

# Annual Internal Audit Report 2022/23

## Wantage Town Council

<https://wantagetowncouncil.gov.uk/>

During the financial year ended 31 March 2023, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2022/23 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to 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.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.			✓
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic bank account reconciliations were properly carried out during the year.	✓		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, 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 2021/22, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2021/22 AGAR tick "not covered")			✓
L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.			✓
M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations (during the 2022-23 AGAR period, were public rights in relation to the 2021-22 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).	✓		
N. The authority has complied with the publication requirements for 2021/22 AGAR (see AGAR Page 1 Guidance Notes).	✓		
<b>O. (For local councils only)</b>	Yes	No	Not applicable
Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

14/06/2022

05/01/2023

Name of person who carried out the internal audit

Kevin Rose - IAC Audit & Consultancy Ltd

Signature of person who carried out the internal audit



Date

04/06/2023

\*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

\*\*Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).



Bill Falkenau  
Town Clerk  
Wantage Town Council  
Council Offices  
The Beacon  
Portway  
Wantage  
OX12 9BX

4th June 2023

Dear Bill,

**Report on Internal Audit carried out on 31 May 2023**

An audit was carried out by Kevin Rose on Wednesday 31 May 2023. This was the Year End audit following on from the Interim Internal Audit carried out on 5 January 2023.

The audit was undertaken using our standard IAC Audit Checklist, used for all Local Councils, which has 198 items. A total of 50 items were tested during this audit. Including the items tested during the Interim Internal Audit visit a total of 137 items have been checked during the financial year a further 61 items on the standard Checklist were checked and confirmed as being Not Applicable to your Council. There were no items unchecked at the year end.

Areas subject to audit were;

the payment system (Box B), risk and insurance (Box C), budget and precept setting and monitoring (Box D), income billing, collection and VAT (Box E), payroll (Box G), assets and investments (Box H), bank reconciliations (Box I), and accounting Statements (Box J).

Of the 50 items tested during this audit a Positive response was obtained in respect of 47 tests. There were 3 Negative responses identified, details of which are set out in the attached Year End Internal Audit Observations. A detailed breakdown of our audit testing and Responses is set out in the attached Year End Internal Audit Summary.

I can confirm that none of the Observations raised during the year will give rise to a Negative response in the year end Internal Audit Report.

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I would like to express my thanks for the assistance provided to me during my audit.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'K. Rose'.

Kevin Rose ACMA  
Director

The Clerk  
Wantage Town Council  
Council Offices  
The Beacon  
Portway  
Wantage  
Oxon  
OX12 9BX

04-Jun-23

## Explanation of "Not Covered" responses

Further to our Internal Audit of your Council for the financial year 2022/23, I am pleased to submit the signed Internal Report for your Annual Return. We have completed our work and I can confirm that we have not given a Negative response for any of the Internal Control Objectives.

You will note that we have given 'Not Covered' responses in respect of Control Objectives F, K, L and O and we are required to explain why we have done this.

- *The reason for the Not Covered response for Objective F is that we understand that your Council does not maintain a Petty Cash.*
- *The reason for the "Not Covered" response for Objective K is that it is not applicable to your Council as the Council did not certify itself exempt from limited assurance review for 2021/22 financial year.*
- *The reason for the Not Covered response for Objective L as your 'annual turnover' exceeds £25,000 and you are therefore not subject to the publication requirements of the Transparency Code.*
- *The reason for the Not Covered response for Objective O as it is our understanding that the Council does not act as Trustee.*

The External Auditor may query why we have responded 'Not Covered' and, if so, you should provide them with a copy of this letter.

Yours sincerely,



Kevin Rose ACMA  
Director

**Wantage Town Council**  
**Financial Year 2022-23**



**IAC Audit and Consultancy Ltd**

Audit date: 31 May 2023

**Year End Internal Audit Observations**

**G**

**Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.**

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	The Council has published the details of Members Allowances paid in accordance with Regulation 15 (3) of Members Allowances Regulations 2003.	Yes	<i>As at the date of the year end audit the Council had not published the details of Members Allowances paid in accordance with Regulation 15 of Members Allowances Regulations 2003.</i>	The Council to note the publication requirements in respect of Members Allowances and to ensure that details of allowances paid are published in accordance with the Regulations.	High	No allowances are paid to councillors under Members Allowances Regulations 2003. The Town Mayor receives an allowance under the Local Government Act 1972. To remove doubt, a notice advising of the above was posted on the Council's notice board and website on 13 June 2023. The requirement is that it be posted for fourteen days.

**I**

**Periodic bank account reconciliations were properly carried out during the year.**

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	Bank reconciliations have been signed and dated as evidence of independent review (Year End)	No	<i>As at the date of the audit the year end bank reconciliation had not been signed and dated as evidence of independent review.</i>	Prior to the approval of the Accounting Statement the year end bank reconciliation and supporting bank statements should be subject to independent review and signed and dated as evidence of this review.	Medium	The year-end bank reconciliation was reviewed by councillors at the Annual Council meeting on 15 May 2023. The Town Mayor signed and dated the reconciliation at the meeting and initialled the bank statements as evidence of the review.

## Wantage Town Council

Interim Audit Date: 05/01/2023



## Internal Audit Summary 2022-23

Year End Audit Date 31/05/2023

(shaded Internal Control Objectives are not applicable to your Council)

Internal Control Objective		Negative Analysis					Responses				Recommendations
		Non - Compliance	High	Medium	Low	Advisory	Positive	Negative	N/A	Not Checked	
A	Appropriate accounting records have been properly kept throughout the financial year.	0	0	1	0	0	5	1	0	0	1
B	This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	0	1	2	0	0	28	4	7	0	3
C	This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	0	0	0	0	0	10	0	2	0	0
D	The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	0	1	1	0	0	11	2	2	0	2
E	Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	0	1	0	0	0	18	1	6	0	1
F	Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	9	N/A	N/A
G	Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	0	1	0	0	0	20	1	4	0	1
H	Asset and investments registers were complete and accurate and properly maintained.	0	0	0	0	0	7	0	4	0	0
I	Periodic bank account reconciliations were properly carried out during the year.	0	0	1	0	0	9	1	6	0	1
J	Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	0	0	0	0	0	7	0	4	0	0
K	If the authority certified itself as exempt from a limited assurance review in 2021/22, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2020/21 AGAR tick "not covered"	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3	N/A	N/A
L	If the authority has an annual turnover not exceeding £25,000, it publishes information on a website/ webpage up to date at the time of the internal audit in accordance with the Transparency code for smaller authorities.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	7	N/A	N/A

Internal Control Objective		Negative Analysis					Responses				Recommendations
		Non - Compliance	High	Medium	Low	Advisory	Positive	Negative	N/A	Not Checked	
<b>M</b>	<i>The authority, during the previous year (2021/22) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set).</i>	0	0	0	0	0	5	0	0	0	0
<b>N</b>	<i>The authority has complied with the publication requirements for 2021/22 AGAR (see AGAR Page 1 Guidance Notes).</i>	0	0	0	0	0	7	0	1	0	0
<b>O</b>	<i>(For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee</i>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	6	N/A	N/A
<b>Total</b>		<u>0</u>	<u>4</u>	<u>5</u>	<u>0</u>	<u>0</u>	<u>127</u>	<u>10</u>	<u>61</u>	<u>0</u>	<u>9</u>