



7 Hodder Close, Chandlers Ford, Hants, SO53 4QD.
Tel: 07762 780605 Email: Tim.Light1@hotmail.co.uk

08 June 2023

The Parish Clerk

Buriton Parish Council

9 Sussex Gardens

Petersfield

Hants

GU31 4JY

Dear Petra

Internal Audit Report Letter for Council 2022/2023

April 2022–March 2023

The Accounts and Audit (England) Regulations 2015 (as amended) require all Town and Parish Councils to undertake an effective internal audit to evaluate the effectiveness of their risk management, control and governance processes, taking into account public sector internal auditing standards or guidance. We confirm that we are independent of the Council.

The internal audit work we have carried out has been planned to enable us to give our opinion on the control objectives set out in the Annual Internal Auditor's Report on the 2022-22 Annual Governance and Accountability Return (AGAR).

We have complied with the legal requirements and proper practices set out in:

- 'Accountability and Governance for Smaller Authorities – A Practitioners' Guide (England)' 2022
- The Accounts and Audit (England) Regulations 2015 (as amended).

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The Parish Clerk agreed that the Internal Audit would be carried out remotely but records have been obtained and consultations have continued by telephone conference calls with the Clerk. The Clerk has also provided further back-up information for the period April 2022 to March 2023 to support the current governance and financial management position of the Council.

Further confirmation has been obtained of good practice and compliance with the Transparency Code Regulation 2015 from the Council's website.

A series of independent audit tests were undertaken from the information made available to ascertain the efficiency and effectiveness of these internal controls.

A full check was also carried out on completion of the Accountability and Governance Annual Return (AGAR) for 2021/2022 to ensure that the Parish Council adhere to the requirements for the External Auditor.

As part of this Internal Audit Review, we checked that:

Bank Reconciliations

- bank reconciliations for the bank account have been carried out between 1 April 2022 – 31 March 2023, and totals agreed to those shown in the Cash Book.

Income and Expenditure

- test checks of the Cash Book totals for April 2022 – March 2023 were checked to payment information to ensure that the details were correctly recorded, and VAT elements extracted correctly.
- Income recorded in the bank accounts was checked to ensure the details matched to those entries shown in the Cash Book.

VAT

- VAT reimbursement claims totalling £8165.01 has been submitted in April 2022 to HMRC for purchases made during April 2021 to March 2022. *(Audit Note: A VAT reimbursement claim should be submitted to HMRC for April 2022 to March 2023 in the near future).*

Payroll Information

- Deductions from Payroll information during the 2022/2023 financial year were checked to ensure that suitable arrangements are in place to deduct PAYE from gross salary of the Clerk during the financial year.
- It is noted that the Clerk is paid monthly, and subsequent payments are made quarterly to HMRC for payment of PAYE.

Asset Register

- We confirmed with the Parish Clerk that he has reviewed the Asset Register as at 31 March 2023. Details recorded in the Asset Register remain accurate and that the register is fit for purpose showing all asset owned by the Parish Council.

Risk Assessment 2022/2023

- the risks of the Parish Council were reviewed in January 2023 to ensure that the requirements of the Governance and Accountability for Smaller Authorities in England (March 2022) is met.

Insurance

- the Insurance Cover for the Parish Council is with Ecclesiastical Insurance. The current level is sufficient for the Parish Council in 2022/2023.

Parish Council Minutes

- we checked the details of Parish Council Minutes from April 2022 to March 2023 to record points of note for any financial approval or decision that affected the budget of the Parish Council and to ensure that details were correctly shown in the Financial Ledger.

End of Year Procedures 2022/2023

A full check was carried out on the End of Year documentation provided by the Clerk to confirm the accuracy of the details to be submitted to the External Auditor. This also included the validation of any variances of totals over 15% between 2021/22 and 2022/2023 shown on Section 2 of the AGAR as required by the External Auditor.

The 2022/2023 AGAR Annual Internal Audit Report requires the Internal Auditor to check the Council has correctly provided the proper opportunity for the Exercise of Public Rights in accordance with the requirements of the Accounts and Audit Regulations during 2022.

This includes the Internal Auditor being shown evidence that the posting of the Notice on the website was done at least one clear day before the 30-working day period begins.

(Audit Note; We are pleased to report that the Parish Council have displayed the Notice correctly to comply with the requirements of the Accounts and Audit Regulations 2015).

The Annual Internal Audit Report to be submitted to the External Auditor was completed and signed by Tim Light.

This letter report should be circulated for the next meeting of the Parish Council to inform them of the Internal Audit work carried out. The details of this Internal Audit Report Letter should also be Minuted by the Parish Council.

Yours sincerely,

Tim Light FMAAT - Internal Auditor