

RINGWOULD WITH KINGSDOWN PARISH COUNCIL

INTERNAL AUDIT REPORT 2022-23

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 (AIAR) for the 202-23 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.

As a result of my audit and my discussions with your Clerk I was able to answer "Yes" to most of the relevant questions contained in the Annual Internal Audit Report. I have answered "No" to question H and "not covered" to questions F and K. My answer to question H is explained in the supplementary report to the AIAR. The "not covered" answers to questions F and K have no consequence, for F the Council keeps no cash and for K the Council was not exempt from review in 2021-22.

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 26 June 2023.

PREVIOUS AUDITS:

External auditor 2019-20, 2020-21 and 2021-22:

Certificates for all three years were received in January and February 2023. The reports were taken to the Council meeting on 6 March 2023.

Internal auditor 2021-22:

Following the claim for VAT relating to 2020-21 and 2021-22 received in May 2022 I note that a further claim relating to most of 2022-23 was received in February 2023.

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.

2022-23 was the first year the Council used Rialtas accounting software. During my testing I found a couple of errors which I discussed with the Clerk and following which the Accounting Statement has been amended.

The Council's budget for 2023-24 was agreed at the meeting on 9 January 2023. Minutes refer to "lengthy discussions" before the precept was agreed at £50,000. A minor issue is that the amount notified to Dover DC and paid by them is £50,200 which will require an amendment to the budget.

The more important issue is that setting a budget and then deciding its financing via the precept is incorrect in law. S49A Local Government Finance Act 1992 sets out budget calculations which must be made. S41 of the same Act states that the precept is the result of the S49A calculations. Thus, having agreed a budget there is no scope to discuss the level of the precept. Should the Council not like the precept figure arising as the result of its calculations, its only option is to revisit and amend the budget.

I have nothing further to report.

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**Lionel Robbins
Independent Internal Auditor
29 June 2023**