



LIGHTATOUCH

7 Hodder Close, Chandlers Ford, Hants, SO53 4QD.
Tel: 07762 780605 Email: Tim.Light1@hotmail.co.uk

08 May 2021

The Parish Clerk

Little Coxwell Parish Council

C/o The Estate Office,

Manor Farm,

Little Coxwell,

Faringdon

Oxon, SN7 7LW

Dear Caroline

Little Coxwell Parish Council Internal Audit Report Letter for Council 2020/2021

April 2020 – 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. 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 2020-21 Accountability and Governance Annual Return (AGAR).

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

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

The Covid 19 pandemic continues to delay a visit taking place in 2020/2021, but consultations have continued by telephone conference calls with the Clerk. The Clerk has also provided back-up information for the period . . .

May 13, 2021

Page 2

April 2020 to March 2021 to support the current governance and financial management position of the Council.

It is noted the requirement to check compliance with the Transparency Code Regulation 2015 could not be tested as part of this Audit Review as the Council does not display all the information required to comply with the Regulation.

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

The Parish Council will need to submit a Certificate of Exemption to the External Auditor for 2020/2021 as their income and expenditure falls below the threshold of £25,000 that requires the Parish Council to have an External Audit.

A full check was also carried out on completion of the Accountability and Governance Annual Return (AGAR) for 2020/2021.

As part of this Internal Audit Review, we checked that:

Bank Reconciliations

- the financial totals as at 31 March 2021 had been brought forward accurately.
- any un-presented cheques, online payments and un-banked income as at 31 March 2020 were checked to bank statements to verify these were banked in April 2020.
- all payments were checked and accounted for the period 1 April 2020 to 31 March 2021.
- all income was banked and agreed to bank statements for the period 1 April 2020 – 31 March 2021.
- bank reconciliations for the bank account had been carried out between 1 April 2020 – 31 March 2021, and totals agreed to those shown in the Cash Book.

Income and Expenditure

- all un-presented item information as at 31 March 2021 was confirmed and that the details are accurate to the records held by Parish Council.
- test checks of the Cash Book totals for April 2020 – March 2021 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 for the period April 2020 to July 2020 for £50.55 has been received in August 2020.

Payroll Information

Audit Note: We note that the current Parish Clerk does not draw any salary from the Parish Council.

Asset Register

- we confirmed with the Parish Clerk that she has reviewed the Asset Register and has now brought this up to date as at 31 March 2021.

Risk Assessment 2020/2021

- the risks of the Parish Council were reviewed in November 2020, but these were not recorded as approved or Minuted by the Council to ensure that the requirements of the Governance and Accountability for Smaller Authorities in England (March 2020) is met. **(Audit Note: We have therefore ticked No to Control Objective C on the Annual Internal Audit Report. The Council should also answer No to Assertion 5 on Section 1 - Governance Statement 2020/2021).**

Insurance

- the Insurance Cover for the Parish Council is with Zurich Insurance. The current level of cover is sufficient for the size of the Parish Council in 2020/2021.

Website Accessibility Regulation 2018

- the Website Accessibility Statement should be uploaded and displayed on the Council Website as soon as possible to comply with the requirements of the Website Accessibility Regulation 2018 that was introduced on the 23 September 2020.

Parish Council Minutes

- we checked the details of Parish Council Minutes on the Council website from April 2020 to March 2021 to record points of note for any financial approvals or decisions that affected the budget of the Parish Council and to ensure that details were correctly shown in the Financial Ledger.

Transparency Code Regulation 2015 and Exercise of Public Rights 2020

- The 2020/2021 AGAR Internal Audit Report requires the Internal Auditor to check the Council has correctly provided the proper opportunity for the Exercise of Public Rights in accordance with the requirements of the Accounts and Audit Regulations during 2020/2021.

- This includes the Internal Auditor being shown evidence that the posting of the Notice on the website was done at least one clear day before the 30-working day period begins.

- As the Parish Council has an annual turnover not exceeding £25,000 the Internal Auditor is asked to check that the Council have published information on their website that is in accordance with the mandatory requirements of the Transparency Code Regulation 2015.

(Audit Note; We are unable to check this information on the Council's Website as there has been a change in website hosting during 2020/2021. We acknowledge that there is email evidence to support the dates that were chosen for the Exercise of Public Rights period for 2020. Therefore, as the Notice is not held on the Parish Council Website to display the Notice period, we have therefore answered "Not Covered" to objective L, M and N on the Annual Internal Audit Report).

End of Year Procedures 2020/2021

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

May 13, 2021

Page 4

between 2019/20 and 2020/21 shown on the 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 AGAR and therefore we have signed the Internal Audit Report on the AGAR for 2020/2021.

Audit Opinion

All the internal control statements shown in the Internal Audit Report of the AGAR have been completed to show our opinion that there is an adequate control framework in place for the Parish Council with the exception where the Council need to meet the requirements of the Accounts and Audit Regulations 2015.

The Parish Council are required to adhere to the Accounts and Audit Regulations 2015 including the period for the Exercise of Public Rights to be fully completed and along with the copy of the Exemption Certificate publish the details on the Parish Council website before the 1 July 2021.

This letter report should be circulated for 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

Annual Internal Audit Report 2020/21

LITTLE COXWELL PARISH COUNCIL

WWW.LITTLECOXWELL-ORG^{UK}/PARISHCOUNCIL

During the financial year ended 31 March 2021, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2020/21 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.		✓	
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.			N/A NONE HELD
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.			✓
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic bank account reconciliations were properly carried out during the year.	✓		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K. If the authority certified itself as exempt from a limited assurance review in 2019/20, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2019/20 AGAR tick "not covered")	✓		
L. The authority publishes information on a website/webpage, up to date at the time of the internal audit, in accordance with the Transparency code for smaller authorities.			✓
M. The authority, during the previous year (2019-20) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set).			✓
N. The authority has complied with the publication requirements for 2019/20 AGAR (see AGAR Page 1 Guidance Notes).			✓
O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

08/05/21

Name of person who carried out the internal audit

TIM LIGHT FMAAT

Signature of person who carried out the internal audit

T. J. Light

Date

08/05/21

*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).



7 Hodder Close, Chandlers Ford, Hants, SO53 4QD.
Tel: 07762 780605 Email: Tim.Light1@hotmail.co.uk

Little Coxwell Parish Council - Internal Audit Report 2020 -21

Explanation of No to Control Objective C

It came to the attention of the Internal Auditor that the Parish Council did not minute that a review of the Parish Council risks has been carried out during 2020/2021.

The Parish Clerk will need to produce a 2021/2022 Risk Assessment, and this will need to be presented to the Parish Council during 2021/2022 to ensure compliance with the requirements of Accountability and Governance for Smaller Authorities in England.

We have, therefore, assessed the test as "No" to Control Objective C

Explanation to "Not Covered" to Control Objective L

As this Authority has Receipt and Payments under £25,000, they are subject to publish information on the Council Website in accordance with the Transparency Code Regulation 2015. Due to a change in the Website hosting for the Parish Council, the requirement to display information has not been completed in accordance with the Transparency Code 2015.

We have, therefore, assessed the test as 'Not Covered' to Control Objective L.

Explanation of Not Covered to Control Objective M

We were not able to test compliance with the Council's requirement for the Exercise of Public Rights, as the Council's website could not be checked to confirm the statutory Public Rights period and agree that the required items had been published. **As the Notice is not held on the Website, it is not possible to confirm that the Council correctly calculated the period and published the correct information.**

The External Auditor subsequently confirmed that, in order to ensure compliance a Council must be able to demonstrate via its Website audit trail that all required information was uploaded the day before the Public Rights period commenced, and that the information remained on the website for the duration of the period.

We have, therefore, assessed the test as "Not Covered" to Control Objective M.

Explanation of Not Covered to Control Objective N

We are not able to test that the Council complied with the publication requirements for 2019/2020 as required by the Accounts and Audit Regulations 2015 as no information is displayed on the current Website due to the change in the website hosting during 2020/2021.

We have, therefore, assessed the test as "Not Covered" to Control Objective N

Tim Light FMAAT

Internal Auditor