

Bridget.C.Bowen FCA  
86 High Street  
Weston  
Bath BA1 4DD

Tel: 07465 416597

Email: [bridget.c.bowen@outlook.com](mailto:bridget.c.bowen@outlook.com)

Charlotte Whitchard  
Clerk to Ubley Parish Council

10 June 2023

Dear Charlotte

## **UBLEY PARISH COUNCIL**

### **Internal audit report - Year ended 31 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.

I am bound by the ethical guidelines of the Institute of Chartered Accountants of England and Wales. I confirm that I am independent of the Council.

The internal audit work I have carried out has been planned to enable me to give my opinion on the control objectives set out in the Annual Internal Auditor's Report on the 2021-22 Annual Governance and Accounts Return.

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

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

I was appointed as internal auditor to the Parish Council for 2022-23 on 13 October 2022.

My internal audit review was carried out remotely on 10-11 June 2023.

## **Background**

Ubley Parish Council has income and expenditure of less than £25,000 and is exempt from external audit.

The Council is not a sole managing trustee.

The Council is required to comply with the Transparency Code for Smaller Authorities 2014.

The Council's accounting records are maintained on Excel.

## **Internal audit checks**

I have undertaken a series of audit tests on the Council's financial records, vouchers, documents, minutes, policies, procedures and insurance documentation to ascertain the efficiency and effectiveness of the Parish Council's internal control framework. This internal audit report is based on the audit testing carried out at the review.

I checked the following:

- Minutes of Council Meetings
- Policies and procedures
- Bank and cash
- Income and expenditure
- VAT claims
- Payroll
- Risk assessment and insurance
- Asset register
- Budgets and reserves
- Transparency code
- Year end checks

## **Findings**

Details of good practice noted, my recommendations and other matters to be brought to the Council's attention are set out below.

### **Good practice**

- The Council maintains its books and records on Excel
- All records were up to date and easy to follow
- The Council's Standing Orders and Financial Regulations are reviewed regularly and are tailored appropriately for the Council
- The Clerk is aware of the requirements of GDPR and the Council is registered with the ICO
- Bank reconciliations are prepared accurately and regularly
- Details of all payments authorised at meetings are recorded in the minutes
- The payroll is operated by an independent external payroll provider
- All employees have contracts of employment
- The budgeting process is detailed and thorough and monitored throughout the year
- VAT claims are made regularly
- The asset register is complete and accurate and has been properly maintained
- Adequate insurance is in place

## **Recommendations**

### ***Policies and procedures***

- A Publication Scheme is required by the Freedom of Information Act and published on the Council's website. This should be drawn up, adopted and added to the Council website.
- The values are in place for the acquisition of formal tenders in Standing Orders are different to those in Financial Regulations. Standing Orders and Financial Regulations should be reviewed and updated to ensure consistency.

### ***Risk assessment and insurance***

- The Council should review, update and adopt the risk assessment before 31 March 2024

### ***Transparency***

- The Council is not currently complying with the Transparency Code for Smaller Authorities (2014) and should take appropriate steps to comply as soon as possible
- The Councillors' Register of Interests should be available through the Council's website.

## **Other matters to be brought to the Council's attention**

- Some amendments have been made to the draft AGAR figures and the year end bank reconciliation
- The Annual Internal Auditors Report was completed with positive assertions to all relevant objectives with the exception of objectives:  
C - The Council has not formally reviewed and adopted its risk assessment during the year  
L - The Council did not comply with the Transparency Code for Smaller Authorities 2014  
M - The Notice did not allow for one clear day between the date of the announcement and the first day of the inspection period.
- The Council's non compliance with the Transparency Code for Smaller Authorities was highlighted in the 2022 Internal Auditors Report.
- In my view the Council should respond "NO" to assertions 4, 5 and 7 on the Annual Governance Statement.

**Conclusion**

Based on the tests I have carried out at this internal audit review, in my view, the financial internal control procedures in operation are adequate to meet the needs of Ubley Parish Council. However, in 2022-23 there have been significant failings in Transparency and risk assessment.

**Next Steps**

This report should be noted and taken to the next meeting of the Parish Council. The Council should decide what action will be taken on the recommendations I have made.

Kind regards

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Bridget Bowen', written in a cursive style.

Bridget Bowen FCA

Internal auditor