

Bridget.C.Bowen FCA
86 High Street
Weston
Bath BA1 4DD

Tel: 07465 416597

Email: bridget.c.bowen@outlook.com

Georgina Morgan-Denn
Clerk to Haydon Wick Parish Council
Thames Avenue
Haydon Wick
Swindon
SN25 1QQ

4 June 2021

Dear Georgina

HAYDON WICK PARISH COUNCIL

Internal audit report - Year ended 31 March 2021

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.

I am bound by the ethical guidelines of the Institute of Chartered Accountants of England and Wales. I confirm that I am independent of the Council.

The internal audit work I have carried out has been planned to enable me to give my opinion on the control objectives set out in the Annual Internal Auditor's Report on the 2020-21 Annual Governance and Accounts Return.

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

- 'Governance and Accountability for Local Councils – A Practitioners' Guide (England)' 2020
- The Accounts and Audit (England) Regulations 2015 (as amended).

I was appointed as internal auditor to the Parish Council on 23 June 2020. I have been assisted by Tim Light FMAAT.

Our final internal audit review was undertaken on 4 June 2021.

Background

Haydon Wick Parish Council has income and expenditure of between £800,000 and £1,000,000 and is subject to review by the external auditor, PKF Littlejohn. The Council's annual report from the external auditor for 2020-21 raised other matters in relation to the Council's responsibilities as sole managing trustee.

The Council is a sole managing trustee of the King George V Playing Field.

As the Council's income and expenditure exceeds £200,000 it is good practice for the Council to comply with the Local Government Transparency Code 2015.

The Council's accounting records are maintained on Rialtas Business Solutions Omega software.

Internal audit checks

I have undertaken a series of audit tests on the Council's financial records, vouchers, documents, minutes, policies, procedures and insurance documentation to ascertain the efficiency and effectiveness of the Parish Council's internal control framework. This internal audit report is based on the audit testing carried out at the visit.

During this visit I checked the following:

- Minutes of Council Meetings
- Bank and cash
- Petty Cash
- Income and expenditure
- Risk assessment
- Asset register
- Transparency Code
- Action taken on the recommendations in this report
- Year end checks

Findings

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

Good practice

- The Clerk is CiLCA qualified and has an advanced level foundation degree in Community Governance
- The Deputy RFO and Deputy Clerk are both CiLCA qualified.
- The Council maintains its books and records on RBS software
- All records were up to date and easy to follow
- The Council's Standing Orders and Financial Regulations are reviewed regularly and are tailored appropriately for the Council
- The Council has appropriate policies in place
- The Clerk is aware of the requirements of GDPR and the Council is registered with the ICO
- Bank reconciliations are carried out promptly each month, and are now periodically checked by a councillor

Good practice continued

- Details of all payments authorised at meetings are recorded in the minutes
- All payment vouchers tested were evidenced as approved
- The Council uses Brightpay software to operate the payroll
- All eligible employees have been auto-enrolled in a pension scheme
- All employees have contracts of employment
- The budgeting process is detailed and thorough and monitored throughout the year
- VAT claims are made regularly
- The Finance Committee takes an active scrutiny role
- Councillors undertake regular spot checks throughout the year
- The risk assessment has been adopted during the year
- Action has been taken, or is underway on all of the recommendations in the last internal audit report
- The Council has taken appropriate action to enable it to continue to meet and function during the Covid-19 pandemic

Recommendations

VAT claims

- The RBS system is not accurately picking up all VAT amounts paid when the VAT return is produced. RBS should be contacted and the error corrected.

Transparency

- Some of the links on the Council website, to the land and building assets and grants paid, are not working, these should be fixed in order for the Council to comply with the Local Transparency Code (2015)

Other matters to be brought to the Council's attention

- The Annual Internal Audit Report was completed with positive assertions to all relevant objectives.
- The Finance officer, Sandra Kelly and the Clerk Georgina Morgan-Denn have made great progress in improving the internal controls of the Council since they joined three years ago. Sandra has left a robust system in place for her successor to take over.

Conclusion

Based on the tests I have carried out at this internal audit visit, in my view, the internal control procedures in operation are adequate to meet the needs of Haydon Wick Parish Council.

Next Steps

This report should be noted and taken to the next meeting of the Parish Council. The Council should decide what action will be taken on the recommendations I have made.

Kind regards

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Bridget Bowen', written in a cursive style.

Bridget Bowen FCA

Internal auditor