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4 December, 2023

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Kate Egan
Deputy Clerk to Midsomer Norton Town Council
7 The Island
Midsomer Norton
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BA3 2HQ

Dear Kate

Midsomer Norton Town Council 2023/24 (4/23 to 10/23) Audit

I have now completed the first interim Internal Audit for the Council as at 31/10/23 & am pleased to report that the overall internal control procedures are adequate to meet the needs of the AGAR Practitioner's Guide 2023 and the Accounts & Audit Regulations 2015 (as amended).

A series of test checks on the Council's financial records, vouchers, documents, minutes, policies, insurance & assets register were done to ascertain efficiency & effectiveness of the Council's systems.

Any attached Audit recommendations will only enhance the current processes and procedures.

This report should be noted & taken to the next meeting of the Council for discussion & formal minuting. As agreed, the second interim audit 2023/24 will be undertaken in February 2024. This will cover the 11/23 to 1/24 Cashbook period, payroll, assets & risk assessments review.

I would like to thank you for all your help during this review, enabling it to be conducted remotely. I look forward to hearing any comments in due course.

Yours sincerely

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PAUL REYNOLDS, FMAAT

Audit Comments & Recommendations

1. The Current a/c agreed as **£278,463.67** & CCLA as **£970,793.81** giving an Overall Bank holding of **£1,249,257.48** at 31/10/23.
2. VAT for Qtrs 1 & 2 of 2023/24 totalling **£76,262.39** has been received from HMRC.
3. Precept has now been fully received for **£469,189.93**.
4. Interest received for the CCLA a/c totalled a healthy **£25,672.96**.
5. CIL monies received during 6/23 & 7/23 totalled **£32,056.94**.
6. **Recommend** that the Asset register needs serial nos. included for all IT equipment & any other electrical items, as well as any external items, providing required data for any Aviva Insurance claims. These can be added when the Register is being entered into the new Rialtas Asset software package.
7. **Recommend** that a full physical Asset check is performed during this Register upgrade to ensure all items are still held, enabling disposed items & additional items to be properly recorded. This will enable full accuracy of the Asset total for Box 9 on the 2023/24 AGAR at 31/3/24.
8. **Recommend** that all relevant Risk assessments are completed & minuted by 31/3/24, to meet BDO External Audit requirements.
9. Current insurance policy Aviva (100775893CCI) from 12/10/23 to 31/3/24, covers the standard Local Council aspects. Motor cover held on ERS Farmers Plan (50799580) & Group Accident cover on Aviva (86420601ECA) both cover upto 31/3/24.
10. **Recommend** that it may be prudent to consider Cyber cover insurance, as there is a growing trend of attacks on local authorities, as per an NAO Cyber report. Hallams offer an annual OSR cyber policy for approx. £330.
11. All minutes are being regularly signed at next meeting, thus ensuring any decisions taken become lawful.
12. All necessary AGAR documentation, Notice of Public Rights & the interim Conclusion of Audit

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papers were entered onto website, as required. However, the Notice of PR was announced late on 28/9/23 due to incorrect information from BDO. The final, Conclusion of Audit documentation from BDO is still awaited.

13. The next Interim audit is set for February 2024. This will cover payroll, assets, Risk assessments & the Cashbooks for 11/23 to 1/24.