



7, Hodder Close, Chandlers Ford, Hants, SO53 4QD. Tel: (07762 780605) Email: tim.light1@hotmail.co.uk

in association with

Bridget.C.Bowen
Chartered Accountant

Tel: (07465 416597) Email: bridget.c.bowen@outlook.com

The Parish Clerk
Central Swindon South Parish Council
Broadgreen Community Centre,
Salisbury Street,
Swindon
SN1 2AN

1 November 2019

Interim Internal Audit Report

Central Swindon South Parish Council – July to September 2019

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 Governance and Accounts Return.

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).

1 November 2019

Background

Central Swindon South Parish Council has income and expenditure of between £1,000,000 and £2,000,000 and is subject to review by the external auditor, PKF Littlejohn. The Council had a clean annual report from the external auditor for 2018-19.

The Council is not a sole managing trustee.

It is good practice for the Council to comply with the Local Government Transparency Code 2015.

The Council’s accounting records are maintained on RBS Omega.

Internal audit checks

We 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 we checked the following:

- Minutes of Council Meetings
- Policies and procedures
- Bank and cash
- Petty cash
- Investments
- Allotment income
- VAT claims
- Action taken on recommendations in our last report

Findings

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

Good practice

- The Council maintains its books and records on RBS software
- The Clerk is aware of the requirements of GDPR and the Council is registered with the ICO
- Details of total payments authorised at meetings are recorded in the minutes
- All records were up to date and easy to follow
- The budgeting process is detailed and thorough and monitored throughout the year
- Bank reconciliations are carried out promptly each month and were accurate
- Charge cards on the current account are now in use by the Clerk and Deputy Clerk
- There are strong controls over allotment income
- The payroll is operated by an independent external payroll provider
- The Finance Committee takes an active scrutiny role
- VAT claims are made quarterly
- Action has been taken, or is underway on all of the recommendations in the last internal audit report
- The risk assessment has been adopted during the year

Recommendations

- The Council should continue to review the balance held in the current bank account, with a view to transferring some of the balance to an investment account that will generate some investment income.
- The Clerk's contract of employment should be drawn up and signed as soon as possible
- All employees, whether on salaries or zero hours contracts should have an up to date signed contract of employment in place

Other matters to be brought to the Council's attention

- We note that cash continues to be banked only once every 3 to 4 weeks.

Conclusion

Based on the tests we have carried out at this interim internal audit visit, in our view, the internal control procedures in operation are, in all significant respects, adequate to meet the needs of Central Swindon South Parish Council.

Next visit

The next internal audit visit has been arranged for 7 February 2020.

At this visit detailed checks will be carried out on:

- Minutes of Council Meetings
- Bank and cash
- Income and expenditure
- VAT claims
- Asset register
- Action taken on recommendations made in this report

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 we have made.

Tim Light FMAAT and Bridget Bowen FCA
Internal auditors