

**Royston Town Council**

**Full Council meeting Monday 20<sup>th</sup> June 2022**

**Agenda item 9 – Internal Audit Report**



**ROYSTON TOWN COUNCIL INTERNAL  
FINAL AUDIT REPORT FOR THE  
PERIOD ENDED 31 MARCH 2022**  
*Conducted 23<sup>rd</sup> May 2022*

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ROYSTON TOWN COUNCIL INTERNAL  
AUDIT REPORT FOR THE YEAR ENDED  
31 MARCH 2022

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**ROYSTON TOWN COUNCIL INTERNAL  
AUDIT REPORT FOR THE YEAR ENDED  
31 MARCH 2022**

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**Introduction**

The internal audit was carried out on 23<sup>rd</sup> May 2022. The audit was conducted at the offices of the council.

**Summary of Work Completed**

The work completed is identified in the following table below:

AREA OF WORK	WORK COMPLETED
Bank and Cash Reconciliations	<ul style="list-style-type: none"><li>a) Bank reconciliations were reviewed and agreed each month to ensure that controls were working effectively throughout the period.</li><li>b) The reconciliation for the period to 31/03/2022 was verified to the accounting data as entered to SAGE software.</li><li>c) Cash reconciliations were reviewed to the period up to 31/03/2022.</li></ul>
VAT Returns	<ul style="list-style-type: none"><li>a) VAT returns for the year were reviewed and the debtor as at 31/03/2022 was verified to the trial balance as at that date.</li></ul>
Substantive Income and Expenditure Testing	<ul style="list-style-type: none"><li>a) A sample of income and expenditure was confirmed to supporting documentation. Receipts and payments were confirmed to the bank statements respectively.</li><li>b) Internal authorisation procedures were checked for the council's expenditure for the period under review.</li></ul>
Risk Assessments	<ul style="list-style-type: none"><li>a) The council's risk assessments were reviewed to ensure that due consideration has been given to identify the key and significant risks.</li><li>c) To ensure that sufficient safeguards and controls are in place to mitigate identified risks.</li></ul>
Fixed Asset Register	<ul style="list-style-type: none"><li>a) The fixed asset register was reviewed to ensure that assets owned by the council are correctly recorded.</li></ul>
Minutes of Meetings	<ul style="list-style-type: none"><li>a) The minutes of meetings since the last internal audit were reviewed and any relevant information was noted.</li></ul>
Review of Trial Balance	<ul style="list-style-type: none"><li>a) The trial balance was reviewed for reasonableness.</li></ul>

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	b) The trial balance was confirmed to the accounts and annual return respectively to ensure financial results agree to source material.
Insurance	a) A review of insurance policies was conducted to ensure that sufficient cover is in place and is reasonable.
Payroll	a) Payroll was verified to the annual return and calculations for PAYE, National Insurance and Pension contributions were checked.

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**Results**

The work completed is identified in the following table below:

AREA OF WORK	OBSERVATIONS/POINTS
Bank and cash Reconciliations	Bank and reconciliations were reviewed and confirmed to be done on a monthly basis with due care and attention. Bank balances were confirmed to statements as at 31 March 2022.
VAT Returns	The balance as at 31/03/2022 was reconciled to the financial statements. No further observations were made.
Substantive Income and Expenditure Testing	No issues were identified with income and expenditure testing. A sample of transactions were reviewed to supporting evidence and checked to ensure payments cleared the bank and receipts received.  Authorisation procedures were confirmed to be working effectively.  Accounting entries were correctly recorded and posted to the correct nominal code.
Risk Assessments	The Council's risk assessments were confirmed to be reasonable and safeguards are considered to be appropriate and reasonably implemented.
Fixed Asset Register	The fixed asset register looks to be maintained with assets owned by the Parish Council.
Minutes of Meetings	Minutes were reviewed and no pertinent issues were identified for the period under review.
Insurance	Documentation was reviewed and is expected to be sufficient to cover the requirements of the Council.
Other Observations	All expenditure relating to the renovation works has been correctly approved by the Council. A sample of invoices was selected to agree the cost valuations.

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**Conclusion**

In our opinion the Council is keeping their books and records in order and is following internal control procedures that have been established.



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Partner

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**Agenda Item 10 – Accounts 2021-2022**

<b><u>Royston Town Council</u></b>		
<b>Income and Expenditure Account - Year End Accounts 31 March 2022</b>		
<b>31-Mar-21</b>	<b>INCOME</b>	<b>31-Mar-22</b>
317,909.54	Precept	331,468.72
11,321.46	CTRS Grant	11,179.28
14,460.33	Agency	15,574.17
424.06	Interest received	132.62
4,652.81	Town Hall lettings	21,446.90
539.25	Market Hill Rooms lettings	9,248.49
-	Priory Rooms lettings	812.75
- 97.72	Discounts Allowed (Lettings)	- 162.41
586.09	Museum sales, Exhibition Commission & Friends shop sales	325.36
750.00	Grants & Donations for Museum	2,572.49
-	Sales of Jack's War book	-
-	Blue plaques	855.60
6,128.47	Allotments rents & electric/water reimbursements	6,341.61
15,565.00	30 Kneesworth Street	15,580.00
267.12	Royston Cave	6,544.88
56,000.71	Miscellaneous income (grants/donations etc.)	91,692.43
-	Royston May Fayre	2,635.00
-	Naturally Royston	-
516.70	Other bank accounts (May Fayre/Museum/War Memorial)	500.00
32,556.72	Royston First/Cinema	14,386.16
47,744.12	Market Place	65,399.98
-	War Memorial	-
<b>509,324.66</b>		<b>596,534.03</b>
	Increase / Decrease in Stock -	359.88
<b>509,324.66</b>	<b>Total Income</b>	<b>596,174.15</b>

**Royston Town Council**

**Income and Expenditure Account - Year End Accounts 31 March 2022**

<b>31-Mar-21</b>	<b>EXPENDITURE</b>	<b>31-Mar-22</b>
154,222.27	General Administration	147,226.87
18,688.34	Agency	19,772.08
39,175.47	Town Hall	76,536.12
19,724.63	Market Hill Rooms	16,862.34
6,070.33	Priory Rooms/Annexe	6,067.00
68,540.23	Museum	99,555.82
0.00	Public Toilets	1,200.00
1,383.11	Allotments	4,567.36
11,261.54	Royston Cave	20,015.29
315.00	30 Kneesworth Street	330.00
986.00	War Memorial	1,010.00
617.16	Civic	1,600.36
13,949.96	Plantations	14,929.96
0.00	May Fayre	420.69
220.00	Naturally Royston	0.00
0.00	Blue Plaques	855.60
1,625.00	Donations	1,855.00
30,262.23	Christmas Lights	14,004.00
1,342.02	Royston First/Cinema	5,182.13
53,258.81	Market Place	57,171.73
3525.79	Miscellaneous expenditure & Mispostings	22,111.79
0.00	Other bank accounts (War Memorial)	0.00
<b>425,167.89</b>	<b>Total Expenditure</b>	<b>511,274.14</b>
	<b>GENERAL FUND (Inc. Capital - Cemetery land and earmarked reserves)</b>	
430,230.58	Balance at 1 April 2021	532,000.80
509,324.66	Plus Total Income	596,174.15
425,167.89	Less Total Expenditure	511,274.14
514,387.35		616,900.81
17,613.45	Transfers to/from other accounts/ reserves -	500.69
<b>532,000.80</b>	<b>Balance at 31 March 2022</b>	<b>616,400.12</b>



<b>Royston Town Council</b>		
<b>BALANCE SHEET AS AT 31 MARCH 2022</b>		
<b>31-Mar-21</b>	<b>LONG TERM ASSETS</b>	<b>31-Mar-22</b>
0.00	Investments	0.00
0.00	Long Term Debtors	0.00
<b>0.00</b>		<b>0.00</b>
<b>CURRENT ASSETS</b>		
498.35	Museum Shop Stock	138.47
490.00	Debtors	3,170.26
8,357.53	VAT Recoverable	4,624.31
17,798.87	Current Account	4,829.52
9,695.53	Business Premium Account	9,696.49
-	Treasury Account	-
430,572.00	RTC Treasurers Deposit Account	530,072.00
100,000.00	Public Sector Deposit Fund	100,000.00
295.15	Cash in Hand - Petty Cash	295.15
-	Takings in office - cash and cheques unbanked as at 31st March	-
65,722.00	Stamford Yard balance	65,722.00
3,885.31	Other accounts - May Fayre/War Memorial/Museum/Tapestry	4,386.00
<b>637,314.74</b>	<b>Total current assets</b>	<b>722,934.20</b>
<b>CURRENT LIABILITIES</b>		
952.66	Creditors	1,347.66
114.80	Receipts received in advance	439.25
<b>1,067.46</b>	<b>Total current liabilities</b>	<b>1,786.91</b>
<b>636,247.28</b>	<b>NET ASSETS</b>	<b>721,147.29</b>
<b>REPRESENTED BY:</b>		
3,885.31	Other accounts - May Fayre/War Memorial/Museum/Tapestry	4,386.00
65,722.00	Stamford Yard Balance - capital reserve	65,722.00
532,000.80	General Fund Balance (inc. Capital - cemetery land and earmarked reserves as per supporting statement)	616,400.12
34,639.17	Capital Fund Balance	34,639.17
<b>636,247.28</b>		<b>721,147.29</b>
<p><b>The above statement represents fairly the financial position of the authority as at 31 March 2022 and reflects its income and expenditure during the year.</b></p>		