

Claire Connell MA, ACA, CTA

Chartered Accountant and Chartered Tax Adviser

86 Silverdale Road

Earley

Reading RG6 7LT

Tel: 0118 966 9706

Email: accounts@claireconnell.co.uk

The Parish Councillors
Crowthorne Parish Council
Parish Office
Morgan Centre
Wellington Road
Crowthorne RG45 7LD

31st May 2022

Dear Ladies and Gentlemen

Internal Audit Report 2022

I am pleased to report that I have satisfactorily completed my internal audit review. This year both my interim and final visits were carried out in person. I summarise my findings for the year in Appendix 1.

Signing of the audit report

The external auditors have commented in their letter accompanying the Annual Return that "sufficient internal audit work needs to be completed and reported before the Members approve the Annual Governance Statement". This letter should therefore enable the Council to approve the Annual Return in the knowledge that the internal audit for the year is complete. As in previous years, I will wait until the Members have approved the Return, and assuming that the figures on the Return are as agreed during my visit and the Governance Statement is approved, I will then sign my section of the Return, giving an unqualified report with sections K and L marked as not covered as they do not apply to this council.

There are no outstanding matters arising from previous audit reports.

Yours faithfully



Claire Connell

Appendix 1: Summary of internal audit work covered in 2021-22

<u>Annual Return Section</u>	<u>Comments</u>
A. Appropriate accounting records have been properly kept throughout the financial year.	Yes: Sage software is used, kept up-to-date and is accurate. A cashbook is also maintained in Excel.
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	Testing and review of systems shows that expenditure is properly incurred, payments approved and VAT appropriately accounted for.
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	Minutes, Standing Orders, Financial Regulations, insurance cover and the Risk Register indicate that there are proper risk assessment and management procedures. The Risk Register was last adopted in March 2022.
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	Budgeting and reporting are carried out in a thorough and manner. Reserves are appropriate.
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	No significant issues were found during testing and review of systems.
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	Petty cash transactions are low in number and value.
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	Payroll is operated correctly in-house using Sage software.
H. Asset and investments registers were complete and accurate and properly maintained.	An adequate fixed assets register is maintained in Excel.
I. Periodic and year-end bank account reconciliations were properly carried out.	Monthly reconciliations are performed. These are reviewed by the Financial Champion.
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and	These assertions have been met.

creditors were properly recorded.	
K. If the authority certified itself as exempt from a limited assurance review in 2020/21, it met the exemption criteria and correctly declared itself exempt. (“Not Covered” should only be ticked where the authority had a limited assurance review of its 2020/21 AGAR)	Not covered – the Council had a limited assurance review of its 2020/21 AGAR
L. The authority publishes information on a free to access website up to date at the time of the internal audit in accordance with any relevant Transparency Code requirements.	Not covered in accordance with the guidance given in The Practitioners’ Guide as the annual turnover exceeded £25,000
M. The authority, during the previous year (2020/21) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations (<i>evidenced by the notice published on the website and/or authority approved minutes confirming the dates set</i>).	Yes, the Council correctly provided for the period for the exercise of public rights.
N. The authority has complied with the publication requirements for 2020/21 AGAR (<i>see AGAR Page 1 Guidance Notes</i>).	Yes the correct documents were published and deadlines were met.
O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	<p>Yes, the Council is a trustee of two charities and provides trustees for a third charity in conjunction with Wokingham Without Parish Council.</p> <p>The Crowthorne Educational Charity maintains separate accounting records and holds cash reserves at the year end.</p> <p>The Morgan Recreation Ground Charity delegates the management of the Recreation Ground to the Parish Council. The expenditure on the Recreation Ground is highly subsidised by the Parish Council as the annual income is significantly lower than the expenditure. The Charity delegates the management of the Recreation Ground to the Parish Council.</p>