YORKSHIRE INTERNAL AUDIT SERVICES
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Mrs H Phillips
Clerk to Carlton Parish Council
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Dear Mrs Phillips

To the Chairman and Members of Carlton Parish Council
Internal Audit of Accounts for the Financial Year ending 31 March 2022

I am pleased to inform you that the internal audit is complete. Appropriate tests and checks were carried out on the accounts and management arrangements to confirm that the systems of financial and other controls over the council's activities and operating procedures are effective. Following that I can confirm that internal controls are operating as expected and there are no matters to give cause for concern. Some minor matters were discussed with the clerk and action agreed where necessary. The Annual Internal Auditors Report contained within the Annual Governance and Accountability Return 2021/22 has been completed as required. Although the council adequately met the internal control objectives listed in that report, the accounts for the year included a significant event to which I would like to draw members' attention.

S106 Monies
During 2021/22 the council received almost four times the receipts and made five times the payments than for a normal year. This was mainly due to the receipt of £97,914.92 from Selby District council (SDC) for projects at Carlton Cricket Club and the Village Hall. This was paid out immediately on receipt to these organisations by the council to the clubs' accounts as instructed by SDC. The clubs are to provide the parish council with the appropriate evidence to show that the money and contracts are managed properly and to provide an audit trail of the spend, which may be checked by SDC.
However, the instructions to the council are in my view unclear. Although instructed to release the money to the clubs straightaway and keep a record of what it is spent on on behalf of SDC the instruction also stated 'so we/you have evidence of the

monies used and for what, and should be recorded in the PC accounts, like any other S106 payments'. These payments will not be recorded in the council accounts as the money is now held by the clubs in their own bank accounts and the council have no control over how it is spent.
The method of making this money available and then distributing it to the clubs has also meant that the council will be in a higher audit fee range for external audit purposes.
I am satisfied that the council have managed and recorded this money as instructed and in accordance with their own internal controls but in my view are not accountable now that the money has been paid over to third parties. Their role is to collect documentation to provide an audit trail for SDC if it is requested.

I would like to thank the Clerk for her assistance during the audit.

Yours sincerely

Janet L. Bennett

JL Bennett
12 May 2022

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