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Mr Philip Edwards
Clerk to Temple Cloud with Cameley Parish Council
4, Valley View
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14 January 2022

Dear Philip

TEMPLE CLOUD WITH CAMELEY PARISH COUNCIL

Internal audit report - Year ended 31 March 2022

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.

I am bound by the ethical guidelines of the Institute of Chartered Accountants of England and Wales. I confirm that I am independent of the Council.

The internal audit work I have carried out has been planned to enable me to give my opinion on the control objectives set out in the Annual Internal Auditor's Report on the 2021-22 Annual Governance and Accounts Return.

I have complied with the legal requirements and proper practices set out in:

- 'Governance and Accountability for Local Councils – A Practitioners' Guide (England)' 2021
- The Accounts and Audit (England) Regulations 2015 (as amended).

I was appointed as internal auditor to the Parish Council for 2021-22 on 4 May 2021.

My interim internal audit review was carried out on 14 January 2022.

Background

Temple Cloud with Cameley Parish Council has income and expenditure of between £50,000 and £100,000 and is subject to review by the external auditor, PKF Littlejohn. The Council had a clean annual report from the external auditor for 2020-21.

The Council is a sole managing trustee of Cameley Playing Field Charity.

The Council is not required to comply with either Transparency Code as it's income and expenditure falls between the thresholds for which either of the Transparency Codes apply.

The Council's accounting records are maintained on Excel.

The Clerk has recently obtained their CiLCA qualification.

Internal audit checks

I 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 review.

During this review I checked the following:

- Minutes of Council Meetings
- Policies and procedures
- Bank and cash
- Income
- Expenditure
- VAT claims
- Payroll
- Insurance
- Budgets and reserves
- Sole managing trustee
- Transparency
- Public Rights

Findings

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

Good practice

- The Clerk is CiLCA qualified
- The Council maintains its books and records on Excel
- All records were up to date and easy to follow
- The Council's Standing Orders and Financial Regulations are reviewed regularly and are tailored appropriately for the Council
- The Council has appropriate policies in place
- The Clerk is aware of the requirements of GDPR and the Council is registered with the ICO
- Bank reconciliations are prepared accurately and regularly

Good practice - continued

- Bank reconciliations are carried out promptly each month, and are checked by a councillor
- Details of all payments authorised at meetings are recorded in the minutes
- All payment vouchers tested were evidenced as approved
- The payroll is operated by an independent external payroll provider
- All eligible employees have either been auto-enrolled in a pension scheme or have opted out in writing
- All employees have contracts of employment
- The budgeting process is detailed and thorough and monitored throughout the year
- VAT claims are made regularly
- The Council takes an active scrutiny role
- Councillors undertake regular spot checks throughout the year
- The risk assessment has been adopted during the year
- The asset register is complete and accurate and has been properly maintained
- Adequate insurance is in place
- The Council has taken appropriate action to enable it to continue to meet and function during the Covid-19 pandemic

Recommendations

- There are no recommendations

Other matters to be brought to the Council's attention

- There are no other matters to bring to the Council's attention.

Conclusion

Based on the tests I have carried out at this internal audit review, in my view, the internal control procedures in operation are adequate to meet the needs of Temple Cloud with Cameley Parish Council.

Next visit

The next internal audit review will be done remotely on 5 April 2022.

At this visit detailed checks will be carried out on:

- Minutes of Council Meetings
- Bank and cash
- Payroll
- Risk assessment
- Asset register
- Budgets and reserves 2022-23
- Year end checks

Next Steps

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

Kind regards

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Bridget Bowen', written in a cursive style.

Bridget Bowen FCA

Internal auditor