

DETLING PARISH COUNCIL

INTERNAL AUDIT REPORT 2022-23

I am pleased to report to Members of the Parish Council that I have completed my internal audit of the Parish Council's records for 2022-23 and have been able to complete the Annual Internal Audit Report for the 2022-23 Annual Governance and Accountability Return.

Members should be aware that the audit tests that I undertook during the audit cannot be relied on to identify the occasional omission or insignificant error, nor to disclose breaches of trust or statute, neglect or fraud which may have taken place and which it is the responsibility of the Members of the Council to guard against through the Parish Council's internal control procedures.

Members will be pleased to know that I did not find anything major in my financial audit to report. As a result of my audit and my discussions with your Clerk I was able to answer 'YES' to all the relevant questions contained in the Annual Internal Audit Report.

I would like to take this opportunity to thank your Clerk for the assistance given to me in the conduct of the audit that took place on 11 May 2023.

PREVIOUS AUDITS:

External Audit Certificate 2021-22:

The External Audit Certificate for 2021-22 dated 21 September 2022 was qualified for a failure to answer Assertion 4 on the Governance Statement with a "No" arising from the previous year report and the consequent implied failure to answer "No" to Assertion 7 about audit reports. In addition the report included a non-qualifying comment that variances had been inadequately explained with no-one able to supply the missing information.

Minutes of the meeting on 4 October 2022 relating to the External Auditor refer to the (new) clerk being unable to supply figures for income and expenditure but able to supply the bank reconciliation.

As far as I can tell the Council has not yet addressed the issues raised in the Auditor's certificate which, if this remains the case, would then indicate a "No" answer to Assertion 7 (action on audit reports) on the 2022-23 Governance Statement.

Internal Audit 2021-22:

I have not seen my predecessor's report assuming there was one in addition to the Annual internal Audit Report certificate.

On the face of it the completed Annual Internal Audit Report for 2021-22 contains errors in that all boxes have been ticked "Yes" but Question K should have been "Not Applicable" as the Council was not exempt and Question M should have been "No" because of the failure identified by the external auditor.

FINDINGS THIS VISIT:

During the audit I carried out sufficient work to enable me to complete the Annual Internal Audit Report. I concentrated on the trail from the annual accounting statement back to the receipts & payments A/c and bank statements while testing a number of transactions to invoices or other supporting documentation. I have also reviewed the Council's minutes for compliance with legal obligations, its general functioning and for mutual consistency with the accounts.

I found the financial records to be accurate and up to date. I note that the accounts are in spreadsheet form although the Council has a Scribe subscription. The accounts are also in part compiled from bank

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statements so a cashbook to bank reconciliation is not appropriate although is usually a valuable cross check.

I have borne in mind the changes in councillors during the year and the resulting issues around access to bank accounts so that there were no payments from July to December 2022. I also note that the Council is now inquorate and is unable to function until additional councillors are appointed/elected.

I have not reviewed the Council's decision not to negotiate with the former clerk about her claim for constructive dismissal. The event has happened and almost certainly cannot be reversed. Moreover, it is highly unlikely that anyone could be found to have acted recklessly or with wilful misconduct. The insurer is also unlikely to reimburse the Council given that its advice was not followed.

I have nothing further to report.

Lionel Robbins
Independent Internal Auditor
20 May 2023