

Limpley Stoke Parish Council
Internal Audit Report 2019-2020

Regulation 6 of the Accounts and Audit (England) Regulations 2011 imposes a duty on local councils to 'maintain an adequate and effective system of internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control'.

Completion of an Internal Audit of the Parish Council for 2019-20 was completed on 13 May 2020 This was postponed due to Coronavirus (Covid 19).

Members should be aware that my work cannot be relied on to identify the occasional omission or insignificant error, nor to identify 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.

The internal audit has been carried out in accordance with the 'Code of Practice for Internal Audit in Local Government in the United Kingdom 2006' and with guidance from The Joint Practitioners' Advisory Group (JPAG) document: Governance and Accountability for Local Councils – A Practitioners' Guide (England) March 2014.

External Auditors: The External Auditors are appointed by the Audit Commission.

Clerk and Responsible Financial Officer (RFO): The Clerk and RFO (according to section 151 of the Local Government Act 1972) for the period 2019 –20 (as of the date of the annual audit) is Mrs Bryony Kohn of Coneyhurst 92 Winsley Hill, Winsley, BA2 7JL

Accounts:

Cash book is up to date for 2019-20 all entries have been checked against supporting paperwork, all arithmetic and cross checking has been verified
Cash Book has been verified against the bank statements

Risk Good

Comments: The accounts are being prepared in line with the standing order and financial regulations of the Parish Council

Risk Good

Financial Regulations, Standing Orders and Payment Controls:

The first step in establishing a financial system is to identify the general rules applicable at council meetings and in carrying out the councils business. The Standing Orders, Financial Regulations and any other internal instructions to this.

GOOD

The Standing Orders are in place and are to be reviewed at the next council meeting

GOOD

A set of Financial Regulations have been adopted by the Parish Council and are to be reviewed at the next council meeting

GOOD

VAT is being claimed back on a regular basic

GOOD

Risk Management:

This is the process of addressing the risks associated with what the Parish Council do and the services they provide. Good risk management is to identify what can go wrong and take steps to avoid this or successfully manage the consequences. This is not just about financial management but about ensuring the achievement of objectives set by the council. All decisions made need to be recorded in the minutes.

GOOD

Playground Risk Assessments – Completed on a regular basis and action taken on identified risks. Risk Assessments are being done on a regular basis.

GOOD

A Risk and Management document has been produced.

GOOD

Budgetary Controls:

A clear and detailed budget was prepared and discussed in the November meeting and used as a guide on which to set the 2020 -21 precept.

GOOD

Suitable balance of reserves was carried forward as of 31st March 2017

GOOD

Expenditure is regularly compared against budgets.

GOOD

Income Controls:

Precept for 2019-20 was received promptly by bacs payment (April and September 2019). **GOOD**

Bank interest received was duly noted in the records and banked. **GOOD**

Comment:

Grant received from Wiltshire Council was recorded and duly noted in records and banked. **GOOD**

Petty Cash Procedure:

There is no Petty Cash.

Payroll Controls:

The Parish Council is registered for PAYE for the period 2016-17 The Parish Council is meeting all obligations to record payroll information within the 'Real Time Information' requirements of HMRC. **GOOD**

Comment:

Any changes to the employment contract (including salary changes) of the Clerk in her role as Clerk and Responsible Financial Officer to the Parish Council will require formal agreement by the council and a written statement to the employee.

Asset Control:

The Asset Register is being regularly reviewed and is a full and comprehensive list.

GOOD

Comment:

The insurance policy held appears to have adequate and suitable cover, but may require reviewing. **GOOD**

Bank Reconciliation:

Regular reconciliation of the bank statement to the financial records is being done. **GOOD**

Year End Procedures:

The Audit for 2019-20 is due to be submitted to the external auditor, PKF Littlejohn, UK LLP.

GOOD

The above where necessary has been confirmed by the Clerk, because of policy in place due to Coronavirus.

Edward Ferguson

Internal Auditor

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13 May 2020

