Batheaston Parish Council Meeting, 14th July 2020

Internal Audit Introductory Report

Summary

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.

Our internal audit took place on 23rd June, and was undertaken by Bridget Bowen, a very experienced auditor of both Local Government and Commercial organisations.

The outcome of this audit is reported to the External Auditors PKF Littlejohn, on the "Annual Governance and Accountability Return 2019/20". The deadline for this has been extended this year, due to C-19, to 31st August.

The Return has to be approved by Council, and thus the July meeting is the last scheduled opportunity to do so.

Outcome of the Internal Audit

Please refer to the Draft Internal Audit Report

- **Accounts and Bank Reconciliation**: the minimum objective of bringing these up to date, and "balancing the books" was achieved, not without some effort.
- **Processes and Approvals:** it is clear that processes have not been followed and this has given rise to a number of qualifications in Bridget Bowen's report, and a large number of recommendations.

Next Steps and Future

Council is asked

- to consider its acceptance of the Report from Bridget Bowen
- to approve responses to the assurances in Section 1 of the AGAR
- to approve the Accounting Statements for 2019/20 (Section 2)

Together these constitute the bulk of the submission to the External Auditor, which I will check with Bridget Bowen and submit within 2 weeks, or as soon as possible thereafter if issues arise.

The audit is then required to be displayed publicly (on the website) for a period of 30-working days starting on or before the first working day of September.

It is recommended that a detailed action plan to address all the recommendations and shortcomings be developed by the Finance Committee and the Clerk, for approval at the next Council meeting. It will be imperative that Council ensure that this is carried through.

Richard Maccabee, 13th July 2020