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LIGHTATOUCH

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04 June 2020

The Parish Clerk
West Hundred Parish Council
Moorcroft
The Greenway
West Hendred
Wantage
OX12 8RG

Dear Julia

Internal Audit Report Letter for Council 2019/2020

April 2019 –March 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 Accountability and Governance and Accounts Return AGAR.

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).

The current Coronavirus outbreak has delayed a visit taking place in 2019/2020, but consultations have continued by video link and telephone conference calls with the Clerk. The Clerk has also provided back-up information for the period April 2019 to March 2020 to support the current governance and financial management position of the Council.

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June 6, 2020

Page 2

Further confirmation has been obtained of good practice and compliance with the Transparency Code Regulations 2015 from the Council's website.

A series of independent audit tests was undertaken from the information made available to ascertain the efficiency and effectiveness of these internal controls.

A full check was also carried out on completion of the Accountability and Governance Annual Return (AGAR) for 2019/2020.

As part of this internal audit review we checked that:

Bank Reconciliations

- bank reconciliations for the bank account have been carried out between 1 April 2019 – 31 March 2020, and totals agreed to those shown in the Cash Book.

Income and Expenditure

- test checks of the Cash Book totals for April 2019 – March 2020 were checked to payment information to ensure that the details were correctly recorded, and VAT elements extracted correctly.
- Income recorded in the bank accounts was checked to ensure the details matched to those entries shown in the Cash Book.

VAT

- A VAT reimbursement claim has been submitted to HMRC totalling £792.58 for period April 2019 to March 2020.

Payroll Information

- Deductions from Payroll information during the 2019/2020 financial year were checked to ensure that suitable arrangements are in place to deduct PAYE, National Insurance Contributions from gross salary of the Clerk during the financial year.
- It is noted that a monthly payment is made to HMRC for payment of PAYE and National Insurance Contributions.

Asset Register

- We confirmed with the Parish Clerk that she has reviewed the Asset Register, and this is up to date as at 31 March 2020.

Risk Assessment 2019/2020

- the risks of the Parish Council were reviewed in March 2020 to ensure that the requirements of the Governance and Accountability for Smaller Authorities in England (March 2020) is met.

Insurance

- the Insurance Cover for the Parish Council is with AXA Inspire. The current level of cover includes Employer Liability of £10m and Fidelity Guarantee of £150, 000 which is enough for the Parish Council in 2019/2020.

June 6, 2020

Page 3

Parish Council Minutes

- we checked the details of Parish Council Minutes on the Council website from April 2019 to March 2020 to record points of note for any financial approval or decision that affected the budget of the Parish Council and to ensure that details were correctly shown in the Financial Ledger.

End of Year Procedures and Audit Opinion

A full check was carried out on the end of year documentation provided by the Parish Clerk to confirm the accuracy of the details. This also included the validation of any variances of totals between 2018/19 and 2019/20 shown on the Part 3 AGAR in Section 2 as required by the External Auditor which is over 15%.

All other information provided confirms the accuracy of the details to be shown in Section 2 of the Part 3 AGAR and therefore we have signed the internal audit report on the AGAR for 2019/2020.

All the internal control statements shown in the internal audit report of the AGAR have been completed to show that there is an appropriate control framework in place for the Parish Council.

This letter report should be circulated to the next meeting of the Parish Council to inform them of the Internal Audit work carried out. The details of this Internal Audit Report Letter should also be Minuted by the Parish Council.

Yours sincerely,

Tim Light FMAAT - Internal Auditor