

# Claire Connell MA, ACA, CTA

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The Members of Brimpton Parish Council  
c/o Mrs C McGarvie  
Clerk to Brimpton Parish Council  
71 Pelican Road  
Pamber Heath  
Tadley RG26 3EL

27<sup>th</sup> April 2021

Dear Ladies and Gentlemen

## **Internal Audit Report for the year ended 31<sup>st</sup> March 2021**

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. In April 2021 I reviewed the financial systems and controls for the year to date, together with the financial statements and annual return.

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.

### **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.

### **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.
  - The Council has a corporate credit card for use by the clerk. This is paid in full by direct debit each month.

**C. Council has proper risk assessment & management procedures**

- Council minutes were scrutinised
- Insurance cover is obtained using a broker which specialises in parish council insurance.
- Standing Orders were updated in May 2019. The Financial Regulations were updated in July 2020
- A monthly finance report showing receipts and payments and a bank reconciliation is taken to Council each month.
- The Risk Assessment has been reviewed and will be approved in May 2021 prior to the approval of the AGAR.

**D. The Precept resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate**

- The reports for the budget for 2021-22 were reviewed and the process appeared thorough. The budget setting process included a review of reserves held by the Council and led to a zero precept request.
- Quarterly reports showing income and expenditure against budget were provided to the Council.

**E. Expected income was received, recorded and banked; VAT appropriately accounted for**

- The Excel spreadsheet was reviewed
- The precept was agreed to Council minutes and bank statements
- The VAT claim for the year was reviewed.

**F. Petty Cash expenditure supported**

- No petty cash is maintained by Brimpton Parish Council

**G. Payroll properly prepared, authorised and PAYE/NI requirements fulfilled**

- Payroll is prepared in house using the HMRC basic tools package. No problems were identified.

**H. Fixed assets register properly reflects the Council's assets**

- The fixed asset register is maintained in Excel. There has been no movement in fixed assets this year.

**I. Periodic and year-end bank reconciliations properly carried out**

- The bank reconciliations were reviewed.

**J. Accounting statements and annual return**

- The financial statements, annual return and supporting documentation for the annual return were reviewed and agreed.

**K. If the authority certified itself as exempt from a limited assurance review in 2019/20, it met the exemption criteria and correctly declared itself exempt**

- The Council did meet the exemption criteria in 2019/20 and correctly declared itself exempt.

**L. If the authority has an annual turnover not exceeding £25,000, it publishes information on a website in accordance with the Transparency Code**

Yes, the Council publishes the necessary information as shown below.

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

**M. During summer 2020 this authority has correctly provided the proper opportunity for the exercise of public rights**

- The Council provided the opportunity for the exercise of public rights for the correct number of days, within the correct timeframe (ie commencing on or before 1<sup>st</sup> September) and this was advertised correctly on the website.

**N. The authority has complied with the publication requirements for 2019/20 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**

- Not applicable – the Council is not a trustee of any trust funds

**Review of previous audit reports**

There are no matters outstanding from previous audit reports.

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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*

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