BRAMPTON BIERLOW PARISH COUNCIL

Internal Audit Report 2022/2023

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Background and Scope

All Town and Parish Councils are required by statute to make arrangements for an independent internal audit and for the conclusions to be reported each year in the Annual Governance and Accountability return (AGAR). The Parish Council has requested that Voluntary Action Rotherham provides this service, based on a letter of engagement agreed and signed by Council. The audit is not designed to identify all significant weaknesses in the association's systems but, if such weaknesses come to our notice during the course of our examination, which we think should be brought to your attention; we shall report them to you.

The responsibility for the prevention and detection of fraud, error and non-compliance with law or regulations rests with the Council. The audit should not be relied upon to disclose all material misstatements or frauds, errors or instances of non-compliance as might exist.

In accordance with guidelines set out by the Governance and Accountability for Local Councils – practitioners' guide, our work plan consisted of an investigation to review whether the systems of financial and other controls over the Council's activities and operating procedures are effective. Areas covered by the testing included;

- Bookkeeping
- Due Process
- Risk management arrangements
- Budgetary controls
- Payroll control
- Petty cash
- Asset control
- Bank reconciliation
- Year-end procedures
- Miscellaneous

Findings
The internal audit was carried out off site, all records and evidence were provided by the Clerk either electronically or in paper format. Any audit recommendations have been agreed with the Clerk/RFO and I am pleased to note that the points raised at the last audit have been addressed.

The following recommendations/points are identified for the Council's attention:

Bookkeeping
The cashbook was maintained and up to date and VAT was reclaimed quarterly.

Due Process
Model standing orders have been adopted and reviewed during the year.

The controls for payments are good, dual authority on all payments with payment sheets issued monthly at council meetings and agreed by the council.

Equality and Diversity Policy is now in place as recommended last year.

Risk Assessment Arrangements
The insurance policy was updated to match the asset register as recommended last year. All assets included in the policy are insured for the correct amount. There are plots of land included on the asset register but not on the insurance schedule, it appears this was agreed by the council in previous years not to be included in insurance schedule.

Petty Cash
There is minimal petty cash expenditure throughout the year and this does balance within the cashbook however this expenditure does not appear to have been taken to council.
There is no evidence in the minutes or payment sheets of petty cash expenditure. I would recommend the payment sheets are updated to include any petty cash expenditure.

Bank reconciliation
The Clerk advised that council are in the process of completing the bank mandate to amend and add signatories. *There was no evidence of this from the minutes.*

Miscellaneous
The requirements of the Accounts and Audit Regulations 2015 - Section 13 (2) (b) require Councils display AGARs for the five years 2017-18, 2018-19, 2019-20, 2020-21 and 2021-22 on their website. All years were displayed.

The notice for exercise of public rights was minuted and listed on the website however the notice on the website was not signed by the clerk and the form used was not for publication on the website.

Conclusion
I am pleased to conclude and report that the Clerk has maintained a good standard of record keeping that has simplified the audit process. I have confidence that the figures lifted into the Statement of Accounts for the financial year ended 31st March 2023 are accurate and all internal control objectives have been met.