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17 February, 2020

The Parish Clerk

Copythorne Parish Council

9 The Cleeves,

Totton,

Southampton,

SO40 8WL

Dear David

Interim Internal Audit Report

Copythorne Parish Council – April 2019 to January 2020

The Accounts and Audit (England) Regulations 2015 (as amended) require all Town and Parish Councils to undertake an effective internal audit to evaluate the effectiveness of their risk management, control and governance processes, taking into account public sector internal auditing standards or guidance. We confirm that we are independent of the Council.

The internal audit work we have carried out has been planned to enable us to give our opinion on the control objectives set out in the Annual Internal Auditor's Report on the 2019-20 Annual Governance and Accounts Return.

We have complied with the legal requirements and proper practices set out in:

- 'Governance and Accountability for Local Councils – A Practitioners' Guide (England)' 2019
- The Accounts and Audit (England) Regulations 2015 (as amended).

Findings

Details of good practice noted, our recommendations and other matters to be brought to the Council's attention are set out below.

Good practice

- The Council maintains its books and records on spreadsheets
- The Clerk is aware of the requirements of GDPR and the Council is registered with the ICO
- Details of total payments authorised at meetings
- All records were up to date and easy to follow
- The budgeting process is detailed and thoroughly monitored throughout the year
- Bank reconciliations are carried out promptly each month and were accurate
- The Council takes an active scrutiny role
- The Insurance is appropriate for the size of the Council.
- Payments to the Clerk are correctly calculated.

Recommendation

Council Minutes

- The Minutes of the Council should list the number of payments and an overall total approved at each meeting. **(Audit Note: This has already been actioned by the Clerk for the February 2020 meeting).**

Other matters to be brought to the Council's attention

- The Clerk is aware that a VAT claim should be submitted to cover the period from April 2019 to January 2020. **Audit Note: This was discussed with the Clerk who indicated that a claim for reimbursement will be sent to HMRC at the end of the financial year 2019/2020.**
- The Council agenda in July 2019 showed it would review the Council's risks to ensure that this had been completed in the financial year 2019/2020. We noted that the Minutes of the meeting on the 9 July 2019 do not record that the risks of the Council have been reviewed and approved by the Council. **(Audit Note: We discussed with the Clerk the need to ensure that a record of the approval should be recorded in the Minutes before the 31 March 2020 to ensure that this is completed as per the requirements recorded in the Governance and Accountability for Smaller Authorities (Practitioners Guide) before the end of the financial year 2019/2020). The Clerk has included this as an item for the Council meeting in March 2020).**
- It is noted that the Clerk is in the process of reviewing the Council Website to ensure it continues to be compliant with the Transparency Code 2015.
- The Clerk will ensure that the Assets Register is reviewed and brought up to date by the 31 March 2020 to ensure that the details of all new purchases have been recorded and to ensure these can be accounted for when completing Box 9 of the Accounting Statements on the AGAR 2019/2020.
- The Website Accessibility Regulations 2018 will need to be considered to ensure that Parish Council can comply with the regulations for existing websites by the 23 September 2020. It is suggested that the Council should consider if this may affect the budget planning for 2020/2021.

Conclusion

Based on the tests we have carried out at this interim internal audit visit, in our view, the internal control procedures in operation are adequate to meet the needs of Copythorne Parish Council.

Next visit

The next internal audit visit has been arranged for 29 May 2020.

At this visit detailed checks will be carried out on:

- Minutes of Council Meetings
- Bank and cash
- Investments
- Income and expenditure
- VAT claims
- Asset Register
- Financial Risk Assessment
- End of Year Procedures

Next Steps

This report should be noted and taken to the next meeting of the Parish Council. They should decide what action will be taken on the recommendation we have made.

Tim Light FMAAT
Internal auditor