

NEWINGTON PARISH COUNCIL

INTERNAL AUDIT REPORT 2021-22

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 2021-22 and have been able to complete the Annual Internal Audit Report for the 2021-22 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 and that I found the record keeping to be of a good standard and the Parish Council's approach to the management of risks to be sound. 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 for 2021-22.

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 30 May 2022.

PREVIOUS AUDITS:

External auditor 2020-21:

PKF Littlejohn LLP issued their completion certificate on 19 September 2021. It was not qualified but did have a comment about the accounting treatment of a refund. The certificate was considered by the Council at its meeting on 28 September 2021.

Internal auditor 2020-21:

Last year I reported on transactions where the spreadsheet based accounts disagreed with the bank statements. While these were sorted before my report there was an unresolved difference of £61 remaining.

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.

At the year end on 31 March 2022 there is again an unexplained difference between the accounts and the bank amounting to £222 with the bank showing the lower figure. I have discussed this with the Clerk and recommend that cashbook to bank reconciliations be carried out more often, even monthly.

We also discussed that an explanation should be provided for the change in value of the Council's assets as these have increased by £348k compared to the previous year while expenditure was less than £200k.

I have nothing further to report.

Lionel Robbins
Independent Internal Auditor
12 June 2022