

# Annual Internal Audit Report 2022/23

## Stoke Mandeville Parish Council

<https://www.stokemandevilleparishcouncil.org.uk/> WEBSITE/WEBPAGE ADDRESS

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)	Yes	No	Not applicable
Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

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

Name of person who carried out the internal audit

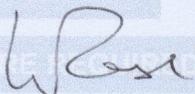
16/05/2022

22/03/2023

DD/MM/YYYY

Kevin Rose - IAC Audit & Consultancy Ltd

Signature of person who carried out the internal audit

SIGNATURE 

Date

20/04/2023

**\*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).**



Tony Skeggs  
Parish Clerk  
Stoke Mandeville Parish Council  
Community Centre  
Eskdale Road  
Stoke Mandeville  
Aylesbury  
HP22 5UJ

20th April 2023

Dear Tony,

### **Report on Internal Audit carried out on 22 March 2023**

An audit was carried out by Kevin Rose on Wednesday 22 March 2023. Further testing was carried out after the 31st March to verify the asset register, the year end bank reconciliations and the computed numbers for the Accounting Statements.

The audit was undertaken using our standard IAC Audit Checklist, used for all Local Councils, which has 197 items. A total of 134 items were tested during this audit. During the audit a further 63 items on the standard Checklist were checked and confirmed as being Not Applicable to your Council. There were no items unchecked at the year end.

Areas subject to audit were;

the accounting system and records (Box A), the payment system (Box B), risk and insurance (Box C), budget and precept setting and monitoring (Box D), income billing, collection and VAT (Box E), payroll (Box G), assets and investments (Box H), bank reconciliations (Box I), accounting Statements (Box J), the Exercise of Public Rights (Box M), and the publication of the Annual Governance and Accountability Return (Box N).

Of the 134 items tested during this audit a Positive response was obtained in respect of 122 tests. There were 12 Negative responses identified, details of which are set out in the attached Year End Internal Audit Observations. A detailed breakdown of our audit testing and Responses is set out in the attached Year End Internal Audit Summary.

The records reviewed were found to be in good order and none of the Observations raised would give rise to a Negative response in the statutory year end Internal Audit Report.

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I would like to express my thanks for the assistance provided to me during my audit.

Yours sincerely,

A handwritten signature in black ink that reads "K. Rose". The signature is written in a cursive style with a large, looped initial "K" and a smaller "R" for "Rose".

Kevin Rose ACMA  
Director

The Clerk  
Stoke Mandeville Parish Council  
The Community Centre  
Eskdale Road  
Stoke Mandeville  
Aylesbury  
Buckinghamshire  
HP22 5UJ

20-Apr-23

### Explanation of "Not Covered" responses

Further to our Internal Audit of your Council for the financial year 2022/23, I am pleased to submit the signed Internal Report for your Annual Return. We have completed our work and I can confirm that we have not given a Negative response for any of the Internal Control Objectives.

You will note that we have given 'Not Covered' responses in respect of Control Objectives F, K, L and O and we are required to explain why we have done this.

- *The reason for the Not Covered response for Objective F is that we understand that your Council does not maintain a Petty Cash.*
- *The reason for the "Not Covered" response for Objective K is that it is not applicable to your Council as the Council did not certify itself exempt from limited assurance review for 2021/22 financial year.*
- *The reason for the Not Covered response for Objective L as your 'annual turnover' exceeds £25,000 and you are therefore not subject to the publication requirements of the Transparency Code.*
- *The reason for the Not Covered response for Objective O as it is our understanding that the Council does not act as Trustee.*

The External Auditor may query why we have responded 'Not Covered' and, if so, you should provide them with a copy of this letter.

Yours sincerely,



Kevin Rose ACMA  
Director