

# Audit Report

## Bradley Stoke Council

**Audit Plan Year:** 2021 – 2022 In Year Assurance

**Audit Status:** Audit Completed

**Audit Review Date** 23<sup>rd</sup> and 24<sup>th</sup> February 2022

**Report Distribution:**

Rachel Pullen – Finance Manager (RFO) to Bradley Stoke Town Council

Sharon Petela – Town Clerk to Bradley Stoke Town Council

**1. Objective**

The objective of the audit was to provide an independent opinion on the appropriateness of the financial control procedures operated in the Council. Audit Officer – Kerry Woodey examined these procedures.

**2. Opinion**

The highlighted wording in the table below provides the opinion for this internal audit review and its accompanying description.

High Standard	Systems and processes are excellent providing good assurance. Significant strengths have been identified and are to be commended, any recommendations made will serve to further strengthen existing arrangements.
Reliable Standard	There are very few significant matters arising from the audit, systems of control are good and provide reasonable assurance.
Improvements Required	Existing procedures need to be improved in order to ensure that they are fully reliable. Extensive recommendations have been made but the issues are not of such a significance to represent a major risk to the Council.
Significant Improvements Required	Existing procedures are weak and reasonable assurance could not be provided over a number of areas. Prompt action is necessary to improve the situation and avoid unnecessary risks.
Fundamental Weaknesses Identified	The matters arising from the audit identify that there are fundamental weaknesses which place doubt on the reliability of the procedures reviewed. Urgent action is necessary to improve the current situation and reduce risk exposure.

**3. Key Strengths**

- There are regular quorate meetings of the Full Council and its Committees, and the budget and precept are agreed annually and timely at Full Council.
- Where high value purchases are made it is evidenced that 3 quotes or more are obtained and then discussed at Council before proceeding with the agreed works/purchase.
- Relevant insurance is in place which is renewable annually and was last reviewed at Annual Council in May 2021.
- The Council has allocated earmarked funds where necessary and has general reserves in line with NALC guidance.
- The Council has a dedicated Bookings Officer who looks after all lettings. Leases are reviewed, agreed and issued annually.
- Sage is used to support payroll requirements.
- A copy of the Public Notice was available for review and display location and dates are clearly noted within the Full Council’s meeting minutes
- The previous year’s AGAR was available for review and publication was evidenced through the Council’s website.
- An asset register is held within Excel which is update annually including the reporting of a new or obsolete items.

4. Key Risks

- None.

5. Key Actions

- None.

All of the matters arising from the audit are detailed in the Action Plan together with suitable recommendations.

6. The Control Environment

Key Control Objectives		Achieved?
A.	Appropriate accounting records have been kept properly throughout the financial year.	Yes
B.	The authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	Yes
C.	The authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	Yes
D.	The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	Yes
E.	Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT appropriately accounted for.	Yes
F.	Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	Yes
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.	Yes
H.	Asset and investment registers were complete and accurate and properly maintained.	Yes
I.	Periodic bank account reconciliations were properly carried out during the year.	Yes
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 creditors were properly recorded.	To be tested at year end.
K.	Councils with turnover of below £25,000. 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. <i>(If the authority had a limited assurance review of its 2020/21 AGAR tick "not covered")</i> .	Not currently applicable to any SGC clients.
L.	Councils with turnover of below £25,000.	Not currently applicable

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	If the authority has an annual turnover not exceeding £25,000, it publishes information on a website / webpage up to date at the time of the internal audit in accordance with the Transparency Code for smaller authorities.	to any SGC clients.
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
N	The authority has complied with the publication requirements for 2020/21 AGAR <i>(see AGAR Page 1 Guidance Notes)</i> .	Yes
O	Trust funds (including charitable) - The council met its responsibilities as a trustee.	N/A

### 7. Auditors & Acknowledgements

#### Rachel Pullen – Finance Manager (RFO)

Audit Manager	Justine Lawson and Justine Poulton
Auditor	Kerry Woodey

