

COCKING PARISH COUNCIL

INTERNAL AUDIT REPORT

FOR THE YEAR ENDED 31 MARCH 2019

INTRODUCTION

An internal audit of the Parish Council's financial records for the year 2018/2019 has recently been completed. The audit included all financial transactions for the period 1 April 2018 to 31 March 2019 inclusive.

The audit was undertaken in compliance with the requirements of the Accounts and Audit (England) Regulations 2015, and in accordance with the agreed and accepted Audit Plan.

Regulation 3 of the Accounts and Audit (England) Regulations states that the Parish Council must ensure that it has a sound system of internal control which—

- (a) facilitates the effective exercise of its functions and the achievement of its aims and objectives;
- (b) ensures that the financial and operational management of the authority is effective; and
- (c) includes effective arrangements for the management of risk

Regulation 5 of the Accounts and Audit (England) Regulations states that the Parish Council must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, and any officer or member of the Parish Council, if required to do so for the purposes of the internal audit shall -

- (a) make available such documents and records; and
- (b) supply such information and explanations;

The objective of the internal audit is to determine whether the accounting arrangements, procedural controls, records, and documentary evidence are adequate to ensure the accurate and timely recording of financial transactions, so as to comply with all relevant legislation and best practice.

SCOPE

The audit included examination of the receipts and payments account for the year; review of spreadsheets; review of bank statements; review of supplier invoices and claims for reimbursement; review of receipts; review of agendas and minutes of meetings; review of budgets; review of fixed asset register and insurance policy; review of payroll records; confirmation that bank reconciliations and reports are prepared regularly and reviewed at frequent meetings of the Parish Council; and confirmation that the Council's standing orders and financial regulations are kept up to date.

FINDINGS

- 1) Monies paid and received during the year have been accurately recorded and reconciled to the bank and cash balances.
- 2) The accounting records, minutes, standing orders and other financial information were found to be in good order.
- 3) Risk assessments were reviewed and updated
- 4) The reappointment of the internal auditor should be recorded in the minutes
- 5) The accounting and other records were well maintained, accurate and correctly cross-referenced
- 6) The website was reviewed for compliance with the Transparency Code
- 7) The fixed asset register excluded the new noticeboard at The Croft (this has now been updated)

SUMMARY AND OPINION

One of the functions of internal audit is to give assurance to members of the council that the financial systems are operating correctly, and can be relied upon.

In connection with my examination, and having regard to the items reported herewith, no matter has come to my attention that gives me reasonable cause to believe in any *material* respect that the regulatory requirements have not been complied with. Although errors were noted, they did not have any significant financial impact on the figures reported on the annual return.

The accounting arrangements, procedural controls, records and documentary evidence are considered to be satisfactory, and accurately record the Council's financial position.

Rachel Hall (ACA)

8 May 2019