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Worminghall Parish Councillors

Parish Council accounts for year ending 31st March 2024

As requested, I have once again reviewed the financial schedules, bank statements and supporting documents which were made available for me to undertake the internal audit of the Worminghall Parish Council accounts for the year ended on 31st March 2024.

You can see from the attached financial statements, the total bank balances including reserves at 31st March 2024 were £19851 compared with a balance of £25914 held at 31st March 2023 which reflects significantly higher expenditure in the current year.

Total income in the year at £14794 was broadly in line with budget and similar to the level received in 2023. However this does not include an overdue reclaim of VAT totalling £3713 for the last 3 years which was received in April 2024 after the year end. Obviously this receipt represents an unbudgeted upside in income in the current financial year, as it was not reflected in the 24/25 budget approved by the councillors at the meeting held on 6th December 2023

Total expenditure in the year at £20858 was £3210 above the budgeted level but this is accounted for by the timing of the second phase of the payment of £4500 towards the Village Hall development project. This was budgeted to be paid in the 24/25 financial year but was released in 23/24 to support the front end funding requirements of that project. However the full impact of this was partially offset by lower expenditure across several expense headings including the Clerks costs (£1486) and the absence of any S137 payments or S111 training (£1500)

In terms of my audit review, there are a few observations which I would stress should continue to be seen as key priorities in the new financial year.

1) In accordance with the adopted Financial Regulations, councillors should regularly monitor through a regular quarterly review, the ongoing expenditure and particularly bank balances which will give reassurance that adequate funding is in place to support future expenditure plans.

2) I believe that the Risk Management policy was reviewed at the meeting held on 3rd August 2023 but in reading the minutes and specifically item 6, it was not totally clear that was the case as reference is made to a review of the Transparency documents. In future, I would recommend that the minute states that the Risk policy is still comprehensive and the proposals to mitigate those risks are still relevant. My reasoning behind this recommendation is that in signing my Internal Audit Report for the AGAR (page 4) I am asked to confirm that the councillors "have assessed the risks etc" Equally the councillors are asked to confirm the same when signing page 6 of the AGAR. I also assume that the policy will need to be updated in the near future to reflect any risks assumed on the adoption by the Council of the new play area.

3) I would also recommend that the application for the refund of VAT is made on an annual basis as the sums involved can be material.

4) Looking at the 2024/5 budget and future expenditure forecasts, with opening bank balances for the current financial year of £19851 plus the unbudgeted VAT reclaim of £3712, it is likely that reserves will increase further this year. This, of course, assumes the absence of any exceptional expenditure, not reflected in the agreed budget although I am aware from reviewing the minutes, various discussions have taken place about traffic calming measures which are currently budgeted at £2000.

In conclusion, I am pleased to confirm there were no issues arising from the audit impacting on the financial statements. I wish to bring to the attention of the councillors. I have therefore passed to Tracey the Annual Internal Audit Report section of the AGAR for 24/5 which I have signed as the internal auditor.

However if any of the councillors have any specific questions regarding the financial schedules or the audit process please contact me by email or phone.

Yours faithfully



D S Potter FCMA, CGMA