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LIGHTATOUCH

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05 April 2019

The Parish Clerk
Sway Parish Council
Jubilee Fields Pavilion
Sway
Hants SO41 6BE

Dear Katie,

Final Internal Audit Visit: Sway Parish Council – covering February 2019 - March 2019 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, considering public sector internal auditing standards or guidance.

We are bound by the ethical guidelines of the Association of Accounting Technicians (AAT). 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 Internal Auditor’s Report on the 2018-19 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)’ March 2018
- The Accounts and Audit (England) Regulations 2015 (as amended).

This is the final visit for 2018-19 to check that the Parish Council adheres to the requirements set out in the Governance and Accountability for Smaller Authorities in England ensuring that compliance is maintained for the year ended 31 March 2019.

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A series of independent audit tests was undertaken using the various financial records, vouchers, documents, Minutes, the previous audit report to ascertain the efficiency and effectiveness of the Council's internal controls. This visit is to check that the Parish Council adhere to the requirements set out in the Governance and Accountability for Smaller Authorities in England ensuring that compliance is maintained. The visit took place on 05 April 2019.

An Internal Audit testing strategy is set out in the current Governance and Accountability for Smaller Authorities in England appendix 5. This covers a "suggested approach to internal audit testing" covering 10 aspects ranging from Proper bookkeeping right through to Year-end procedures. Our Internal Audit testing is based on this approach.

As part of the Internal Audit Review we checked:

Bank Reconciliations

- the bank reconciliation at 31 March 2019 was reperformed and no errors were noted.

Income and Expenditure

- all un-presented cheques, on-line payment and un-banked income information as at 31 March 2019 were confirmed that the details are accurate to the records held by Parish Council.
- all Remittance Advices were checked and agreed to the Cash Books and bank statements for the period January - March 2019.
- a complete check was carried out to agree the accuracy of payment vouchers and to agree the VAT elements were recorded correctly in the cashbook and the totals on the bank statements between January to March 2019.

Parish Council Minutes

- Minutes of the Parish Council were checked from the Parish Council website for approvals for February 2019 to March 2019 and approval of payments were also checked for the same period.

Asset register

- The Asset Register at 31 March 2019 was reviewed and additions for 2018/19 were agreed.

End of year procedures

- A full check was carried out on the end of year documentation provided by the Parish 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 2017/18 and 2018/19 shown on Section 2 of the Accountability and Governance Annual Return as required by the External Auditor.
- The Annual Internal Audit Report to be submitted to the External Auditor was completed and signed.

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Audit Opinion

We are pleased to report that the various records and procedures in place for the Parish Council provide an adequate standard of control.

This report should be noted and taken to the next meeting of the Parish 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 Parish Council.

Yours sincerely,

Tim Light FMAAT

Internal Auditor