

# HALSALL PARISH COUNCIL

## INTERNAL AUDIT 2023-2024

### YEAR-END REPORT

29<sup>th</sup> April 2024

Signed: *Jo O'Donoghue* FSLCC

IA-ODONOGHUE.COM  
231 Hartford Road  
Davenham  
Northwich  
Cheshire  
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**Internal Audit Forum**  
THE VOICE FOR LOCAL COUNCIL AUDIT

The internal audit of Halsall Parish Council has been carried out by undertaking the following tests as specified in the JPAG (Joint Panel on Accountability and Governance) latest guidelines 2023.

- Checking that books of account have been properly kept throughout the year
- Checking a sample of payments to ensure that the Council's financial regulations have been met, payments are supported by invoices, expenditure is approved, and VAT is correctly accounted for
- Reviewing the Council's risk assessment and ensuring that adequate arrangements are in place to manage all identified risks
- Verifying that the annual precept request is the result of a proper budgetary process; that budget progress has been regularly monitored and that the council's reserves are appropriate
- Checking income records to ensure that the correct price has been charged, income has been received, recorded and promptly banked and VAT is correctly accounted for
- Checking that salaries to employees have been paid in accordance with Council approvals and that PAYE and NI requirements have been properly applied

AGAR certificate reference	Internal Audit checks for expected controls 2023/24	Recommendation	HPC Response/action
<p>A. Appropriate accounting records have been properly kept throughout the year. AND Periodic bank account reconciliations were properly carried out during the year.</p>	<ul style="list-style-type: none"> <li>• correct roll forward of the prior year cashbook balances to the new financial year</li> <li>• a sample of financial transactions in cashbooks checked to bank statements</li> <li>• bank reconciliations are prepared routinely, are subject to independent scrutiny and sign-off by members</li> <li>• verified the accuracy of the year-end bank reconciliation detail and ensure accurate disclosure of the combined cash and bank balances in the AGAR, section 2, line 8.</li> </ul>	<p>A member, other than the Chairman, should be appointed to verify bank reconciliations (for all accounts) produced by the RFO. The member should sign the reconciliations and the original bank statements (or similar document) as evidence of verification (FR 2.2).</p>	
<p>B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT appropriately accounted for.</p>	<ul style="list-style-type: none"> <li>• procedures are in place for acquisition of formal tenders and quotes and are in line with the SOs and FRs which are based on the latest version.</li> <li>• reviewed the procedures for receipt of invoices</li> <li>• VAT reclaims are prepared and submitted in a timely manner in line with the underlying records and in accordance with current HMRC requirements</li> </ul>	<p>Noted that the FR will be updated when the latest version is available.</p> <p>A suitably designed certification stamp should be in place providing for evidencing of these checks and payment authorisation and applied to all invoices.</p>	
<p>C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to</p>	<ul style="list-style-type: none"> <li>• HPC has prepared, and formally adopted, at least once annually, an appropriate and comprehensive register of assessed risks, both regular and ad hoc</li> <li>• appropriate levels of insurance cover are in place for land, buildings, public, employers and hirers' (where applicable) liability, fidelity / employees (including councillors) liability</li> </ul>	<p>Consider business interruption and cyber security insurance.</p> <p>Consider adoption of a risk management policy.</p>	

manage these.			
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	<ul style="list-style-type: none"> <li>• HPC has considered, approved and adopted the annual precept for the coming year in accordance with the required parent Authority timetable</li> <li>• budget reports are prepared and submitted to HPC periodically during the year with appropriate commentary on any significant variances</li> <li>• budget performance is reviewed during the year</li> <li>• HPC has considered the establishment of specific earmarked reserves</li> <li>• the precept received in the accounts matches the prior year submission form to the relevant authority and the public record of precepted amounts</li> </ul>		
E. Expected income was fully received based on correct prices, properly recorded and promptly banked; and VAT appropriately accounted for.	Hall hire: an effective diary system for bookings is in place identifying the hirer	An appropriate control record should be maintained identifying the date(s) on which income is due and actually received / banked /hire times and ideally cross-referenced to invoices raised during the year.	
F. Petty Cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for	No petty cash held		

<p>G. Salaries to employees and allowances to members were paid in accordance with the authority's approvals, and PAYE and NI requirements were properly applied.</p>	<ul style="list-style-type: none"> <li>• a formal employment contract is in place</li> <li>• appropriate procedures are in place for the payment of members allowances and deduction of any tax liability</li> </ul> <p>NB. The employers allowance is not available to parish councils.</p>	<p>Council should consider adoption of the latest SLCC/NALC model employment contract.</p>	
<p>H. Asset and investment registers were complete and accurate and properly maintained.</p>	<p>HPC is maintaining a formal asset register and updating it routinely to record new assets at historic cost price, net of VAT and removing any disposed of / no longer serviceable assets.</p>	<p>The register should identify the purchase cost and, if practicable, the replacement/ insured cost, the latter being updated annually and used to assist in forward planning for asset replacement. Additions and disposals records should allow tracking from the prior year to the current.</p>	
<p>J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income</p>	<p>HPC operates on a receipts and payments basis</p>		

and expenditure), agreed to the cashbook, supported by an adequate audit trail from underlying records and, where appropriate, debtors and creditors were properly recorded.			
K. If the authority certified itself as exempt from a limited assurance review in the prior year, it met the exemption criteria and correctly declared itself exempt.	NA		

<p>L. The authority publishes information on a free to access website / web page, up to date at the time of the internal audit in accordance with the relevant legislation</p>	<p>IA has reviewed HPC's website ensuring that required documentation is published in accordance with the relevant legislation</p>	<p>The website requires an accessibility statement and privacy notice.</p> <p>The internal audit report, together with P3 of the AGAR, should be published on the website.</p> <p>Finance reports should be made available on the website and not restricted to cllrs through an internal system.</p> <p>Payments over £100 should be published on the website.</p> <p>Cllrs declarations should be published on the website although it is acceptable for a link to be provided to the local authority.</p> <p>A mailing address for the council should be provided on the home page of the website.</p>	
<p>M. The authority, during the previous year, correctly provided for the period for the</p>	<p>The required "Public Notice" ensuring that it clearly identifies the statutory 30 working day period for inspection must include the first 10 working days of July 2023.</p>	<p>It is recommended that HPC uses the dates provided by the external auditor for publication of public rights</p>	

exercise of public rights as required by the Accounts and Audit Regulations.	The notice was not published until 4/07/2023.	2024.	
N. The authority complied with the publication requirements for the prior year AGAR.	The statutory disclosure / publication requirements in relation to the prior year's AGAR have been met		
O. Trust funds (including charitable) - the Council met its responsibilities as a trustee	<ul style="list-style-type: none"> <li>• all charities of which the council is a Trustee are up to date with CC filing requirements</li> <li>• the Charity meetings and accounts are recorded separately from those of the council</li> </ul>		



## Section 1 – Annual Governance Statement 2023/24

We acknowledge as the members of:

### HALSALL PARISH COUNCIL

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2024, that:

	Agreed		Yes* means that this authority:
	Yes	No*	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	✓		prepared its accounting statements in accordance with the Accounts and Audit Regulations.
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	✓		made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	✓		has only done what it has the legal power to do and has complied with Proper Practices in doing so.
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.		✓	during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		considered and documented the financial and other risks it faces and dealt with them properly.
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	✓		arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.
7. We took appropriate action on all matters raised in reports from internal and external audit.	✓		responded to matters brought to its attention by internal and external audit.
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.	✓		disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A
	✓		has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.

**\*Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.**

This Annual Governance Statement was approved at a meeting of the authority on:

10<sup>th</sup> April 2024

and recorded as minute reference:

10(b)

Signed by the Chair and Clerk of the meeting where approval was given:

Chair

*Andrew Wright*

Clerk

*Jan*

<https://halsallparish.org.uk/>

## Section 2 – Accounting Statements 2023/24 for

### HALSALL PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2023 £	31 March 2024 £	
1. Balances brought forward	34,285	24,203	Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.
2. (+) Precept or Rates and Levies	17,343	32,783	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	14,550	19,286	Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.
4. (-) Staff costs	12,591	9,476	Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.
5. (-) Loan interest/capital repayments	0	0	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	29,384	30,510	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	24,203	36,286	Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).
8. Total value of cash and short term investments	24,203	36,286	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – <b>To agree with bank reconciliation.</b>
9. Total fixed assets plus long term investments and assets	219,607	191,542	The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.
10. Total borrowings	0	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).
<b>For Local Councils Only</b>	Yes	No	N/A
11a. Disclosure note re Trust funds (including charitable)	✓		The Council, as a body corporate, acts as sole trustee and is responsible for managing Trust funds or assets.
11b. Disclosure note re Trust funds (including charitable)	✓		The figures in the accounting statements above exclude any Trust transactions.

I certify that for the year ended 31 March 2024 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

**Signed by Responsible Financial Officer before being presented to the authority for approval**



Date

10/4/2024

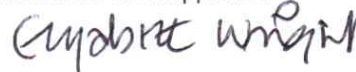
I confirm that these Accounting Statements were approved by this authority on this date:

10/4/2024

as recorded in minute reference:

10 (c)

Signed by Chair of the meeting where the Accounting Statements were approved



## Section 3 – External Auditor’s Report and Certificate 2023/24

In respect of **Halsall Parish Council – LA0096**

### 1 Respective responsibilities of the auditor and the authority

Our responsibility as auditors to complete a **limited assurance review** is set out by the National Audit Office (NAO). A limited assurance review is **not a full statutory audit**, it does not constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and hence it **does not** provide the same level of assurance that such an audit would. The UK Government has determined that a lower level of assurance than that provided by a full statutory audit is appropriate for those local public bodies with the lowest levels of spending.

Under a limited assurance review, the auditor is responsible for reviewing Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with NAO Auditor Guidance Note 02 (AGN 02) as issued by the NAO on behalf of the Comptroller and Auditor General. AGN 02 is available from the NAO website – <https://www.nao.org.uk/code-audit-practice/guidance-and-information-for-auditors/>

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2024; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

### 2 External auditor’s limited assurance opinion 2023/24

On the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return (AGAR), in our opinion the information in Sections 1 and 2 of the AGAR is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met.

Other matters not affecting our opinion which we draw to the attention of the authority:

None.

### 3 External auditor certificate 2023/24

We certify that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2024.

External Auditor Name

**PKF LITTLEJOHN LLP**

External Auditor Signature

PKF Littlejohn LLP

Date

31/07/2024

Smaller authority name: **HALSALL PARISH COUNCIL**

**NOTICE OF PUBLIC RIGHTS AND PUBLICATION  
OF UNAUDITED ANNUAL GOVERNANCE &  
ACCOUNTABILITY RETURN**

**ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024**

**Local Audit and Accountability Act 2014 Sections 26 and 27  
The Accounts and Audit Regulations 2015 (SI 2015/234)**

<b>NOTICE</b>	<b>NOTES</b>
<p><b>1. Date of announcement (a) FRIDAY 31<sup>ST</sup> MAY 2024</b></p> <p><b>2. Each year the smaller authority's Annual Governance and Accountability Return (AGAR) needs to be reviewed by an external auditor appointed by Smaller Authorities' Audit Appointments Ltd. The unaudited AGAR has been published with this notice. As it has yet to be reviewed by the appointed auditor, it is subject to change as a result of that review.</b></p> <p><b>Any person interested has the right to inspect and make copies of the accounting records for the financial year to which the audit relates and all books, deeds, contracts, bills, vouchers, receipts and other documents relating to those records must be made available for inspection by any person interested. For the year ended 31 March 2024, these documents will be available on reasonable notice by application to:</b></p> <p>(b) Mr J C Pyne, Parish Clerk, 36 Heathey Lane, Halsall, L39 8SH, 01704 841467, Clerk@Halsallparish.gov.uk</p> <p>commencing on (c) <b>Monday 3 June 2024</b></p> <p>and ending on (d) <b>Friday 12 July 2024</b></p> <p><b>3. Local government electors and their representatives also have:</b></p> <ul style="list-style-type: none"><li>• The opportunity to question the appointed auditor about the accounting records; and</li><li>• The right to make an objection which concerns a matter in respect of which the appointed auditor could either make a public interest report or apply to the court for a declaration that an item of account is unlawful. Written notice of an objection must first be given to the auditor and a copy sent to the smaller authority.</li></ul> <p>The appointed auditor can be contacted at the address in paragraph 4 below for this purpose between the above dates only.</p> <p><b>4. The smaller authority's AGAR is subject to review by the appointed auditor under the provisions of the Local Audit and Accountability Act 2014, the Accounts and Audit Regulations 2015 and the NAO's Code of Audit Practice 2015. The appointed auditor is:</b></p> <p><b>PKF Littlejohn LLP (Ref: SBA Team)</b> <b>15 Westferry Circus</b> <b>Canary Wharf</b> <b>London E14 4HD</b> <a href="mailto:sba@pkf-l.com">sba@pkf-l.com</a></p> <p><b>5. This announcement is made by (e) JC PYNE, Clerk Halsall Parish Council</b></p>	<p>(a) Insert date of placing of the notice which must be not less than 1 day before the date in (c) below</p> <p>(b) Insert name, position and address/telephone number/ email address, as appropriate, of the Clerk or other person to which any person may apply to inspect the accounts</p> <p>(c) Insert date, which must be at least 1 day after the date of announcement in (a) above and at least 30 working days before the date appointed in (d) below</p> <p>(d) The inspection period between (c) and (d) must be 30 working days inclusive and must include the first 10 working days of July.</p> <p>(e) Insert name and position of person placing the notice – this person must be the responsible financial officer for the smaller authority</p>

## Halsall Parish Council

### Notice of conclusion of audit

#### Annual Governance & Accountability Return for the year ended 31 March 2024

Sections 20(2) and 25 of the Local Audit and Accountability Act 2014

Section 16 of the Accounts and Audit Regulations 2015 (SI 2015/234)

	Notes
1. The audit of accounts for <b>Halsall Parish Council</b> for the year ended 31 March 2024 has been completed and the accounts have been published.	This notice and Sections 1, 2 & 3 of the AGAR must be published by 30 September. <b>This must include publication on the smaller authority's website.</b> The smaller authority must decide how long to publish the Notice for; the AGAR and external auditor report must be publicly available for 5 years.
2. The Annual Governance & Accountability Return including the auditor's certificate and opinion is available for inspection and copying by any local government elector of the area of <b>Halsall Parish Council</b> on application to:	(a) Insert the name, position and address of the person to whom local government electors should apply to inspect the AGAR
(a) Mr C Pyne, Clerk to Halsall Parish Council c/o 36 Heathey Lane Shirdley Hill Halsall L39 8SH	(a) Insert the name, position and address of the person to whom local government electors should apply to inspect the AGAR
(b) Only by prior appointment via <a href="mailto:halsallparishclerk@gmail.com">halsallparishclerk@gmail.com</a> Mon – Friday 09:00-17:00 From 15 <sup>th</sup> August until 30 <sup>th</sup> September 2024	(b) Insert the hours during which inspection rights may be exercised
3. Copies will be provided to any local government elector of the area on payment of £1.00 for each copy of the Annual Governance & Accountability Return.	(c) Insert a reasonable sum for copying costs
Announcement made by: (d) Mr C Pyne, Clerk to Halsall Parish Council	(d) Insert the name and position of person placing the notice
Date of announcement: (e) 15 <sup>th</sup> August 2024	(e) Insert the date of placing of the notice