

# BRINSWORTH PARISH COUNCIL

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## Internal Audit Report 2021/2022

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## **Background and Scope**

The Accounts and Audit Arrangements introduced with effect from 1<sup>st</sup> April 2015 require all Town and Parish Councils to implement an independent internal audit examination of their Accounts and accounting processes annually. The Council complied with the requirements in the terms of independence from the Council decision making process appointing Voluntary Action Rotherham to provide an internal audit function to the Council; this report sets out those areas examined during the course of our investigation of the Council's Accounts and Accounting processes for 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022.

## **Internal Audit Approach**

The audit has been conducted in accordance with the direction of the Council set out in the approved minutes of the extra ordinary meeting held on 20 May 2021. The audit is not designed to identify all significant weaknesses in the Council's systems but, if such weaknesses come to our notice during the course of our examination, which we think should be brought to your attention; we shall report them to you.

The responsibility for the prevention and detection of fraud, error and non-compliance with law or regulations rests with the Council. The audit should not be relied upon to disclose all material misstatements or frauds, errors or instances of non-compliance as might exist.

In accordance with guidelines set out by the Governance and Accountability for Local Councils – practitioners' guide, our work plan consisted of an investigation to review whether the systems of financial and other controls over the Council's activities and operating procedures are effective. Areas covered by the testing included;

- Bookkeeping
- Due Process
- Risk management arrangements
- Budgetary controls
- Payroll control
- Petty cash
- Asset control
- Bank reconciliation
- Year-end procedures
- Miscellaneous

## **Findings**

The internal audit was carried out off site, all records and evidence were provided by the Clerk either electronically or in paper format. The details of internal control testing and findings is attached and any audit recommendations have been agreed with the Clerk/RFO.

I am pleased to note that the points raised at the last audit other than the minuting of the precept value have been addressed.

The following recommendations/points should be addressed:

### **Risk Assessment Arrangements**

A scan of the minutes highlighted some difficulties with the Clerk/RFO and Assistant Clerk's relationship with the Council. A potential data breach may have taken place with a Councillor discussing and having external help to amend the draft the budget prior to its approval. The budget was agreed and approved by Council in January 2022 while the Clerk/RFO was absent and against the wishes of the Deputy Clerk.

The insurance value of Street furniture appears to be overstated. Clerk/RFO to investigate in the forthcoming year.

### **Miscellaneous**

Publication rights for the year 2020/21 were not correctly provided for. The displayed report appears to have the incorrect year on commencing and ending dates. There should also be one working day from the date of announcement to the commencing date. The external auditor also identified this non-compliance.

### **Conclusion**

I am pleased to conclude and report that the Clerk has maintained a good standard of record keeping that has simplified the audit process. I have confidence that the figures lifted into the Statement of Accounts for the financial year ended 31st March 2022 are accurate.

All of the controls contained within the internal audit section of the AGAR were examined the following non-compliance was found.

- M. The authority, during the previous year (2020-21) correctly provided for the period for the exercise of public rights as require by the Accounts and Audit Regulations (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set).

All other key controls were found to be working satisfactory.