

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

Tel: 07465 416597

Email: bridget.c.bowen@outlook.com

Elizabeth Martin
Clerk to Ogbourne St George Parish Council
Ivy House
72, The Green
Poulshot
Devizes SN10 1RT

22 June 2024

Dear Elizabeth

OGBOURNE ST GEORGE 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 2022-23 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 for 2023-24 on 13 July 2023.

My internal audit review was carried out in June 2024.

Background

Ogbourne St George 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
- Payroll
- VAT claims
- Risk assessment and insurance
- Asset register
- Budgets and reserves
- Transparency
- Public Rights
- Action taken on 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 Council maintains its books and records on Excel
- 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
- All employees have contracts of employment
- The budgeting process is detailed and thorough and monitored throughout the year
- 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
- The Council complies with the Transparency Code for Smaller Authorities 2014

Recommendations

Approval of invoices

- All payments should be supported by an invoice that has evidence of approval by Council / Councillors. This was brought to the Council's attention in 2023.

Legal requirements

- The Council must publish a Publication Scheme on its website to comply with the Freedom of Information Act.

VAT

- VAT should be claimed regularly. I recommend that this is done at least once a year.

Other matters to be brought to the Council's attention

Exemption Certificate

- The exemption certificate supplied has the wrong number for total expenditure. It should read £17,087.

Annual Internal Audit Report

- The Annual Internal Audit Report was completed with positive assertions to all relevant objectives with the exception of:
 - Objective B - There is no evidence on many of the invoices that they have been reviewed before approval for payment.
 - Objective D - I have been unable to test this as the 2023-24 budget was not supplied. I am able to confirm that progress against budget was monitored and reserves were appropriate.
 - Objective L - The Council has not published a Publication Scheme as required by the Freedom of Information Act.

Annual Governance Statement

- As a result of the findings above I recommend that the Council responds "NO" to the following assertions on the Annual Governance Statement:
 - Assertion 2 – as many invoices have not been evidenced as approved for payment
 - Assertion 3 – As the Council has not published a Publication Scheme on its website as required by the Freedom of Information Act.

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 in all significant respects adequate to meet the needs of Ogbourne St George Parish Council. However in 2023-24 there have been significant failings in approval of invoices. Not all legal requirements have been met.

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