



Whitby
Town Council

FULL COUNCIL JANUARY 2025
INTERNAL AUDIT REPORT 2024/2025 INTERIM AUDIT

1 Introduction

Please find below the report of the Internal Auditor.

At the Full Council Meeting, Councillors will be asked to note the report and consider any findings.

2 Actual Report

1. Background

Following the 2023/24 annual audit it was agreed that a detailed interim audit on Accounts Payable and income collection and banking would be carried out to give further assurance to the Town Clerk and Councillors'

2. Objectives of the Audit

2.1. To examine the system of internal controls to ensure that the Town Council may obtain an adequate level of assurance for its activities for the year.

3. Scope of the Work and the areas of Audit Work examined.

3.1 The Scope of Work covers the key control tests identified in the internal audit section of the AGAR, relating to the payment of accounts and the income collected and Banking and these were examined.

3.2. The audit findings of this report have been discussed with the Town Clerk and any audit recommendations have been agreed with him.

3.3. The Council uses EDGE financial systems, and the Council has given me read-only access to the system so as I can produce reports to examine the records and carry out this audit.

4. Findings

4.1. Creditors (Accounts Payable)

4.1.1. Every cycle the Finance Policy and General Purposes committee receive expenditure transactions payments approval list for Whitby Town Council which shows transaction numbers and details of invoices to be approved (Income transactions approval list is also reported).

- 4.1.2 This audit covered all payments from April 2024 to September 2024. I produced an expenditure transaction list from EDGE, which listed all payments between April to September and this enabled me to examine all invoices to the EDGE finance system, and all were confirmed to the Finance, Policy and General Purposes Committee reports, and to the bank statements.
- 4.1.3. All payments have been properly approved at Committee and recorded in EDGE.
- 4.1.4. Any tenders/quotes are reported to Town Council and contracts are made in accordance with the Council's Standing Orders.
- 4.1.5 Travel and subsistence forms are completed when staff or Councillors travel and stay at hotels which are carried out in performance of their duties.
- 4.1.6. There are 2 Barclay cardholders, (Town Clerk and Deputy Town Clerk) with the payments made from the business current account. Individual amounts are input into the finance system and given a transaction number. These were checked and the payments confirmed.

4.2. **Petty Cash**

- 4.2.1. The Council does not have any petty cash, as small purchases are reimbursed by staff through the payments system, usually by card.

4.3. **Income collection and Banking arrangements**

- 4.3.1. Income is received mainly from the precept, toilets, allotment rents, stall holders, vat claim and any grants received, the Council also has an agreement whereby they receive 60% of Museum admission income.

4.3.2 The Income Transaction detail report from EDGE records all transactions between April 2024 and September 2024, was examined to identify all income to that date, to the Income ledger where details examined to confirm the amounts, and confirmed to the Bank statements from EDGE (Account reconciled statement).

- 4.3.3. Income from the Museum admissions is shown on a monthly remittance advice from the Museum which shows the total amount of admission money taken and the 60% amount which is paid to the Council and the bill payment is attached.
- 4.3.4. VAT is recorded within the finance system (vat control a/c), and a report was produced from EDGE. Claims are completed every quarter from the finance system, and the income paid is confirmed in the bank account. As at the date of this audit the first quarters vat refund has been submitted for 2024/25 and this was examined (April to June) which was correctly paid into the bank account (8th August 2024) and correctly recorded in the Councils accounts.

4.3.5. Income from the toilets is received from an annual report from the Company who manages the toilets who then pay the Council an annual agreed fee on production of an invoice.

4.3.6. Income is received from allotment holders. There are 3 allotment sites and the allotment holders were shown on the latest income ledger from EDGE, with the income received and correctly recorded in the accounts.

4.4 A transaction list was produced from EDGE which enabled me to verify that all income received as shown on the associated records, were correctly recorded in the accounts and in the Councils bank account.

5. Conclusions

5.1. The Internal Controls were satisfactory for the Council which were confirmed by the checks carried out.

5.2. Recommendations

5.2.1. There are no recommendations.