

# **NEWINGTON PARISH COUNCIL**

## **INTERNAL AUDIT REPORT 2022-23**

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I am pleased to report to Members of the Parish Council that I have completed my internal audit of the Parish Council's records for 2022-23 and have been able to complete the Annual Internal Audit Report for the 2022-23 Annual Governance and Accountability Return.

Members should be aware that the audit tests that I undertook during the audit cannot be relied on to identify the occasional omission or insignificant error, nor to disclose breaches of trust or statute, neglect or fraud which may have taken place and which it is the responsibility of the Members of the Council to guard against through the Parish Council's internal control procedures.

Members will be pleased to know that I did not find anything major in my financial audit to report and that I found the record keeping to be of a good standard and the Parish Council's approach to the management of risks to be sound. As a result of my audit and my discussions with your Clerk I was able to answer 'YES' to all the relevant questions contained in the Annual Internal Audit Report for 2022-23.

I would like to take this opportunity to thank your clerk for the assistance given to me in the conduct of the audit that took place on 11 May 2023.

### **PREVIOUS AUDITS:**

#### **External auditor 2021-22:**

PKF Littlejohn LLP sent a letter (looking like a certificate) on 28 September 2022 referring to their work being incomplete which was followed on 30 September by a report and certificate (looking like a letter). The certificate was not qualified but did have a comment that the Council should have provided evidence to the auditor in respect of its Salix loan.

I have been unable to find a minute indicating that the Council has considered the auditor's report. The Council must consider the auditor's report – this is a statutory requirement. Moreover, if the Council has not done so by the time the 2022-23 Governance Statement is adopted the Council must then answer "No" to assertion 7 about audit reports.

#### **Internal auditor 2021-22:**

Last year I reported on unexplained difference between the accounts and the bank amounting to £222 with the bank showing the lower figure. I discussed this with the Clerk and recommended that cashbook to bank reconciliations be carried out more often, even monthly,

I have noted that the 2022-23 accounts are fully reconciled to the bank position.

### **FINDINGS THIS VISIT:**

During the audit I carried out sufficient work to enable me to complete the Annual Internal Audit Report. I concentrated on the trail from the annual accounting statement back to the receipts & payments A/c and bank statements while testing a number of transactions to invoices or other supporting documentation. I have also reviewed the Council's minutes for compliance with legal obligations, its general functioning and for mutual consistency with the accounts.

Minutes for 20 December 2022 record the adoption of the 2023-24 budget followed by discussion on the precept. Provisions in s41 and s49A Local Government Finance Act 1992 make the budget and precept one process. This is because s41 states that the precept is the result of s49A budget calculations. It follows that after adoption of the budget there can be no discussion about the level of the precept. The budget can be amended as often as needed but the final version will set the precept.

I have nothing further to report.

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**Lionel Robbins  
Independent Internal Auditor  
20 May 2023**