

Biddenham Parish Council Internal Audit 2019/20

I have carried out an internal audit of the Accounts of the Parish Council in line with the attached schedule, and the requirements of the Audit Commission. I have completed and signed the Annual Return.

The financial records and supporting documents provided show the Parish Council have maintained true and accurate financial records for the year 2019/20. I have also reviewed the Parish Council website and documents available through this resource. The following matters I would like to draw the Council's attention to:

- The Parish Council should ensure its website is up to date with the relevant documents and information to satisfy the Transparency Code.
- The Parish Council must ensure that all payments have the approval of a full Parish Council meeting. The Council must show the full list of transactions in the Parish Council meeting minutes recorded for transparency of their decision making as a corporate body. Even if an item of expenditure is within the agreed budget, it must not be assumed that it is agreeable for payment to be made, as a Councillor may wish to discuss/challenge payment for example, if something has not been carried out as expected. Even items on a direct debit payment must be reflected in the meeting minutes to show the Parish Council's approval to the expenditure.
- There is an expectation that the Council regularly reviews its actual figures against budget in terms of both expenditure and income, I can see this has been done, however, from the minutes it is not clear that this took place regularly throughout the year. It is important these reviews are minuted, even if just to say, Councillors reviewed the actual against budget figures and there were no concerns. This should take place and be recorded at least quarterly.
- The Council over 2020/21 should look at the introduction of some further internal controls, such as a financial risk assessment, and an internal audit plan.
- The Council should ensure that the Council's Standing Orders, Financial Regulations, financial risk assessment, and supporting internal audit control documents are reviewed on an annual basis, with this being clearly minuted.
- The Parish Council have not received a VAT reclaim during the financial year. It is prudent for the Parish Council to file regular VAT reclaims to ensure the Council is not missing income that it is entitled to. An annual reclaim would be my recommendation.

If you have questions on any of the above or require clarification then please do not hesitate to contact me.

Yours sincerely
Lizzie Barnicoat
MAAT, CiLCA