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The Councillors
Brightwalton Parish Council
c/o Mrs F Bates
23 Slade Road
Didcot
Oxfordshire
OX11 7AR

9th May 2024

Dear Ladies and Gentlemen

Internal Audit Report for the year ended 31st March 2024

Local councils are required to have an internal audit of their accounting records and their system of internal control by Regulation 5 of the Accounts and Audit Regulations 2015. The purpose of this audit is to evaluate the effectiveness of its risk management, control and governance processes. It is not designed to detect or prevent fraud.

Audit work undertaken

In April and May 2024 I reviewed the financial systems and controls for the year to date, together with the financial statements and annual return. This review was carried out remotely.

My internal audit testing was based on the guidelines included in the revised NALC Governance & Accountability Practitioners Guide. The internal controls in place were confirmed and a series of tests using the financial records, vouchers, minutes, previous audit reports etc were conducted to establish the effectiveness of these controls.

My detailed report is contained in Appendix 1 and there are no matters arising that I need to draw to your attention. I have made one recommendation which is underlined in the detailed report.

Overall conclusion

Generally, the financial records are well maintained and appear complete and fit for purpose. The control systems and procedures appear efficient and effective.

I trust that these comments are self-explanatory, but please do not hesitate to contact me if you would like further details.

Yours faithfully



Claire Connell

Appendix 1 - Detailed report (structured around the questions in the annual internal audit report in the Annual Governance & Accountability Return)

As part of the testing I checked:

- A. Appropriate accounting records have been properly kept throughout the year**
- The accounts have been maintained in an Excel spreadsheet which is quite adequate for councils of this size. The accounting records have been kept up to date.
- B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT appropriately accounted for**
- The cashbook was reviewed for the year. A sample of payment invoices was checked to ensure that they had been approved, correctly paid and VAT treated correctly. No errors were found.
 - There were no significant purchases during the year that would have required competitive tendering.
- C. Council has proper risk assessment & management procedures**
- Council minutes were scrutinised
 - Insurance cover is obtained from Zurich which offers a Local Councils policy. A long-term agreement is in place.
 - Standing Orders and Financial Regulations were reviewed during the year. A new model template for the Financial Regulations has just been released by NALC and I recommend that the existing Financial Regulations be reviewed against the new template.
 - The Risk Management Scheme was approved in May 2023. The scheme appears appropriate given the size and nature of the Council's activities.
 - An annual RoSPA playground inspection is undertaken and monthly inspections are made during the year.
 - I note that the Council adopted the 2020 Code of Conduct following the recommendation made by the previous internal auditor.
- D. The Precept resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate**
- The budget for 2024-25 was reviewed together with the related minutes and the process appeared thorough.
 - The precept was derived from the budget.
- E. Expected income was received, recorded and banked; VAT appropriately accounted for**
- The Excel spreadsheet was reviewed
 - The precept was agreed to the minutes and to precept recorded in the spreadsheet produced by DLUHC.
 - The VAT claim for the year was reviewed.
- F. Petty Cash expenditure supported**
- No petty cash is maintained by Brightwalton Parish Council
- G. Payroll properly prepared, authorised and PAYE/NI requirements fulfilled**
- Payroll is outsourced and the previous clerk was paid quarterly. No problems were identified.
 - Back pay was paid in accordance with the amount minuted, following the review of the role in January 2024.
- H. Fixed assets register properly reflects the Council's assets**
- The fixed asset register is maintained in Excel. There have been no additions or disposals during the year.

- I. Periodic and year-end bank reconciliations properly carried out**
- The year end bank reconciliation was reviewed.
 - Monthly bank reconciliations are carried out and these are reviewed and initialled by a councillor on a bi-monthly basis.
- J. Accounting statements and annual return**
- The financial statements, annual return and supporting documentation for the annual return were reviewed and agreed to the cashbook.
 - The accounting statements were prepared on the correct basis.
 - An adequate audit trail from underlying records exists.
- K. If the authority certified itself as exempt from a limited assurance review in 2022/23, it met the exemption criteria and correctly declared itself exempt**
- This is not applicable. The Council did not meet the exemption criteria in 2022/23 and it had a limited assurance review.
- L. The authority published the required information on a website up to date at the time of the internal audit in accordance with the relevant legislation.**

The Council is required to comply with publishing requirements of the Accounts and Audit Regulations 2015 and the Transparency Code.

The necessary information was published for 2023 after the AGAR had been submitted.

Item	Compliant?
All items of expenditure > £100	All payments are published All receipts are also published
End of year accounts	Yes, all documents available including the variance analysis and the end of year bank reconciliation
Annual governance statement	Yes
Internal audit report	Yes
List of councillor responsibilities	Yes all councillors are listed and the Chairman is identified
Details of public land & building assets	The fixed asset register is published on the website.
Minutes, agendas & meeting papers of formal meetings	Yes, these are all available
AGARs for the past five years	Yes, these are available on the website, together with the information required to be published by councils claiming exemption from external audit.

The Council will need to publish the necessary information for the year ended 31st March 2024 by 1st July 2024.

- 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**
- The Council provided the opportunity for the exercise of public rights for the correct number of days, within the correct timeframe and this was advertised correctly on the website.
- N. The authority has complied with the publication requirements for 2022/23 AGAR (as per AGAR Page 1 Guidance Notes)**
- Yes the Council published all the documents listed on page 1 of the AGAR at the correct time.

O. The council met its responsibilities as a trustee of trust funds

- The Council is the trustee of Brightwalton Millennium Green Trust. It meets twice a year as trustee and separate minutes and finances are maintained.
- The annual return to the Charity Commission for 2023 was made late and care should be taken to ensure that the return for 2024 is made on time.