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Craig Bolt  
Clerk to Bleadon Parish Council  
Coronation Halls,  
Coronation Rd,  
Bleadon BS24 0PG

20 April 2024

Dear Craig

## **BLEADON PARISH COUNCIL**

### **Internal audit report - Year ended 31 March 2024**

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 2023-24 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)' 2023
- The Accounts and Audit (England) Regulations 2015 (as amended)
- I was appointed as internal auditor to the Parish Council on 14 August 2023.

My final internal audit review for 2023-24 was undertaken on 16 April 2024.

## **Background**

Bleadon Parish Council has income and expenditure of between £100,000 and £200,000 for 2023-24 and is subject to review by the external auditor, BDO LLP. PKF Littlejohn issued their auditor's reports for the 2021 and 2022 audit reviews in 2023. These included their conclusions on the formal objections to the accounts. BDO LLP issued an audit report with other matters relating to internal control weaknesses and the administration of the charity funds.

The Council is the sole managing trustee of Bleadon Children's Playground.

The Council changed its accounting software from RBS Alpha to Scribe from 1 April 2023.

The Clerk was appointed on 15 August 2023 replacing the locum clerk who had been in place since February 2023.

## **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 during the review.

During this visit I checked the following:

- Minutes of Council Meetings
- Bank and cash
- Income
- Expenditure
- VAT claims
- Payroll
- Asset register
- Action taken on the recommendations in prior 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 studying for the CiLCA qualification
- The Council maintains its books and records on Scribe software
- 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 Council has appropriate policies in place
- The Clerk is aware of the requirements of GDPR and the Council is registered with the ICO
- Bank reconciliations are prepared accurately and regularly
- Bank reconciliations are carried out promptly each month, and are checked by a councillor

### **Good practice - continued**

- Details of all payments authorised at meetings are recorded in the minutes
- All payment vouchers tested were evidenced as approved
- All allotment holders have signed tenancy agreements
- HMRC Toolkit is going to be used for the payroll
- All eligible employees have either been auto-enrolled in a pension scheme or have opted out in writing
- 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
- The asset register is complete and accurate and has been properly maintained
- Adequate insurance is in place
- Action has been taken, or is underway on all of the recommendations in the last internal audit report

### **Recommendations**

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

- The Standing Orders and Financial Regulations should be updated for the increases to the thresholds over which contracts must be competitively purchased, in line with the most recent amendments to the Public Contracts Regulations 2015.

The thresholds detailed in the recommendation in my last report have been changed again very recently by a Statutory Instrument published in December 2023.

SI 2023 No 1117 - The Public Procurement (Agreement of Government Procurement) (Thresholds) (Amendment) Regulations 2021 came into force on 1 January 2024 and increases the threshold in sub paragraph a) for public works contracts from £5,336,937 to £5,372,609, and the threshold in sub-paragraph c) for goods and services from £213,477 to £214,904.

The Council should be aware that the NALC Model Financial Regulations have not been updated for these changes, and therefore the clerk would not have been aware of them.

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

- The Annual Internal Audit Report was completed with positive responses to all relevant objectives.

### **Conclusion**

Based on the tests I have carried out, the internal control procedures in operation are adequate 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', written in a cursive style.

Bridget Bowen FCA

Internal auditor