

Annual Internal Audit Report 2022/23

Brockley Parish Council

www.brockleypc.org

During the financial year ended 31 March 2023, 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 2022/23 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.			✓
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 2021/22, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2021/22 AGAR tick "not covered")	✓		
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 2022-23 AGAR period, were public rights in relation to the 2021-22 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 2021/22 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

08/05/2023

Name of person who carried out the internal audit

Eleanor Wade

Signature of person who carried out the internal audit

Eleanor Wade

Date

08/05/2023

*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).

SUBJECT:..... Internal Audit Report for the Financial Year 2022..to..2023
TO:..... Brockley Parish Council
FROM:..... Clerk of Kenn Parish Council
DATE COMPLETED: 8 May 2023

In completing this Annual Internal Audit Report section (page 4), I have carried out the following:

- An inspection of the accounts for the year ...2022 / 2023.
- I cross referenced these with the minutes of and reports to the Parish Council against the bank statements, excel documents of income/expenditure/reserves, Payroll records etc.
- I checked figures brought forward from the 2021 / 2022 AGAR against those recorded in the 2022 / 2023 AGAR return.
- Also checked the Parish Council's website for appropriate documentation and transparency.

		Required Control Objectives	Internal Audit Observations
A	Yes	Appropriate accounting records have been kept properly throughout the year.	The Clerk has extensive excel records and appropriate accounting records have been kept over the financial year and reported to the Parish Council.
B	Yes	This authority complied its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	<ul style="list-style-type: none"> • The PC's Financial Regulations show good practice regarding expenditure and signature policy both physically for cheques and for online banking. • Cross referenced minutes for the PC's approval on expenditure, precept, salary approval etc. • VAT identified in a separate excel document in the accounts and claims made as appropriate
C	Yes	This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	Financial regulations are in place and risks assessed at meetings and decisions recorded in the minutes.
D	Yes	Precept or rates requirement resulted from an adequate budgetary process; progress against the budget is regularly monitored; and reserves were appropriate.	<ul style="list-style-type: none"> • Documents were provided prior to the budget and precept setting meeting as useful information for councillors' decision making. • Good evidence of regular monitoring against agreed budgets for the year.
E	Yes	Expected income was fully received, based on correct prices, properly recorded, banked; and VAT was accounted for.	Crossed referenced; minutes for reporting of receipts, along with checks against bank statements, accounts and remittance documents.
F	N/A	Petty cash payments were properly supported by receipts, all petty cash expenditure was approved, and VAT appropriately accounted for.	Petty cash is not used, the Clerk applies for refunds for appropriate expenditure incurred by him. VAT for these purchases is reclaimed.
G	Yes	Salaries to employees and allowances to members were paid in accordance with this smaller authority's approval, and PAYE/NI requirements properly applied.	<p>Salary payments recorded in the minutes and show the PC's approval for payment. HMRC requirements met, also copies of payslips are included in the docs.</p> <p>No apparent allowances to members recorded.</p>
H	Yes	Asset, investments registers were complete, accurate and maintained.	Assets register maintained and reviewed with new assets recorded and appropriate write-offs agreed.
I	Yes	Periodic & year-end bank account reconciliations properly carried out.	Evidence provided of regular bank reconciliations being undertaken and reported.

J	Yes	Accounting statements prepared on the correct accounting basis (receipts and payments or income expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	Income and expenditure basis applied and can easily be audited.
K	Yes	If the authority certified itself as exempt from limited assurance review in ... 2021 / 2022, it met the exemption criteria and correctly declared itself except.	
L	Yes	The authority publishes information on a website/webpage, up to date at the time of the internal audit, in accordance with the Transparency Code.	<ul style="list-style-type: none"> • End of year accounts ✓ • annual governance statement ✓ • Internal audit report ✓ • List of councillor/member interests ✓ • Minutes, agendas and meeting papers of formal meetings ✓ • List of expenditure above £100 – not found
M	Yes	The authority has demonstrated that during the required set period of 2021 / 22 it correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations.	Copy of the appropriate notice as displayed on the parish's noticeboards provided on the PC's website.
N	Yes	The authority has complied with the publication requirements for 2021 / 2023 AGAR	
O	N/A	Trust Funds – The Council met its responsibilities as a trustee	

Notes to support the above:

- I have checked Brockley Parish Council's general procedures followed for procurement and meeting legal and auditable requirements.
- The External Auditors have not requested that a particular subject/topic should receive attention, be concentrated on or tested on this occasion.
- Based on my checks, carried out and reported as above, in my opinion the Council's accounts for the Financial Year 2022 / 2023 have been well managed and present a fair and accurate picture of Brockley Parish Council's activities.

Internal Audit conducted by:

Name..... Eleanor Wade.....

Parish Clerk and Responsible Financial Officer of Kenn Parish Council

Signature:..... *Eleanor Wade* Dated:..... 8 May 2023.....