

Internal Audit Report

(to be read in conjunction with the Annual Internal Audit Report in the Annual Governance and Accountability Return)

Name of council:	MARKFIELD PARISH COUNCIL		
Name of Internal Auditor:	Catherine Camp	Date of report:	30 th April 2021
Year ending:	31 March 2021	Date audit carried out:	30 th April 2021

Internal audit is the periodic independent review of a council's internal controls resulting in an assurance report designed to improve the effectiveness and efficiency of the activities and operating procedures under the council's control. Managing the council's internal controls should be a day-to-day function of the staff and management and not left for internal audit.

The council is required to take appropriate action on all matters raised in reports from internal and external audit and to respond to matters brought to its attention by internal and external audit. Failure to take appropriate action may lead to a qualified audit opinion.

To the Chairman of the Council:

As a consequence of the social distancing restrictions imposed by the UK Government due to the Covid-19 pandemic, I carried out the Internal Audit remotely, by email and a zoom conference call.

I examined the Council's arrangements for management and control of its business in the areas of book-keeping, compliance with proper practises as set out in the Practitioners Guide, risk management, budget setting and monitoring, asset register, bank reconciliations, internal control and year-end procedure.

I appreciate that this Council has been without a clerk for the first 6 months of the year, prior to appointing a Locum Clerk, and am pleased that they have been able to appoint a CiLCA trained Clerk, Lorraine Davies, to work for the Council from March 2021.

All staff are now employed and paid through an external payroll provider, registered for PAYE and with the pension regulator. It was confirmed that the Clerk will be issued with a Contract of Employment shortly.

The Council has reviewed last years Internal Audit report and actioned some of the issues raised.

Terms of reference of any committees are still required and committees must operated correctly, and be open to members of the public with Agendas and Minutes produced. Meetings held to discuss confidential matters should include a brief statement of the content of the meeting for the purposes of transparency.

Risk Assessments, other than Covid-19 related ones have not been carried out, nor has the effectiveness of the internal audit been formally reviewed, so I am unable to answer "yes" to Item C on the Annual Internal Audit Report 2020/21.

Although I was assured that the budget process was carried out as per the "Practitioners Guide", this needs to be reported more clearly in the minutes to show both the level of budget approved as well as the level of precept requested. The budget needs to clearly set out both the earmarked reserve and general reserve levels.

The External Audit report was not published on the councils website within the required timeframe-, so I have been unable to confirm item N of the AIAR as this authority did not comply with the publication requirements for 2019/20 AGAR.

I would like to thank the Clerk, Lorraine Davies, and Councillor Margaret Bowler, Responsible Financial Officer for 2020/21, and Mr John Bowler who has acted as volunteer book-keeper to the council, for their co-operation and assistance in delivering the audit.

This Council has worked very hard to ensure that the finances of the Parish Council have been managed correctly, and that they have been regularly reported to the council. With the appointment of an experienced Clerk I am confident that missing policies and procedures will be put in place, and the 20/21 AGAR will be published on the website within the required timeframe.

This report is based on the evidence made available to me. It would be incorrect to view internal audit as the detailed inspection of all records and transactions of a council in order to detect error or fraud. Consequently the report is limited to those matters set out.

Yours sincerely,

A handwritten signature in black ink that reads "Catherine M Camp". The signature is written in a cursive, flowing style.

Catherine Camp CiLCA FSLCC
Internal Auditor to the Council
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clerk@barbyandonleyparishcouncil.co.uk

The figures submitted in the Annual Governance and Accountability Return are:

	Year ending 31 March 2020	Year ending 31 March 2021
1. Balances brought forward	52,382	53,606
2. Annual precept	129,866	135,310
3. Total other receipts	54,835	46,579
4. Staff costs	27,491	16,712
5. Loan interest/capital repayments	1,605	4,777
6. Total other payments	154,381	109,502
7. Balances carried forward	53,606	104,504
8. Total cash and investments	48,466	93,888
9. Total fixed assets and long term assets	1,162,402	1,162,402
10. Total borrowings	62,060	59,069

The proper practices referred to in Accounts and Audit Regulations are set out in *Governance and Accountability for Smaller Authorities in England (2020)*. It is a guide to the accounting practices to be followed by local councils, and sets out the appropriate standard of financial reporting to be followed.