

# Annual Internal Audit Report 2022/23

Heath & Reach Parish Council

www.heathandreach.org.uk

During the financial year ended 31 March 2023, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2022/23 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.			✓
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic bank account reconciliations were properly carried out during the year.	✓		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K. If the authority certified itself as exempt from a limited assurance review in 2021/22, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2021/22 AGAR tick "not covered")			✓
L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.	✓		
M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations (during the 2022-23 AGAR period, were public rights in relation to the 2021-22 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).	✓		
N. The authority has complied with the publication requirements for 2021/22 AGAR (see AGAR Page 1 Guidance Notes).	✓		
O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes	No	Not applicable
			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken  
22/04/2023

Name of person who carried out the internal audit  
Julie Betts

Signature of person who  
carried out the internal audit



Date  
22/04/2023

\*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

\*\*Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

## Heath & Reach Parish Council Internal Audit Report 2022-2023

### Internal Audit Carried out 22 April 2023 by Karen Julie Betts

I confirm I am independent and a competent person to carry out this Audit.

I have no connections, involvement in or responsibility for the financial decision making, management or control of Heath & Reach Parish Council.

I understand basic book-keeping and accounting processes, the role of internal audit in reviewing systems, awareness of relevant risk management issues, and an understanding of proper practices in relation to governance and accounting requirements within the legal framework and powers of smaller authorities. I am a Parish Council Clerk with fifteen years' experience.

As requested, I carried out an Internal Audit on the Parish Council's financial and administrative procedures on 22 April 2023 when I examined the Council's financial records and Council Minutes for the financial year 2022/2023 following the procedures set out in the JPAG publication Governance and Accountability for Smaller Authorities in England, March 2022.

My comments are as follows and are set out in accordance with the criteria laid down in the Annual Return, in summary:

A.	Appropriate accounting records have been kept properly throughout the year	Yes
B.	This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT appropriately accounted for.	Yes
C.	This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	Yes
D.	The precept or rates required resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	Yes
E.	Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT appropriately accounted for.	Yes
F.	Petty cash payments were properly supported by receipts, expenditure was approved and VAT appropriately accounted for	N/A
G.	Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	Yes
H.	Asset and investment registers were complete, accurate and properly maintained.	Yes
I.	Periodic bank account reconciliations were properly carried out.	Yes
J.	Accounting statements prepared during the year were prepared on the correct accounting basis (receipts & payments or income & expenditure), agreed to the cash book, were supported by an	Yes

	adequate audit trail from underlying records, and where appropriate debtors & creditors were properly recorded.	
K.	If the authority certified itself as exempt from a limited assurance review in 2021/22, it met the exemption criteria and correctly declared itself exempt.	N/A
L	The authority publishes information on a free to access website/webpage up to date at the time of the internal audit in accordance with any relevant transparency code requirements.	Yes
M.	In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations. (During the 2022-23 AGAR period, were public rights in relation to the 2021-22 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).	Yes
N	The authority has complied with the publication requirements for 2021-2022 AGAR	Yes
O.	Trust funds (including charitable). The council met its responsibilities as a Trustee.	N/A

## Summary

Internal auditing is an independent, objective assurance activity designed to improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

The purpose of the internal audit is to review and report to the authority on whether its systems of financial and other internal controls over its activities and operating procedures are effective.

I confirm that on the basis of the records and documents I examined, the Council complies with the relevant procedures and controls which I would expect to be in operation during this financial year and, in particular, with the provisions of the Accounts and Audit Regulations 2015.

The Clerk submitted the required information in a well presented, easy to follow format. I confirm I have no concerns or recommendations.

Julie Betts, Internal Auditor  
22 April 2023