li> <li>• <i>approve the budget;</i></li> <li>• <i>confirm the precept or rates and special levies; and</i></li> <li>• <i>review progress against the budget regularly throughout the year.</i></li> </ul> <p>Council continues with the practice of ensuring that virements between budgets are considered by the Finance and Establishment Committee and recommended for approval to the Town Council as and when they arise, subject to FR 4.2 which states that “No expenditure may be authorised that will exceed the amount provided in the revenue budget for that class of expenditure other than by resolution of the council, or duly delegated committee. During the budget year and with the approval of council having considered fully the implications for public services, unspent and available amounts may be moved to other budget headings or to an earmarked reserve as appropriate (‘virement’). The Clerk and RFO are authorised to vire monies within budgets to a maximum of £4,000 per item.</p> <p>The Council, at year-end, had overall reserves totalling £912,843 broken down as General Reserves at £287,814 and agreed Earmarked Reserves of £625,029. Full Council approved the breakdown of the Earmarked Reserves at its Council Meeting of 9<sup>th</sup> May 2022, following a review by the Finance and Establishment Committee on 19<sup>th</sup> April 2022 with agreement forthcoming that the £84,511 balance (being the difference between budgeted net income/expenditure from 2021/22 and actual net income/expenditure) be allocated to EMR priorities as per the Town Council’s priority listing. The meeting of 9<sup>th</sup> May 2022 records that the Council received and unanimously agreed the actual, carry forward figures from the 2021/22 budget into the 2022/23 budget resulting in a total expenditure budget of £2,049,983.49.</p> <p><i>Comment: Council is aware of the guidance as issued by Proper Practices which states that the generally accepted recommendation with regard to the appropriate minimum level of a Smaller</i></p>
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	<p><i>Authority's General Reserve is that this should be maintained at between three (3) and twelve (12) months Net Revenue Expenditure (NRE). NRE (subject to any planned surplus or deficit) is effectively Precept\Levy less any Loan Repayment and/or amounts included in Precept\Levy for Capital Projects and transfers to Earmarked Reserves (EMR). Council follows proper practices and aims to ensure that its General Reserve is currently held at £285,000 which equates to approximately three (3) months' worth of contractual expenditure.</i></p> <p>Whilst there is no upper or lower limit to EMRs save only that they must be held for genuine and identifiable purposes and projects, and their level should be subject to regular review and justification (at least annually and at budget setting) Council has ensure that they are separately identified and enumerated and that they are held for genuine and intended purposes and their level is subject to regular review and justification.</p>
<p><b>4. Income controls.</b>  <b>Examination of:</b></p> <ul style="list-style-type: none"> <li>• Precept</li> <li>• Other income</li> </ul>	<p>Council received precept in the sum of £1,184,935 from Uttlesford District Council for the period under review in April and September, both having been reported to the Finance and Establishment Committee in accordance with Council's own Standing Orders. Evidence was provided showing a full audit trail from Precept being discussed and approved to being served on the Charging Authority to remittance advice showing the Precept to be paid and receipt of same in the Council's Bank Account.</p> <p>Further spot checks during the year-end internal audit visit on further items paid under BACS / Direct Credit into the Council's Accounts were cross checked against cashbook, bank statements and invoices raised by the Parish Council. All were found to be in order with a clear underlying audit trail. Income is recorded in accordance with Financial Regulations and reported to the Finance and Establishment Committee on a monthly basis.</p> <p>The outstanding sales ledger invoices for the period ending 30<sup>th</sup> September 2022 was seen and verified. The RFO has advised that there are no irrecoverable accounts for consideration as bad debts and appropriate follow up action is in place.</p> <p><i>Comment: Council is aware that Proper Guidance states that uncollectible amounts, including bad debts, should only be written off with the approval of members, or under delegated authority by the RFO and that such approval should be shown in the accounting records.</i></p>
<p><b>5. Petty cash/expenses procedure.</b>  <b>Examination of:</b></p> <ul style="list-style-type: none"> <li>• System of control</li> <li>• Supporting documentation</li> </ul>	<p>Petty cash is operated and managed in accordance with Council's own Financial Regulation 6.18a. All petty cash payments are supported by receipts and are entered into the petty cash book. Petty cash reconciliations are carried out on a monthly basis and cheques raised to ensure sufficient funds to allow the float to be adequately maintained. A spot check of items recorded in the cash book were checked against receipts and cash book sheets and found to be</p>

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	<p>in order. The petty cash funds are kept in a locked drawer.</p> <p><i>Comment: in accordance with Proper Practises, the petty cash float is adequate in size to meet small items of expenditure and does not require reimbursement more frequently than once a month. Adequate records of the receipts and payments have been maintained for each float, including a VAT analysis, and regular reconciliations are performed. The RFO has ensured that the petty cash system is operated in accordance with FR 6.18 for the purpose of defraying operational and other expenses.</i></p>
<p><b>6. Payroll controls.</b>  <b>Examination of:</b></p> <ul style="list-style-type: none"> <li>• <b>Management of pyaroll</b></li> <li>• <b>PAYE/NIC system in place</b></li> <li>• <b>Compliance with HMRC procedures</b></li> <li>• <b>Records (relating to contracts of employment)</b></li> <li>• <b>Mayoral Allowance</b></li> </ul>	<p>The council's payroll service is outsourced and has been operated properly and overseen by the council as an employer. The council is a member of the Local Government Pension scheme (LGPS). At period-end, Council had 26 employees on its payroll, 18 of which are members of the Local Government Pensions Scheme as operated by Essex County Council and for all staff, a formal employment contract is in place together. Where appropriate, confirmatory letters setting out any changes to the contract are issued.</p> <p>Cross-checks were completed on a sample of items each of salary, PAYE and pension contributions and these were all found to be in order. Salaries are paid in accordance with contracted hours worked and timesheets for office staff and labour including those for overtime were seen. Gross pay due is calculated in accordance with the approved spinal point on the NJC scale or hourly rate, if off-scale, and also with the contracted hours. Overtime paid to employees is implemented as per Financial Regulation 7.1.</p> <p><i>Comment: upon a review of the payroll files, it is noted that the authorisation of overtime to be paid to employees is now evidenced as having been signed off in accordance with Council's own Financial Regulation 7.3.</i></p> <p>PAYE taxes and employee and employer National Insurance contributions (NIC) are calculated and recorded for every employee. Deductions are paid to HM Revenue and Customs and Essex County Council on or before the dates prescribed.</p> <p><i>Comment: in accordance with Proper Practices, Council has ensured that the remuneration payable to all employees has been approved in advance by the Council. There are suitable payroll arrangements in place which ensures the accuracy and legitimacy of payments of salaries and wages, and associated liabilities and as such the Council has complied with its duties under employment legislation and has met its pension obligations.</i></p> <p>Within the annual budget set is a sum for the Mayor's Allowance which for the year 2022-</p>



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	<p>2023 was set at £3,000.</p> <p><i>Comment: Council is aware that section 15(5) of the LGA 1972 provides that Parish (and Town) Councils may for its Mayor “ for the purpose of enabling them to meet the expenses of their office such allowance as the council think reasonable”.</i></p>
<p><b>7. Asset control.</b>  <b>Examination of:</b></p> <ul style="list-style-type: none"> <li>• Asset Register</li> <li>• Checks on existence of assets</li> <li>• Recording of fixed asset valuations</li> <li>• Cross checking on insurance cover</li> </ul>	<p>The Asset Register for the period ending 31<sup>st</sup> March 2022 as uploaded to the website currently details assets over £500 to a total value of £4,185,568.46. The RFO has confirmed that the Council has a full operational asset list of all assets within the remit of the Town Council.</p> <p>At the meeting of full Council of 13<sup>th</sup> June 2022, following a recommendation from the Finance and Establishment Committee of 16<sup>th</sup> May 2022, Council approved setting the base register for reporting purposes at £1000.</p> <p><i>Comment: Council is aware that should this prove to cause a significant variance in year on year comparison, Council will need to provide guidance notes as to the reasoning behind the move and restate the prior year's figures in Line 9 of the Annual Governance and Accountability Return.</i></p> <p>A full review of the asset register along with a spot check of a number of assets against insurance valuations will be undertaken at the annual review (after year-end) once the register was been fully reviewed by Council's Officers.</p> <p>During the year-end review of the assets detailed on the register (May 2022), it is noted that the assets have been stated as at the Insurance Value and where assets have been gifted or where there is no known value have been given the proxy value of £1. This value has also been applied to a number of Community Assets, which, in accordance with guidance are treated in the same manner as gifted assets.</p>
<p><b>8. Bank reconciliation.</b>  <b>Examination of:</b></p> <ul style="list-style-type: none"> <li>• Reconciliations</li> <li>• Cashbook</li> <li>• Bank Statements</li> <li>• Monitoring of investments</li> <li>• Approval of new investments</li> </ul>	<p>Bank reconciliations are completed on a regular basis and reconcile with the cash sheets. Overall there is regular reporting of bank balances within the detailed financial reports submitted to the Finance and Establishment Committee and as reported in the minutes of the Committee submitted to full Council. Detailed Balances Sheets along with Detailed Profit and Loss Account Reports are also submitted in accordance with the timescales prescribed within Council's Standing Orders and form part of the minutes that are retained in hard copy by the Council.</p> <p><i>Comment: Council continues with the implemented system whereby the monthly reconciled bank accounts are presented to the Finance and Establishment Committee and follows good</i></p>

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	<p><i>practice by ensuring that the reconciliation of the cash book to bank statements is reported to members, and the full reconciliation made available for scrutiny each time it is done. Approval of the bank reconciliation by the authority or the chair of the committee or another authority nominee is not only good practice, but is also a safeguard for the RFO and will fulfil one of the authority's internal control objectives.</i></p> <p>Bank balances as at 30<sup>th</sup> September 2022 agree with the year-end bank statements: £1,215,529.55 which are broken down as follows:  Current Account: £50,096.52  30 Day Deposit Account: £1,217,577.47  o/s Cheques: £15,144.44</p> <p><i>Comment: Council operates with a sweep account which is linked to its investment account and automatically transfers funds when the balances is above or below a preset minimum. This allows excess to be moved into a higher interest account where it will earn more money than an ordinary bank account.</i></p>
<p><b>9. Internal Audit:</b>  <b>Examination of:</b></p> <ul style="list-style-type: none"> <li>• <b>Reporting of Previous Internal Audit Reports</b></li> <li>• <b>Review of internal audit</b></li> <li>• <b>Appointment of internal auditor</b></li> </ul>	<p>The Internal Audit Report for period ending 31<sup>st</sup> March 2022 was considered at a meeting of the Finance and Establishment Committee of 16<sup>th</sup> May 2022 with formal adoption of the report by Full Council at its meeting of 13<sup>th</sup> June 2022.</p> <p>The following recommendations having been considered by the Finance and Establishment Committee, have been / are in the process of being implemented:</p> <ol style="list-style-type: none"> <li>1. Consideration of setting the base asset register for reporting purposes at £1,000</li> <li>2. Responding in the negative to Assertion 4 of the Annual Governance and Accountability Statement (Section 1 of the AGAR).</li> <li>3. Compliance with The Public Sector Bodies (Website and Mobile Applications ) Accessibility Regulations 2018.</li> </ol> <p>Mrs Waples was appointed to act as the parish council's independent internal auditor for the year 2022 – 2023 at the meeting of the Finance and Establishment Committee of 16<sup>th</sup> May 2022 whereby approval of the documents and process covering the work of the internal auditor, risk assessments and internal control measures was given.</p> <p><i>Comment: Council, in accordance with the Accounts and Audit Regulations 2015, has noted the requirements to formally reviewed the scope and effectiveness of its internal audit arrangements following receipt of the audit plan proposed and considered that such arrangements were appropriate for the council and that the audit plan properly took account of</i></p>

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	<i>all of the risks facing the Council.</i>
<b>10. External Audit</b> <b>Examination of:</b> <ul style="list-style-type: none"> <li>• <b>Reporting of External Audit Report</b></li> <li>• <b>Publication of final certificate</b></li> </ul>	<p>The External Audit Report and Certificate for the year ending 31<sup>st</sup> March 2022 is yet to be received by Council. An interim certificate was issued to allow for errors in the PWLB figure to be corrected and the Accounting Statements to be countersigned and resubmitted. Once the external auditor has completed their review and is able to give an opinion on the limited assurance review as carried out, Sections 1 and 2 including a completed and signed Section 3 of the Annual Governance and Accountability Return (AGAR) will be returned to the council for its consideration and acceptance.</p> <p>At the time of the interim internal audit review (24<sup>th</sup> October 2022), it is confirmed that the External Auditor Report (interim) and Notice of Audit were not available to view on the Council operated website.</p> <p><b>Recommendation: Council should be aware that in accordance with Regulation 20 of the Accounts and Audit Regulations 2015, the annual audit letter or the report in place of the letter, and Section 3 of the AGAR (the interim report), as issued by the external auditor, should be published by the required date of 30<sup>th</sup> September 2022. This should also include the Notice of Audit.</b></p> <p><i>Once the annual audit letter and Section 3 of the AGAR has been returned, Council should publish both on its website along with the Notice of Conclusion of Audit.</i></p>
<b>11. Period-end procedures.</b> <b>Examination of:</b> <ul style="list-style-type: none"> <li>• Appropriate accounting procedures used</li> <li>• Bank Statements and Cash Book agree</li> <li>• Period end balances</li> </ul>	<p>Accounts are produced on an income and expenditure basis. There is an underlying financial trail from financial records to the interim accounts produced.</p> <p><i>Comment: Council is aware that its balance sheet provides a snapshot at a given point in time of the council's net worth thereby identifying its assets and liabilities and that year-end procedures will allow the Council to ascertain the result of either a surplus or a deficit for the year under review.</i></p> <p>Period-end documentation seen verified that all were found to be in order with analysis showing that the period-end balances agreed with the cash book and bank reconciliations. The trail balance showed no entries of concern.</p>
<b>12. Transparency Code.</b> <b>Examination of:</b> <ul style="list-style-type: none"> <li>• <b>Transparency code requirements</b></li> </ul>	<p>Council is continuing to ensure compliancy with the minimum datasets that should be published on a quarterly basis as per the requirements as set out in the Local Government Transparency Code (2015), with a range of documents relating to the current year being able to view on the Council's website. For Saffron Walden Town Council, the publication requirements</p>

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	include the publication of quarterly reporting of spending transactions valued over £500; quarterly reporting of invitation to tender for contracts over £5,000 and the quarterly publication of details of every transaction on a government procurement card.
<b>13. Summary</b>	<p>The Internal Auditor offers her appreciation for the assistance given by the Town Clerk and Responsible Financial Officer in completing this audit.</p> <p>Council has continued to maintain effective governance arrangements and can show evidence of strong governance and good financial practice. The internal audit review, undertaken on the documentation provided during the visit to the Council's Offices as well as from that found online via the Council's website, has provided evidence of the overall adequacy of the financial arrangements in place within the council.</p> <p><i>For further information on the changes to Proper Practises for the year effective 1<sup>st</sup> April 2022 please refer to Governance and Accountability for Smaller Authorities in England - A Practitioners' Guide to Proper Practices to be applied in the preparation of statutory annual accounts and governance statements - March 2022.</i></p>

*Victoria S Waples*

Date of Internal Audit Visit: 25.10.22

Date of Year-end Internal Audit Report: 28.10.2022

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