Leicestershire and Rutland ALC **IAS**

Internal Audit Report

(to be read in conjunction with the Annual Internal Audit Report in the Annual Governance and Accountability Return)

	GREAT BOWDEN PARISH COUNCIL		
Name of Internal Auditor:	Catherine Camp	Date of report:	06/04/2023
Year ending:	**31 March 2022**	Date audit carried out:	06/04/2023

Internal audit is the periodic independent review of a council's internal controls resulting in an assurance report designed to improve the effectiveness and efficiency of the activities and operating procedures under the council's control. Managing the council's internal controls should be a day-to-day function of the council through its staff and management and not left for internal audit. It would be incorrect to view internal audit as the detailed inspection of all records and transactions of a council in order to detect error or fraud. This report is based on the evidence made available to me and consequently the report is limited to those matters set out below.

The council is required to take appropriate action on all matters raised in reports from internal and external audit and to respond to matters brought to its attention by internal and external audit. Failure to take appropriate action may lead to a qualified audit opinion.

To the Chairman of the Council:
I was appointed through the LRALC Internal Audit scheme to carry out an emergency Internal Audit since Great Bowden had failed to submit their Annual Governance and Accountability Return with a completed internal Audit carried out within the required time frame for year ending 31 March 2022.

The job of an Internal Auditor, as required by the **Accounts and Audit Regulations 2015,** is to "undertake an effective internal audit to evaluate the effectiveness of a Parish Councils risk management, control and governance processes, taking into account public sector internal auditing standards or guidance".
This was carried out on 09/01/2023 but I was unable to complete the Annual Internal Audit Report for year ending 31 March 2022 since I was not supplied with a completed AGAR section 2.

The completed Section 2 for year end 31 March 2022 has now been supplied, so I attach a further report. **This report should be read in conjunction with the report of 09th January 2023 as none of the failings highlighted in my first report have been addressed.**

I met face to face with Lindsey Wolstencroft (Parish Clerk) and Councillor Paul Claxton who has been acting as RFO for the council. I would like to thank them both for their time and cooperation.

This Council is failing to handle public money in a transparent manner or meet the requirements of the Account and Audit regulations 2015.

I have explained their legal obligations and advised them what needs to be published on their website.

Having spoken in person to Councillor Claxton and the Clerk I am satisfied that the following is taking place, however I stressed that it needs to be clearly minuted.

C I am satisfied that appropriate arrangements are in place for monitoring play areas and open spaces. **The Council needs to ensure that the date of the Annual RoSPA inspection is recorded in the minutes and that records are kept of inspections.**

D I am satisfied that a budget is being prepared. **This needs to be published on the website.**
High levels of reserves were explained as a grant was received for upgrade to play equipment which was not carried out until the following financial year.
The correct procedure for minuting the agreed budget figure followed by the amount to be precepted was explained to the Clerk.

E I am satisfied that every payment received, and invoice paid has an accompanying paper trail.

F Great Bowden Parish Council does not operate a petty cash system.

G This Council has issued a letter of engagement to the Clerk, and is paying her 7 hours per week. They inform me that they have a letter from HMRC to confirm they do not need to pay Tax or NI as they do not reach the threshold. (**My advice in the interim Internal Audit still stands.)**

H The Council has a good Asset Register in place. This needs to be published on the website and updated Annually. I am satisfied that adequate insurance is in place.

I I am satisfied that periodic bank account reconciliations are being carried out.
I**t is good practice to publish the bank reconciliations on the website so the electorate can see how the money is being spent.** ***This is still not happening.***

J

K This Council is not eligible to exempt itself from a limited assurance review.

L None of the required information was published on the website in accordance with the relevant legislation.

M The Council did not provide for a period of exercise of public rights as required by the Accounts and Audit Regulations.

N The Council did not comply with the publication requirements for 2021/22 AGAR

Yours sincerely,

Catherine M Camp

Catherine Camp
Internal Auditor to the Council
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The figures submitted in the Annual Governance and Accountability Return are:

	Year ending 31 March 2021	**Year ending 31 March 2022**
1. Balances brought forward	38,741	61,025
2. Annual precept	31,250	33,500
3. Total other receipts	24,663	70,157
4. Staff costs	3,488	3,924
5. Loan interest/capital repayments	0	0
6. Total other payments	30,141	38,059
7. Balances carried forward	61,025	122,699
8. Total cash and investments	61,025	122,699
9. Total fixed assets and long-term assets	321,949	321,949
10. Total borrowings	NIL	NIL

The proper practices referred to in Accounts and Audit Regulations are set out in *JPAG Practitioners Guide 2021*. It is a guide to the accounting practices to be followed by local councils and it sets out the appropriate standard of financial reporting to be followed. A copy of the guide is available for free download from:

https://www.leicestershireandrutlandalc.gov.uk/uploads/practitioners-guide-2021-1.pdf