

EN SANDOWN TOWN COUNCIL

www.sandowntowncouncil.gov.uk AVAILABLE WEBSITE/WEBPAGE ADDRESS

During the financial year ended 31 March 2025, 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 2024/25 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. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for. | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| H. Asset and investments registers were complete and accurate and properly maintained. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| I. Periodic bank account reconciliations were properly carried out during the year. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 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. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| K. If the authority certified itself as exempt from a limited assurance review in 2023/24, it met the exemption criteria and correctly declared itself exempt. <i>(If the authority had a limited assurance review of its 2023/24 AGAR tick "not covered")</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 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 <i>(during the 2024-25 AGAR period, were public rights in relation to the 2023-24 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set)</i> . | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| N. The authority has complied with the publication requirements for 2023/24 AGAR <i>(see AGAR Page 1 Guidance Notes)</i> . | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee. | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

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: DD/MM/YYYY DD/MM/YYYY
 Name of person who carried out the internal audit: ENTER NAME OF INTERNAL AUDITOR

Signature of person who carried out the internal audit: Date:

*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).

Internal Audit Report Sandown Town Council

This audit report is to read in conjunction with the Annual Internal Audit Report in the Annual Governance and Accountability Return.

| | |
|-------------------|--------------|
| Council: | Sandown Town |
| Internal Auditor: | Maxine Warr |
| Year Ending: | March 2025 |
| Date of Report | May 2025 |

Internal audit is the periodic independent review of a council's internal controls resulting in an assurance report designed to improve the effectiveness and efficiency of the activities and operating procedures under the council's control. Managing the council's internal controls should be a day-to-day function of the council through its staff and management and not left for internal audit. It would be incorrect to view internal audit as the detailed inspection of all records and transactions of a council to detect error or fraud. This report is based on the evidence made available to me and consequently the report is limited to those matters set out below.

The council is required to take appropriate action on all matters raised in reports from internal and external audit and to respond to matters brought to its attention by internal and external audit. Failure to take appropriate action may lead to a qualified audit opinion.

All items have been discussed with the RFO.

To the Mayor of Sandown Town Council

I have examined council business including policies, agendas & minutes, accounting and financial statements and other documents relevant to this audit. Management & governance of the council appears robust and well executed.

The checklist gives a detailed account of the areas covered but a summary of findings is set out below.

- 1) Payroll provision is outsourced to Community Action and payments to HMRC are reported. The account is regularly monitored. Pension arrangements are through the LGPS with one member of staff opting out. All staff received the national pay uplift.
- 2) Workplace assessments are scheduled and although an appraisal system is in place this has not been carried out this year.
- 3) Standing Orders and Financial Regulations have been reviewed and are uploaded to the website. All other policies have been reviewed or are scheduled for review after the election.
- 4) VAT had been accounted for correctly and refunds from HMRC are being claimed quarterly.
- 5) Income is clearly identified and recorded. An electronic payment system is in operation for both income and expenditure and adheres to Financial Regulations.

- 6) The Exercise of Public Rights was advertised correctly, and the dates are detailed in the minutes. No members of the public took the opportunity to examine the accounts. It is considered good practice to have five years of audit papers displayed on the website and from this year this will be the case.
- 7) Insurance policies are in place with a good level of cover. Assets are reviewed and updated.
- 8) The budget and precept proposals were discussed at a full council meeting on 10 February 2025 and it was resolved to set the precept to £625,332 for 2025/26. Full details of the process is outlined in the minutes.
- 9) The Financial Risk Assessment Policy is in place for 2025 and is scheduled to be reviewed annually. Provision for inspection of play areas and the skate park is robust.
- 10) Public Works Board Loans remain in place and payments have been identified in the correct manner.
- 11) The 2024-25 financial year saw turnover once again of over £200,000, therefore the accounts operate, on an income and expenditure basis. The petty cash account was closed in December 2023.
- 12) A 32-day Access Account is in operation as well as a Business account and a Treasurers account. All debtors are detailed.
- 13) The Transparency Code requires the publication of certain information on a website. There is a dedicated page to the Code and items are uploaded as required. All items have been displayed on the new website.
- 14) The website accessibility statement is published and was reviewed in August 2024. However, there has been an update to the regulations in October 2024.

RECOMMENDATIONS

- Ensure the website meets the accessibility regulations updated in October 2024
- Ensure appraisals are carried out for all staff in accordance with the HR policy

Having regard to the above I believe I have adequate assurance to complete and sign the relevant section of the Annual Return.

Yours sincerely



Maxine Warr
2nd May 2025