

Annual Internal Audit Report 2024/25

EN Newbury Town Council

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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.	✓		
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.		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.	✓		
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 2023/24, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2023/24 AGAR tick "not covered")		n/a	✓
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 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).	✓		
N. The authority has complied with the publication requirements for 2023/24 AGAR (see AGAR Page 1 Guidance Notes).	✓		
O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes	No	Not applicable
	✓		

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 25/09/2025

Name of person who carried out the internal audit

19/12/2024 19/02/2025 21/05/2025

Susan Cook for Auditing Solutions Ltd

Signature of person who carried out the internal audit



Date

21/05/2025

*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).

Section 1 – Annual Governance Statement 2024/25

We acknowledge as the members of:

NEWBURY TOWN COUNCIL

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2025, that:

	Agreed		
	Yes	No*	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	✓		<i>prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i>
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	✓		<i>made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.</i>
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	✓		<i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i>
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	✓		<i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.</i>
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		<i>considered and documented the financial and other risks it faces and dealt with them properly.</i>
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	✓		<i>arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.</i>
7. We took appropriate action on all matters raised in reports from internal and external audit.	✓		<i>responded to matters brought to its attention by internal and external audit.</i>
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.	✓		<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A
	✓		<i>has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.</i>

***Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.**

This Annual Governance Statement was approved at a meeting of the authority on:

23/06/2025

and recorded as minute reference:

36

Signed by the Chair and Clerk of the meeting where approval was given:

Chair

Clerk

D. Harman
[Signature]

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Section 2 – Accounting Statements 2024/25 for

NEWBURY TOWN COUNCIL

	Year ending		Notes and guidance
	31 March 2024 £	31 March 2025 £	
1. Balances brought forward	1,152,402	1,306,740	Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.
2. (+) Precept or Rates and Levies	1,272,879	1,526,951	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	587,800	395,236	Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.
4. (-) Staff costs	571,090	620,571	Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.
5. (-) Loan interest/capital repayments	0	0	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	1,135,251	1,168,020	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	1,306,740	1,440,336	Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).
8. Total value of cash and short term investments	1,345,902	1,461,175	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.
9. Total fixed assets plus long term investments and assets	6,134,571	6,426,481	The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.
10. Total borrowings	0	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

For Local Councils Only	Yes	No	N/A	
11a. Disclosure note re Trust funds (including charitable)	✓			The Council, as a body corporate, acts as sole trustee and is responsible for managing Trust funds or assets.
11b. Disclosure note re Trust funds (including charitable)	✓			The figures in the accounting statements above exclude any Trust transactions.

I certify that for the year ended 31 March 2025 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval

[Signature]

Date

10/06/2025

I confirm that these Accounting Statements were approved by this authority on this date:

23/06/2025

as recorded in minute reference:

37

Signed by Chair of the meeting where the Accounting Statements were approved

[Signature: J. Harman]

Bank reconciliation – pro forma

This reconciliation should include **all** bank and building society accounts, including short term investment accounts. It **must** be entered in the column headed “Year ending 31 March 20xx” in Section 2 of the AGAR – and will also agree to Box 7 where the accounts are on a cash and payments basis. Please complete the highlighted boxes, remembering that unpresented cheques should be entered as a debit.

Name of smaller authority: Newbury Town Council

County area (local councils and parish meetings only): West Berkshire

Financial year ending 31 March 20xx

Prepared by (Name and Role): Liz Manship, RFO

Date: 19/05/25

	£	£
Balance per bank statements as at 31/3/25:		
Current Account account 1	17,999.92	
Instant Access Account account 2	385,787.28	
CCLA Account account 3	557,387.44	
Fixed Term Interest Account account 4	500,000.00	
		1,461,174.64
Petty cash float (if applicable)		0.00
Less: any unpresented cheques as at 31/3/25 (enter these as negative numbers)		
None item 1		
item 2		
item 3		
item 4		
		0.00
Add: any un-banked cash as at 31/3/25		
None 		
		0.00
Net balances as at 31/3/25(Box 8)		1,461,174.64

Reconciliation between Box 7 and Box 8 in Section 2 - pro forma

(applies to Accounting Statements prepared on an income and expenditure basis only)

Please complete the highlighted boxes.

Name of smaller authority:

Newbury Town Council

County area (local councils and parish meetings only):

West Berkshire

There should only be a difference between Box 7 and Box 8 where the Accounting Statements (Section 2 of the AGAR) have been prepared on an income and expenditure basis and there have been adjustments for debtors/prepayments and creditors/receipts in advance at the year end. Please provide details of the year end adjustments, showing how the net difference between them is equal to the difference between Boxes 7 and 8.

	£	£
Box 7: Balances carried forward		1,440,336.00
Deduct: Debtors (enter these as negative numbers)		
Debtors	(13,387.90)	
VAT Control	(48,128.59)	
	<u>(61,516.49)</u>	
Deduct: Payments made in advance (prepayments) (enter these as negative numbers)		
Prepayments	(19,146.73)	
Refundable Franking Machine Deposit	(300.00)	
	<u>(19,446.73)</u>	
Total deductions		<u>(80,963.22)</u>
Add:		
Creditors (must not include community infrastructure levy (CIL) receipts)		
Creditors	50,624.02	
Accruals	3,435.00	
Allotment Key Deposits	9,435.00	
Rent Deposits (Suites)	6,375.00	
Wedding Holding Deposits	166.66	
Changing Room Key Deposits	100.00	
	<u>70,135.68</u>	
Add:		
Receipts in advance (must not include deferred grants/loans received)		
Receipts in advance	3,164.79	
Allotment Receipts in Advance	28,501.61	
	<u>31,666.40</u>	
Total additions		<u>101,802.08</u>
Box 8: Total cash and short term investments		<u><u>1,461,174.86</u></u>

Explanation of variances – pro forma

Name of smaller authority: **Newbury Town Council**
 County area (local councils and parish meetings only): **West Berkshire**

Insert figures from Section 2 of the AGAR in all **Blue highlighted boxes**

Next, please provide full explanations, including numerical values, for the following that will be flagged in the green boxes where relevant:

- variances of more than 15% between totals for individual boxes (except variances of less than £200);
- **New from 2020/21 onwards:** variances of £100,000 or more require explanation regardless of the % variation year on year.

	2023/24 £	2024/25 £	Variance £	Variance %	Explanation Required?	Automatic responses trigger below based on figures input. DO NOT OVERWRITE THESE BOXES	Explanation from smaller authority (must include narrative and supporting figures)
1 Balances Brought Forward	1,152,402	1,306,740					
2 Precept or Rates and Levies	1,272,879	1,526,951	254,072	19.96%	YES		
3 Total Other Receipts	592,352	395,236	-197,116	33.28%	YES		
4 Staff Costs	571,090	620,571	49,481	8.66%	NO		
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO		
6 All Other Payments	1,139,803	1,166,020	28,217	2.48%	NO		
7 Balances Carried Forward	1,306,740	1,440,336					
8 Total Cash and Short Term Investments	1,345,902	1,461,175					
9 Total Fixed Assets plus Other Long Term Investments and	6,134,571	6,426,481	291,910	4.76%	YES		
10 Total Borrowings	0	0	0	0.00%	NO		

Rounding errors of up to £2 are tolerable

Variances of £200 or less are tolerable

2023-24 to 2024-25 - Precept Variance 19.96% Explained

The following provides:

- Budgeted Expenditure against cost centres using NTC Income & the Precept to cover.
- Examples of additional 2024/25 budgeted expenditure where variance over 15%
- Variance without this additional expenditure

Cost Centre	2023/24	2024/25	% Variance
Staff Costs - Salaries, Employers NI & Pension	512,624	591,744	15.43%
Staff Costs: Additional £79,120 , not to support changes in 2024/25, but due to the predicted deficit in 2023/24. (2023/24 predicted actuals £570,392, £47,768 over budget due to maternity & long-term sickness cover, a f/t replacing a p/t post & a new post). The 2023/24 actual staff costs were £571,090. The 2024/25 budget of £591,744 against the predicted actuals of £570,392 gives a 5.59% variance.			
Variance without additional expenditure	512,624	512,624	0.00%
Staff Expenses & Agency/Locum Cover	7,000	22,000	214.29%
Agency/Locum Cover: 2023/24: £0. 2024/25: £15,000 in case of extended H&S support (£7,569 for 8 weeks self-employment contract) and/or unexpected staff cover. Agreed following unexpected costs in 2023/24 of £30,250 for 3 months locum CEO cover, plus self-employment H&S contract (£5,679 for initial 6-week period) to cover H&S work not covered due to sickness.			
Variance without additional expenditure	7,000	7,000	0.00%
Central, P&R, Grants & Corporate Services	209,600	232,700	11.02%
Town Hall & Weddings	74,830	111,724	49.30%
Energy: Additional £2,000 , 20% increase in 2024/25 for Energy Refurbishment: 2023/24: £0. 2024/25: £25,200 set aside for required works. Weddings: 2024/25: £1,300 EMR towards 3-yr wedding license.			
Variance without additional expenditure	74,830	83,224	11.22%
Cemeteries	120,260	124,037	3.14%
Markets	27,900	35,300	26.52%
Electric Pop-ups: 2024/25 £7,500 set aside to undertake repairs & bring into safe operation.			
Variance without additional expenditure	27,900	27,800	-0.36%
War Memorial	3,500	4,300	22.86%
Cleaning: 2024-25 additional £800 for increased cleaning.			
Variance without additional expenditure	3,500	3,500	0.00%
Footway Lighting	27,000	32,500	20.37%
Repairs: 2024-25 additional £6,000 for repairs and upgrading lamps to LED.			
Variance without additional expenditure	27,000	26,500	-1.85%
Clock House	1,850	1,750	-5.41%
Street Furniture	73,400	75,600	3.00%
Recreation Grounds & Play Areas	141,850	150,093	5.81%
Victoria Park	141,250	193,050	36.67%
Lime Trees: £25,000 to pollard in 2024/25. Moving forward, annual budget towards an EMR. PWLB Loan: Whilst not taken up, £15,750 set aside towards PWLB loan in 2024/25 budget for café. Repairs: Budget increased by £8,000 in 2024/25 due to vandalism.			
Variance without additional expenditure	141,250	144,300	2.16%
Open Spaces	87,110	103,660	19.00%
Additional Land Maintenance & Dog Bin Collections: £9,750 set aside in 2024/25 to maintain land taking over from West Berks.			
Variance without additional expenditure	87,110	93,910	7.81%
Floral & Trees	49,450	73,400	48.43%
Tree Surveys: £20,000 in 2024/25 for Tree Surveys (plus £5,000 from reserves). Required every 5 years, moving forward, annual budget towards an EMR.			
Variance without additional expenditure	49,450	53,400	7.99%
Newbury in Bloom	4,500	4,500	0.00%
Allotments	39,700	37,015	-6.76%
Wharf Toilets	17,000	17,750	4.41%
Grounds Maintenance Vehicle	0	9,774	
Grounds Maintenance Vehicle: 5-yr lease in 2024/25 at an estimated cost of £9,744 per annum			
Variance without additional expenditure	0	9,774	0.00%
CPAC & Civic	19,400	17,925	-7.60%
Planning & Highways	17,000	19,000	11.76%
Budgeted Expenditure from NTC Income & Precept	1,575,224	1,857,822	17.94%
NTC Income	302,345	330,870	
Budgeted Expenditure - NTC Income = Precept	1,272,879	1,526,952	19.96%
Excluding these additional expenditures gives a precept variance of 1.47%	1,282,897	1,301,788	1.47%

Explanation of Variances - Receipts - 2023-24 to 2024-25				
2023/24 (£)	2024/25 (£)	Variance (£)	Variance (%)	Reason
Income streams with a variance less than 15%				
203,779.45	200,735.70	-3,043.75	-1.49	Income streams, each with a variance less than 15% : E.g. suite lease income, market income, allotment income etc.
Income streams with a variance greater than 15%				
13,389.06	43,609.06	30,220.00	225.71	Bank Accounts Interest: Funds moved mid 2023/24 from Current Ac with £0.00 interest, to Instant Access and Fixed Term Interest Accounts with the purpose of generating interest.
20,415.41	27,072.74	6,657.33	32.61	CCLA Interest: Investment doubled from £250,000 to £500,000 mid 2023-24. Hence additional interest within 2024/25.
4.21	4.84	0.63	25.00	Shares/Dividend Income: High % due to sum being so small.
6,878.00	0.00	-6,878.00	-100.00	Grants - NDP: No grants requested in 2024/25
400.00	1,400.00	1,000.00	250.00	Donations: All funds, the £400 in 2023/24 & the £1,400 in 2024/25 were donations received towards D-Day commemorations - 6th June 2024.
2,205.00	3,523.33	1,318.33	59.77	Weddings: Increased Weddings year on year - a developing offer.
30.00	495.34	465.34	1,550.00	Cemetery Income - New Town Road: Closed Cemetery. 2023/24: Photography fee. 2023/24 interment of ashes in existing grave & associated fees.
72,387.18	60,907.93	-11,479.25	-15.86	Cemetery Income - Shaw: Open Cemetery. Request for burials and interments varies year-on-year. Variance also relates to an increased trend for the interment of ashes rather than burials (at a lower cost) .
0.00	3,139.85	3,139.85		Grant: One-off grant from West Berks to purchase new dog bins
4,354.00	0.00	-4,354.00	-100.00	Café: Not open in 2024/25 due to remodelling & refurbishment - No income.
266,952.53	54,113.44	-212,839.09	-79.73	CIL: Annual variance - West Berks planning related.
25.00	0.00	-25.00	-100.00	Wayleave Income: Usually sent to us automatically - substation on NTC land. Following up.
1,532.00	0.00	-1,532.00	-100.00	Recreation Ground Bookings: Little Kickers bookings in 2023/24 only.
0.00	234.00	234.00		Receipt to cover professional fees: Agreed receipt from contractor to cover contract amendment costs.
592,351.84	395,236.23	-197,115.61	-33.28	

Fixed Assets - 2023-24 to 2024-25 Variance Explained

Fixed Assets - 31/03/24	6,134,571
<u>Assets - Added in 2024/25:</u>	
Office Equipment - Desk & Chairs	1,159
Office Printer/Copier	3,805
Town Hall Equipment	717
IT Equipment	4,287
Victoria Park - new surface & installation of new gym equipment	18,509
Victoria Park - Lime Tree Avenue Lights Upgrade	6,756
Civic Responsibility - Full Town Crier Livery	4,298
Grounds Maintenance Tools & Equipment	1,386
Footway Lighting Upgrades	13,010
Allotment Fencing	860
Shaw Cemetery - steel gas cage and metal gate	740
Rec Ground Changing Rooms - 2 steel doors, 2 steel mesh covers & steel electric box cover	2,022
2 x solar power duck food dispensers from The Ducks Initiative	1
Wharf Toilets - 2 new Nayex devices to enable card payments + flood light	2,805
Street Furniture - Dog, Waste & Recycle Bins	7,118
Grounds Maintenance Vehicle	36,330
Grounds Maintenance Vehicle - equipment	211
	104,014
<u>Assets - Removed 2024/25</u>	
Splash Park Maintenance Room - Equipment	-793
 <u>Assets Review 2024/25 - Added retrospectively</u>	
Victoria Park - Newbury Bowls Club - leased	1
Victoria Park - Bandstand - leased	1
Shaw Cemetery Office - leased	1
Shaw Cemetery Container	7,200
Town Hall - computer for screen in reception	250
Victoria Park - Splash Park Maintenance Room	30,000
Victoria Park - Pond - concrete with liner	150,000
Playgrounds - Play equipment new seats & handles	842
Wharf Toilets - Work Bench & Vice	394
	188,689
Fixed Assets - 31/03/25	6,426,481