

**REPORT BY THE INTERNAL AUDITOR TO WIGTON TOWN COUNCIL
FINANCIAL YEAR ENDING 31 MARCH 2021**

I confirm I have, on the 17th June 2021 undertaken an internal audit for the period 1st October 2020 - 31st March 2021 in accordance with the Account and Audit Regulations (England) 2015 as outlined in the Audit Plan approved by Council and incorporating any new requirements as outlined in "Governance and Accountability for Local Councils" A Practitioners' Guide (England) March 2020

This report supplements the information reported in the first half -year audit.

1. Proper Bookkeeping

A clear audit trail exists from all primary accounts which is fully running in the Scribe software All records are balanced monthly and are accurate. Robust backup procedures exist to safeguard computer records.

2. Standing Orders/Financial Regulations/Transparency Legislation

The Council currently has both documents, which encompasses the most recent changes in legislation.

The website of Wigton Town Council is fully compliant with the Transparency Legislation. All required documents are displayed and available for public scrutiny.

3. Invoice procedure

A random check was made of invoices paid in the period. All comply with the tendering procedures as outlined for contracts in the Financial Regulations.

At all times the Clerk/RFO ensures, when sourcing suppliers, that there is adherence to the principle of Best Value.

4. VAT

Vat has been recorded and the final quarter for the period 1st January 2021 – 31st March 2021 has been claimed. - £22971.19

5. Sct 137 Payments

All grants made under this Power are correctly identified and noted and are within the limit for Wigton Town Council. Expenditure under this power – British Legion Poppy Appeal - £150.00

6. Risk Management

The Risk Management is an on going process, this year Covid compliance has been incorporated and a further review is tabled for inclusion for review now face to face Council meetings are taking Place.

7. Internal Financial Controls

There is clear evidence by checks, dates and signatures on relevant documents e.g. invoices, financial statements, schedule of payments, bank reconciliations and chequebook stubs that the Council is in control of the use of public monies.

8. Register of Interest

Copies of all documentation are retained on file and members fulfil their obligation to advise and declare as appropriate and update their personal register.

9. Budgetary Control

A correct budget process is in place and the budget is monitored.

The accounting method enables immediate identification of monthly and cumulative spends to each budget heading. The financial reports presented by the RFO enable the council to readily address any budget under/overspends and if necessary make the relevant virements.

10. Cash Balances at the Bank

The balances at the bank as at the 31st March 2021 are considered adequate to enable the Council to fulfil budgeted expenditure, deliver planned projects and retain an adequate cash flow.

A substantial sum in the cash reserves is held in earmarked funds.

External Audit guidance advises a free revenue cash reserve nearer 3 months Net Revenue Expenditure (N.R.E.) for authorities with a N.R.E. in excess of £200,00 should plan on 3 months equivalent General Reserve.

11. Income Controls

All income is promptly banked upon receipt. Allotment rents are demanded in a timely manner and meticulous records ensure monitored payments and overdue amounts.

12. Clerk's Expenses

Clerk's expenses are reported to the relevant meeting.

Sums drawn are allocated to the appropriate budget head and VAT is identified and claimed.

13. Payroll Controls

PAYE/NIC records are undertaken internally and are properly operated and up to date.

All statutory payments to HMRC and Pension provider have been made. The accuracy of the deductions and payments is confirmed.

14. Asset Controls

The Asset Register accurately records the assets of the Council, being updated if appropriate, with acquisitions and disposals made though out the financial year. All assets are adequately covered by insurance. The completed Asset Register has been reviewed to comply with the requirement to record the updated amount in the Annual Governance and Accountability Return (2020 AGAR)

15. Bank Reconciliation

The core cash accounts are reconciled to the bank statements monthly and accurately state the financial position of the council.

16. Year End Accounts

Wigton Town Council produces accounts on an Income and Expenditure basis as required by the Accounts and Audit Regulations.

I conclude Wigton Town Council is fully compliant with all Account and Audit Regulations and statutory obligations.

I confirm and report that the Clerk/Responsible Financial Officer (RFO) and Assistant Town Clerk have maintained a high standard of recordkeeping, which has simplified the audit process. The Council's control systems are efficient and effective and give the appropriate level of confidence. The financial statements and reports reflect a true and accurate account of the Council's finance and governance records.

A handwritten signature in black ink, appearing to read 'Georgina D. Airey', with a stylized flourish at the end.

Georgina D. Airey – Internal Auditor. 17th June 2021