



## JOHN K. MURRAY

TAXATION and ACCOUNTANCY SERVICES

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14 May 2018.

Dear Wendy,

**Candovers Parish Council -  
Accounts for the year ended 31 March 2018 "Internal Audit"**

I have now completed the "Internal Audit" of your Parish Council Accounts for the year ended 31 March 2018. I have carried out the Internal Audit following the guidelines as documented in the JPAG Book "Governance and Accountability for Smaller Authorities in England - A Practitioners' Guide" issued in March 2017 and updated in March 2018

The following points arose during the Audit:-

1. We discussed the Grants you have made to the Church in light of the legal note LO1-18 issued by NALC in January 2018. I understand that HALC's Policy Group are currently discussing this with a view to offering further advice to Member Councils. I have also seen copies of a completely opposite view from a Church Lawyer. In view of the fact that your Council has used the provisions of the 1972 LGA to make these payments and no External Auditor has challenged them I can see no reason why you should not continue to make such Grants until either there is Case Law or further Legislation to clarify the situation.
2. I gave you a list of documents that should be on your Website in order to satisfy the current Transparency Protocols.
3. A number of documents were not available when you came today, and your will be emailing these to me.
4. I have noted that you have opened a separate Bank Account from April 2018 for the Lengthman's Scheme.
5. Last year your Internal Auditor suggested that Grant recipients ought to acknowledge the Grant that the Council had made. I see from looking through your paperwork that very few actually acknowledge receipt of your Grant. May I suggest you send them a formal receipt with the request that it be signed and returned for **AUDIT** purposes

I have noted that the AGAR Pro-forma (with details of the Variations and Bank Reconciliation you will be sending off with this) have not yet been adopted by the Parish Council and signed by the Chairman and the Clerk Will you please provide me with a copy of the Pro-forma - Schedules 1, 2 and 4. Please ensure again this year that section 1 of the Annual Return is approved before Section 2.

Will you also provide me with copies of the Bank Reconciliation, the Explanation of Variances and also a copy of your full set of Accounts? Please ensure that the adoption of the Accounts and the AGAR Pro-forma are minuted at the appropriate times - in particular Section 1 and Section 2 of the Pro-forma need to be specifically mentioned within the Minutes and this approval must be by **Full Council** and not by Committee. The receipt of this letter and any action taken on it should also be recorded within the Minutes. Please ensure (and I am sure you will) that the Form is fully completed (including filling in the boxes for the name of the Parish Council).

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If the Council wishes to discuss any of these points - or any other matter - now or in the future I would be more than happy so to do. Obviously, if the query can be cleared quickly by a 'phone call, then there would be no further charge. If, however, the matter requires some research on my part and/or would take time to resolve then I would have to charge and I would agree this with you beforehand so that there was no misunderstanding.

I enclose my Invoice for the work done so far.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'John K. Murray', written over the closing 'Yours sincerely,'.

John K. Murray

Ms. W. Simson  
Clerk to Candovers Parish Council  
3 Farriers Close,  
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