

**CLYMPING PARISH COUNCIL**  
**(Arun District, West Sussex)**

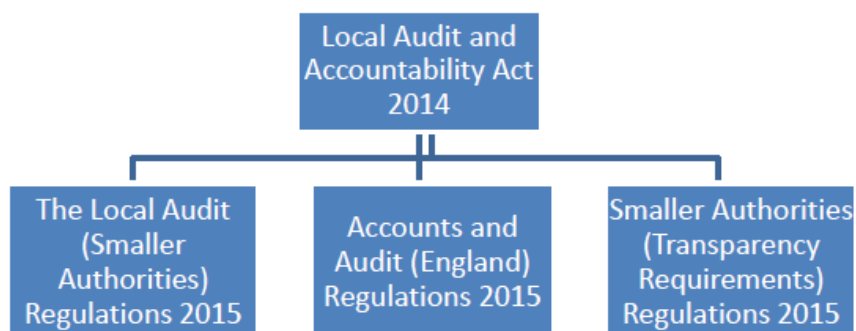
**INTERNAL AUDIT REPORT**

**FOR THE YEAR ENDED 31 MARCH 2023**

## LEGISLATIVE FRAMEWORK

An internal audit of the Parish Council's financial and procedural records for the year 2022/2023 was undertaken during the period 28<sup>th</sup> April to 5<sup>th</sup> May 2023.

The main sets of legislative Regulations that are of significance to smaller local authorities are:-



The audit was undertaken in compliance with the requirements of the Accounts and Audit (England) Regulations 2015, and in accordance with a plan agreed with the Responsible Financial Officer.

Regulation 3 of the Accounts and Audit (England) Regulations 2015 provides that the Parish Council must ensure that 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; and
- (b) ensures that the financial and operational management of the authority is effective; and
- (c) includes effective arrangements for the management of risk

Regulation 5 of the Accounts and Audit (England) Regulations 2015 provides that the Parish Council must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, and any officer or member of the Parish Council, if required to do so for the purposes of the internal audit shall -

- (a) make available such documents and records; and
- (b) supply such information and explanations.

The Smaller Authorities (Transparency Requirements) Regulations 2015 provides the following information must be published on a website which is publicly accessible and free of charge to view;

- Annually by no later than 1<sup>st</sup> July
  - 1) All items of expenditure above £100

- 2) End of year accounts, annual governance statement and internal audit report (as contained in the annual return). The end of year accounts should be accompanied by;
    - A copy of the bank reconciliation
    - An explanation of significant variances in the statement of accounts between the year of account and the previous year
    - An explanation of any differences between 'balances carried forward' and 'total cash and short term investments', if applicable.
  - 3) A list of councillor or member responsibilities, and
  - 4) Details of public land and building assets owned by the smaller authority, if applicable.
- More frequently than annually;
    - 5) The draft minutes from all formal meetings (e.g. Council, Committee and Sub-Committees) – should be published not later than one month after the meeting has taken place
    - 6) Meeting Agendas and associated meeting papers – should be published not later than three clear days before the meeting is taking place.

The objective of the internal audit is to determine whether the accounting arrangements, procedural controls, records, and documentary evidence are adequate to ensure the accurate and timely recording of financial transactions, so as to comply with all relevant legislation and best practice.

## **SCOPE**

The audit included examination of the income and expenditure account for the year of account and review of relevant documentary evidence such as;

- trial balance and nominal ledger,
- bank account transactions,
- payments, in particular supplier invoices and expense claims,
- receipts,
- fixed asset register,
- agendas and minutes of meetings (via website)
- budgets,
- financial regulations,
- website ([www.clymping.org.uk](http://www.clymping.org.uk))

In addition the audit included a review of information published in compliance with the Transparency Code applicable to smaller authorities.

## FINDINGS

- 1) The following receipt had been omitted from the records of receipts and payments made available for audit;
  - £30.00 from Southern Dairies on 3<sup>rd</sup> March 2023 (*Village News*)

The above transaction has been discussed with the Responsible Financial Officer (RFO), corrections agreed and year end balances reconciled.

- 2) The Council's Publication Scheme, published on its website, provides the following under the heading **Class 2 - What we spend and how we spend it;**

### **Information to be published**

Finalised budget

### **How the information can be obtained**

From the December minutes for each year available for inspection from the clerk or on the website

During the course of this audit a copy of the approved budgets for 2022-2023 or 2023-2024 could be found on the website other than reference to a draft budget for 2023-2024 being circulated to all members as part of the agenda for the 31<sup>st</sup> January 2023 meeting and precept approval in the minutes of that meeting.

**Recommendation: That the Council reviews it's Publication Scheme and/or publish a copy of the finalised budget(s) on the Finance section of its website.**

- 3) The Council had followed correct procedures for the authorising of supplier invoices and other liabilities for payment and complied with its own Financial Regulations.
- 4) An annual budget had been prepared and approved by the Council to support the precept requested, and a variance analysis undertaken and reported.
- 5) The Council had reviewed its Financial Regulations, Standing Orders and risk assessments during the year of account.
- 6) The Council had correctly identified itself as a 'smaller authority' but not qualifying for exemption from the requirement for a limited assurance review under Section 9 of the Local Audit (Smaller Authorities) Regulations 2015 due to receipt of income in excess of £25,000 in the year of account.

## **SUMMARY AND OPINION**

In connection with my examination, and having regard to the items reported herewith, no matter has come to my attention that gives me reasonable cause to believe in any material respect that the regulatory requirements have not been complied with.

The accounting arrangements, procedural controls, records and documentary evidence are considered to be satisfactory, and accurately record the Council's financial position.

Signed:

Date: 5<sup>th</sup> May 2023

Rodney Cooper