

Annual Internal Audit Report 2020/21

Itchen Stoke and Ovington Parish Council

www.itchenstokeandovington-pc.gov.uk

During the financial year ended 31 March 2021, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2020/21 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.			NOT COVERED
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic bank account reconciliations were properly carried out during the year.	✓		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K. If the authority certified itself as exempt from a limited assurance review in 2019/20, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2019/20 AGAR tick "not covered")	✓		
L. The authority publishes information on a website/webpage, up to date at the time of the internal audit, in accordance with the Transparency code for smaller authorities.	✓		
M. The authority, during the previous year (2019-20) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set).	✓		
N. The authority has complied with the publication requirements for 2019/20 AGAR (see AGAR Page 1 Guidance Notes).	✓		
O. (For local councils only)	Yes	No	Not applicable
Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

7/4/21

Name of person who carried out the internal audit

Eleanor S. Green

Signature of person who carried out the internal audit



Date

7/4/21

*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

Do the Numbers Limited

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Southampton, SO16 5NG

023 8077 2341

7th April 2021

Lorraine Wheeler, Clerk
Itchen Stoke and Ovington Parish Council
3 Rownhams Close
Southampton
SO16 8AF

Dear Lorraine,

Subject: Review of matters arising from Internal Audit for 31 March 2021

Please find below the list of matters arising following my review. The internal audit was undertaken during the Covid lockdown and appropriate allowance has been made for that. I found the records of the council to be in very good order.

Control area	Issue	Recommended Action
Transparency Code	It is now a requirement of the AGAR that compliance with the transparency code is checked. A requirement of the code is that all minutes are uploaded (even in draft form) within 30 days of each meeting.	As per the checklist here on page 12 Please ensure that uploading of documents is done promptly
GDPR	In the draft minutes of the February 2021 meeting, a member of the public was named. Parish council minutes cannot be altered once approved and therefor cannot meet the "right to be forgotten" in GDPR	Best practice is to avoid naming residents where possible.
Bank reconciliation approval	With the council moving to electronic banking, members should ensure that they see (and initial) the bank statement when approving the reconciliation.	Once COVID meeting restrictions have eased, physical checks on documents can resume.
Members' Interest forms	It does not appear that any of the councillors have included the interests of their spouses on their DPI forms	When the forms are next updated, please could all details be included.

Please find attached my invoice for the agreed fee. If either you or your councillors have any queries, please do not hesitate to contact me.

Regards



Eleanor S Greene

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Director: Eleanor S Greene