

VIGO PARISH COUNCIL

INTERNAL AUDIT REPORT 2021-22

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 2021-22 and have been able to complete the Annual Internal Audit Report (AIAR) for the 2021-22 Annual 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 AIAR for 2021-22.

I would like to take this opportunity to thank your Clerk for the additional assistance given to me in the conduct of the audit that took place on 26 May 2022

PREVIOUS AUDITS:

External auditor 2020-21:

The external audit certificate for 2020-21, dated 20 September 2021, has a qualification for failing to comply with an instruction that the Governance Statement assertion on public rights should be a "no" answer. It was reported to the Council on 18 October 2021 with the qualification stated in full but there was no action recorded. The council is required by regulation to consider the auditor's report and must address any issues raised, or if none should note that no action is needed.

In the case above the auditor has commented that in their view the Council had not complied with the requirement to consider audit reports so that the Governance Statement assertion for 2021-22 about internal and external audit should be answered "no".

Internal auditor 2020-21:

I have previously reported that the budget must be approved. I note that the Council formally set its precept for 2022-23 at its meeting on 15 November 2021. The minutes do not show that the budget was formally adopted although this is also a legal requirement (1972 Local Government Act and 1992 Local Government Finance Act).

NOTES FROM THIS AUDIT:

I carried out work to enable me to complete the Annual Internal Audit Report which included reading the minutes for compliance with legislation, a view of Council activity and for consistency with the accounts. I reviewed and test checked the accounting records including the cashbook, payroll, VAT records, bank statements and bank reconciliations.

I found the financial records to be accurate and up to date.

I have discussed with the Clerk that the Tax/NI due to HMRC for the January to March quarter 2022 has effectively been accrued into the 2021-22 accounts as the payment was not set up and made until 22 April 2022. At present the Council uses Receipts and Payments accounting and the "accrual" was inappropriate.

Similarly, VAT yet to be recovered as at 31 March 2022 ought not be brought in via the Box 7/8 reconciliation on the Accounting Statement.

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I have noted that the Council's assets have changed by taking on the ownership of 69 streetlights transferred to it by Gravesham BC.

I have nothing further to report

**Lionel Robbins
Independent Internal Auditor
29 May 2022**