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27 May 2020

The Parish Clerk

St Mary Bourne Parish Council

Bourne Meadow,

St Mary Bourne,

Andover,

SP11 6BE

Dear Jo

Final Internal Audit Review:

St Mary Bourne Parish Council – covering October 2019 to March 2020 and Year End procedures

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 Accountability and Governance and Accounts Return AGAR).

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).

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This is the final audit in 2019/2020 to check that the Council adheres to the requirements set out in the Governance and Accountability for Smaller Authorities in England ensuring that compliance with proper practices is maintained.

The current Coronavirus outbreak has delayed further visits taking place, but consultations have continued by email and telephone conference calls with the Clerk. The Clerk has also provided back-up information from RBS Alpha software for the period October 2019 to March 2020 to support the current governance and financial management position of the Council. Further confirmation has been obtained of good practice and compliance with the Transparency Code Regulations 2015 from the Council's website.

As we have carried out an interim internal audit visit in October 2019, we will be using the information already recorded from this visit to complete the internal control objectives on the (AGAR) Internal Audit Report.

Where this is necessary, we will complete the AGAR Internal Audit Report on evidence already seen from the previous visit. This is acceptable practice for the External Auditor.

As part of this final Internal Audit Review we checked:

Bank Reconciliations

- the Bank Reconciliation at 31 March 2020 was re-performed and no errors were noted.

Income and Expenditure

- all income and expenditure items as at 31 March 2020 were confirmed and details are accurate to the records held by Council.

VAT Reimbursements

- the Parish Clerk is aware that no VAT claim has yet been submitted for the 2019/2020 and will be submitting a VAT reimbursement claim form to HMRC in the near future.

Parish Council Minutes

- Minutes of the Council were checked on the website for approvals and decisions made from October 2019 to March 2020 and approval of payments were checked for the same period.

Asset Register

- The Asset Register at 31 March 2020 was reviewed and additions for 2019/20 were agreed.

End of Year Procedures 2018/2019

On 29 August 2019, the External Auditor issued a report detailing the results of our limited assurance review of Sections 1 and 2 of this authority's Annual Governance & Accountability Return for the year ended 31 March 2019.

The external auditor report given in Section 3 of the Annual Governance & Accountability Return required amendments as follows:

The External Auditor stated:

Section 1, Assertion 5 has been incorrectly completed, the response should have been 'No'. The internal auditor has responded 'No' to internal control objective C and reported that whilst the Parish Clerk completed the review of risks during 2018/2019, this was not taken to the Parish

June 2, 2020

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Council and recorded in the Minutes before 31 March 2019. **We note that the smaller authority has subsequently resolved to adopt financial risk assessments for both 2018/19 and 2019/20 in May 2019.**

End of Year Procedures 2019/2020

- A full check was carried out on the End of Year documentation provided by the Clerk to confirm the accuracy of the details to be submitted to the External Auditor. This also included the validation of any variances of totals over 15% between 2018/19 and 2019/20 shown on Section 2 of the AGAR as required by the External Auditor.
- The Annual Internal Audit Report to be submitted to the External Auditor was completed and signed by Tim Light.

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 appropriate control framework in place for the Parish Council.

This report should be noted and circulated for the next meeting of the Council to inform them of the Internal Audit work carried out. The details of this Internal Audit Letter Report should also be Minuted by the Council.

Yours sincerely,
Tim Light FMAAT
Internal Auditor.