

DUNNINGTON PARISH COUNCIL

Review of Internal Audit for 2020/21 Document to be Adopted at Dunnington Parish Council Meeting held on 11th October 2021

REVIEW OF INTERNAL AUDIT AND SYSTEMS OF INTERNAL CONTROL FROM 2020-21 AUDIT

Good governance, accountability and transparency are essential to local councils. The Parish Council is accountable for ensuring that public business is conducted in accordance with the law and applicable proper practices. It must also ensure that public money is safeguarded, properly accounted for and used economically, efficiently and effectively.

The Accounts and Audit (England) Regulations 2015 require the Parish Council to ensure it has a sound system of internal control which

- a) Facilitates the effective exercise of its functions and the achievement of its aims and objectives;
- b) Ensures that the financial and operational management is effective; and
- c) Includes effective arrangements for the management of risk.

To meet these conditions, the Parish Council is required to

- Carry out an annual review of the effectiveness of Internal Audit
- Consider the findings of this review ☐ Carry out an annual review of the systems of internal control
- Consider the findings of this review

The September 2021 review has been undertaken by Julie Bone Clerk/Responsible Financial Officer (RFO).

The following requirements were carried out

The Parish Council had to undertake to use a new Internal auditor for the 2020-21 audit due to the retirement of the previous auditor. The chosen auditor was Carrie Pillow of Elker Lodge Bookkeeping Services who it was established is an AAT Accounts Technician and is qualified to carry out the audit.

The following steps were undertaken

1. An audit was carried out internally by Cllr A Dykes who is Chair of the Finance and Strategy Group on a 3 monthly basis of the cheques/invoices/cashbook and the findings were reported to the Finance and Strategy Group. The F&S group reported back to the full Parish Council.
2. Budget 2020-21
 - Budget for 2020/21 was approved 13th January 2021 Dunnington Parish Council meeting (Item 8.2)
 - Precept to increase by 10% - Agreed at 13th January 2021 Dunnington Parish Council meeting (Item 8.1)

3. The Annual Governance Statement was approved by the Parish Council on 14th June 2021
 - Parish Council considered the findings of the review carried out, of the effectiveness of the system of Internal Control and preparation of the Annual Governance Statement (Item 6.1.1)
 - The Parish Council approved the Annual Governance Statement by resolution (Minute reference 6.1.2)
4. The Accounting Statements
 - The Parish Council considered the Accounting Statements – 14th June 2021 (Item 6.2.1)
 - The Parish Council Approved the Accounting Statements by resolution 14th June 2021 (6.2.2)
 - The Accounting statements were signed and dated by the person presiding at the meeting – These were signed by the Chairman G Shaw and the Parish Clerk J Bone – 14th June 2021 (Minute reference 6.2.3)
 - Approval of Public Rights Notification – The dates were approved by the PC at the DPC meeting held on 14th June 2021 – dates agreed 14th June 2021 to 23rd July 2021
5. The Annual Governance and Accounting Statements were sent to the External auditor within the specified timelines and posted unaudited to the DPC website.
6. The Annual Governance and Accounting statements were signed by PKF Littlejohn and returned to Dunnington PC stating ‘the information in section 1 and 2 of the AGAR is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met’
7. There was one noted comment in respect of an insurance claim allocation which was noted by the Parish Council.
8. The Audited accounts were published to the DPC website within the specified timeline and Notice of conclusion of Audit published alongside on 17th September 2021.

OPEN SPACES RISK REVIEWS

Parish Council Open Spaces reviews applicable

- PFA – Risk Review carried out by PFA
- Scouts and Guides – Risk Assessment adopted meeting 13th May 2019 and will be reviewed 2021
- Hassacarr – Risk Review in progress
- Playpark – Risk Reviews completed on a regular basis and supplied to Clerk

INTERNAL AUDIT POINTS OF NOTE

- The Internal Audit was carried out by Carrie Pillow of Elker Lodge Bookkeeping Services. It was established qualified to carry out this work.

- The Internal Auditor has direct access to the RFO and if necessary to the Chairman.
- The annual audit report was signed on 20th April 2021 and returned to the Dunnington Parish Council Clerk.
- The auditor does not have any other role in relation to Dunnington Parish Council. The Annual Audit report highlighted that no further action was required

RECOMMENDATIONS

The recommendations fall into 2 basic categories

1. Amendment of the Cash book to show: -

a) the Powers used in expenditure.

b) add formulas to clearly show clear opening balances / clear closing balances / Clear receipts and payment in the groupings of the Annual Return.

2. Complying with Transparency – There are some items that need to be rectified as a matter of urgency which have been highlighted on the Internal auditors report

Chairman signature..... Date.....

Clerk signature..... Date.....