

**Internal Audit Report
Bloxham Parish Council
Oxfordshire.**

**Internal Audit Final Report
2019-2020**

27th January 2020

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Introduction

An internal audit review of Bloxham Parish Council's Financial controls for 2019/20 has been undertaken by Arrow Accounting. The work covered was a key control review of the systems in place for ensuring an adequate level of Governance and Financial control. Previous recommendations were followed-up.



Scope of the Internal Audit

The review included the following:-

- o Bookkeeping Arrangements.
- o Payments in relation to Financial Regulations.
- o Review of Internal Controls.
- o Budgetary Controls.
- o Expected Income fully received and properly recorded.
- o Petty Cash levels and payments supported and approved.
- o Payroll Controls, salaries & fees.
- o Asset Controls.
- o Bank Reconciliations.
- o Accounting Statements.
- o Trust Funds (If applicable).
- o Review and completeness of audit action plans.
- o Review of External Audit recommendations made in the previous year.
- o Review of Section 1 of the Annual Return and the Financial Statements.
- o Compliance with the Transparency Act.
- o Auditors Summary.



Findings, recommendations and action plan

Process	Annual Return Section	Findings	Recommendations	Action Planned
<p>Bookkeeping Arrangements</p>	<p>A</p>	<p>Appropriate books of account have been properly kept throughout the year. Well maintained with sound audit trails.</p>	<p>None</p>	<p>N/A</p>
<p>Councils Financial Regulations have been met in regard to expenditure.</p>	<p>B</p>	<p>The Councils Financial Regulations have been met in that appropriate authorisations have been given for each level of expenditure.</p> <p>Financial Regulations checked. No Issues.</p> <p>Payments were supported by Invoices, expenditure was approved and VAT was appropriately accounted for.</p> <p>Expenditure testing completed satisfactory. Appropriate Vat submissions checked satisfactorily.</p>	<p>None</p> <p>None</p>	<p>N/A</p> <p>N/A</p>

Findings, recommendations and action plan

Process	Annual Return Section	Findings	Recommendations	Action Planned
Review of Internal Controls.	C	<p>The Council has assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.</p> <p>Risk Assessment confirmed and completed satisfactorily.</p> <p>Level of Fidelity Insurance is at appropriate level.</p> <p>Review of Internal Audit completed for 2018/19</p> <p>Statement of Internal Controls completed satisfactorily.</p>	None	N/A

Process	Annual Return Section	Findings	Recommendations	Action Planned
<p data-bbox="85 254 413 375">Budgetary Controls (Precept requirement)</p> <p data-bbox="85 475 413 554">Budgetary Controls (Budget monitoring)</p> <p data-bbox="85 654 413 775">The final Outturn is in line with expectations.</p>	D	<p data-bbox="639 254 1091 418">The Annual precept requirement resulted from an adequate budgetary process.</p> <p data-bbox="639 475 1091 596">Progress against the Budget was not regularly monitored.</p> <p data-bbox="639 654 1091 775">The Final Outturn was materially in line with expectations.</p>	<p data-bbox="1277 254 1369 282">None</p> <p data-bbox="1277 518 1369 546">None</p> <p data-bbox="1277 739 1369 768">None</p>	<p data-bbox="1667 254 1740 282">N/A</p> <p data-bbox="1667 518 1740 546">N/A</p> <p data-bbox="1667 739 1740 768">N/A</p>
<p data-bbox="85 896 340 925">Income controls</p>	E	<p data-bbox="639 896 1091 1018">Expected Income was fully received and properly recorded.</p> <p data-bbox="639 1075 1091 1153">Income test completed satisfactorily.</p>	None	N/A
<p data-bbox="85 1182 413 1210">Petty cash controls</p>	F	<p data-bbox="639 1182 1091 1260">Petty cash was not operated by the Council.</p>	None	N/A

Process	Annual Return Section	Findings	Recommendations	Action Planned
Payroll controls	G	Salaries to employees and allowances to members were paid in accordance with council approvals. PAYE and NI requirements were properly applied.	None	N/A
Asset Controls	H	The Asset register has correctly recorded all material Assets. The correct basis of valuation has been applied.	None	N/A
Asset Controls	H	Additions in the year have been correctly recorded within the Cash Book and Register	None	N/A
Asset Controls	H	All appropriate Deeds and Titles have been established and shown on the Register.	None	N/A

Process	Annual Return Section	Findings	Recommendations	Action Planned
Bank Reconciliations	I	Periodic and year-end bank account reconciliations were properly carried out.	None	N/A
Accounting Statements	J	Correct accounting basis used and reconciled to the Cash Book. Receipts & Payments	None	N/A
Trust Funds (If applicable)	K	The Parish Council does not operate as a Trustee for any external body.	None	N/A

Process	Criteria	Findings	Recommendations	Action Planned
Review of Internal audit action plan has been considered and actioned?	Good Practice	Recommendations made in the previous year 2018/19.	None	

Process	Criteria	Findings	Recommendations	Action Planned
<p data-bbox="54 362 401 529">External Audit recommendations have been considered and actioned.</p> <p data-bbox="54 676 382 839">Qualifications made, if any have been addressed in 2019/2020.</p>	<p data-bbox="434 362 658 396">Good Practice</p>	<p data-bbox="699 362 1145 486">No Recommendations made in the previous year 2018/19.</p> <p data-bbox="699 676 1145 753">There were no qualifications to address.</p>	<p data-bbox="1340 362 1431 396">None</p> <p data-bbox="1340 676 1431 711">None</p>	<p data-bbox="1717 362 1785 396">N/A</p> <p data-bbox="1717 676 1785 711">N/A</p>

Process	Criteria	Findings	Recommendations	Action Planned
Accounting Statements agreed and reconciled to the Annual Return	<p>Section 1 of the Annual Return</p> <p>Part 1 of the Annual return is complete and accurate and reconciles to the statement of accounts.</p>	The accounting statements in this annual return present fairly the financial position of the council and its income and expenditure.	None	N/A

Process	Criteria	Findings	Recommendations	Action Planned
Compliance with the Transparency Act.	1) Expenditure over £100 is recorded on the Council Web-Site and with all information requirements.	Compliant	None	N/A
	2) Annual Return published on the Web-Site.	Compliant	None	N/A
	3) Explanation of significant variances.	Compliant	None	N/A
	4) Explanation of difference between Box 7 & 8 if applicable.	Compliant	None	N/A
	5) Annual Governance Statement recorded.	Compliant	None	N/A

Process	Criteria	Findings	Recommendations	Action Planned
Compliance with the Transparency Act. (Contd)	1) Internal Audit Report Published.	Compliant	None	N/A
	2) A List of Councillors responsibilities.	Compliant	None	N/A
	3) Details of Public Land and Building Assets.	Compliant	None	N/A
	4) Minutes & Agendas	Compliant	None	N/A

Internal Auditors Summary Report

Bloxham Parish Council has an electorate in the region of 2803, and the precept for 2019/2020 was set at £92,448.

Overall, the Council has sound arrangements in place to satisfy itself that its systems of internal financial control are both adequate and effective. There are approval and authorisation controls and there is a clear audit and management trail for financial transactions.

Phil Hood

Arrow Accounting

(Internal Audit)

27th January 2020

