

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)

Bruce Poole  
Rooftops  
10, South Street  
Burnham on Sea  
Somerset  
TA8 1BS

31 May 2021

Dear Bruce

## **BLEADON PARISH COUNCIL**

### **Internal audit report - Year ended 31 March 2021**

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 2020-21 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)' 2020
- The Accounts and Audit (England) Regulations 2015 (as amended).

I was appointed as internal auditor to the Parish Council on 20 June 2020.

My final internal audit review for 2020-21 was undertaken remotely in May 2021.

## **Background**

The Clerk was appointed on 1 March 2020.

Bleadon Parish Council has income and expenditure of between £50,000 and £100,000 and is subject to review by the external auditor, PKF Littlejohn. The Council had other matters noted on its audit report relating to the AGAR having to be sent back for amendment, correctly disclosing on the Annual Governance Statement that it did not undertake a risk assessment in the year and amending the incorrectly completed Annual Internal Audit Report. Another item relating to the provision of public rights in 2020 was included and subsequently withdrawn by the external auditor.

The Council is the sole managing trustee of Bleadon Children's Playground. However, this was not disclosed on the 2019-20 AGAR.

The Council's accounting records are maintained on RBS Alpha.

## **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 visit.

During this visit I checked the following:

- Minutes of Council Meetings
- Bank and cash
- Income and expenditure
- Payroll
- Risk assessment
- Asset register
- Action taken on the recommendations in this report
- 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 Clerk is CiLCA qualified
- The Council maintains its books and records on RBS software
- The Council's Standing Orders and Financial Regulations are reviewed regularly and are tailored appropriately for the Council
- The Council has appropriate policies in place
- The Clerk is aware of the requirements of GDPR and the Council is registered with the ICO
- 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 risk assessment has been adopted during the year
- Action has been taken, or is underway on all of the recommendations in the last internal audit report
- The Council has taken appropriate action to enable it to continue to meet and function during the Covid-19 pandemic

## Recommendations

### ***Bank and cash***

- Cheques should be recorded in the cash book on the date they are written. Direct debits and Standing Orders should be recorded in the cash book on the date they clear the bank. BACS payments should be recorded in the cash book on the day that the payment is released, even if the actual payments leave the bank on a different day.

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

The Annual Internal Audit Report was completed with positive responses to all relevant objections with the exception of:

- ***Objective B***  
Since April 2020 the Council had been meeting remotely as a result of Covid -19 restrictions. The payment schedule was circulated to councillors prior to each meeting, but no councillors had had sight of the invoices before they were paid. This process changed in December 2020 and now all Councillors' have sight of invoices and evidence of approval is obtained before payment
- ***Objective I***  
Bank reconciliations were carried out throughout the year, but BACS payments and Direct Debits were incorrectly included as reconciling items on some reconciliations. The year end reconciliation is correct.

## Conclusion

Based on the tests I have carried out at this internal audit visit, in my view, the internal control procedures in operation are adequate in all significant respects, to meet the needs of Bleadon Parish Council.

**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'.

Bridget Bowen FCA

Internal auditor