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Our Ref: MARK/HEN001

Mr K Wright  
Henfield Parish Council  
The Henfield Hall  
Henfield  
West Sussex  
BN5 9DP

Dear Kevin

**Re: Henfield Parish Council**  
**Internal Audit Year Ended 31 March 2022**

### **Executive summary**

Following completion of our interim internal audit on 22 October 2021 we enclose our report for your kind attention and presentation to the council. The audit was conducted in accordance with current practices and guidelines and testing was risk based. Whilst we have not tested all transactions, our samples have where appropriate covered the entire year to date. **Testing requirements are shown in red** and where appropriate **recommendations for future action are shown in bold text and summarised in the tables at the end of the report.**

Our report is presented in the same order as the assertions on the internal auditor report within the published AGAR. The start of each section details the nature of the assertion to be verified, followed by recommended minimum testing requirements. Each section is then concluded with an opinion as to whether the assertion has been met or not.

Our sample testing did not uncover any errors or misstatements that require reporting to the external auditor, nor did we identify any significant weaknesses in the internal controls such that public money would be put at risk.

It is clear the council takes governance, policies and procedures very seriously and I am pleased to report that overall, the systems and procedures you have in place are fit for purpose and whilst my report may contain recommendations to change these are not indicative of any significant failings, but rather are pointers to improving upon an already well-ordered system.

It is therefore our opinion that the systems and internal procedures at Henfield Parish Council are well established and followed.

### **Regulation**

The Accounts and Audit Regulations 2015 require smaller authorities, each financial year, to conduct a review of the effectiveness of the system of internal control and prepare an annual governance statement in accordance with proper practices in relation to accounts. In addition to this, a smaller authority is required by Regulation 5(1) of the Accounts and Audit Regulations 2015 to “undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.”

Internal auditing is an independent, objective assurance activity designed to improve an organisation’s operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. The purpose of internal audit is to review and report to the authority on whether its systems of financial and other internal controls over its activities and operating procedures are effective.

Internal audit’s function is to test and report to the authority on whether its specific system of internal control is adequate and working satisfactorily. The internal audit reports should therefore be made available to all members to support and inform them when they considering the authority’s approval of the annual governance statement.

**Independence and competence**

Your audit was conducted by Andy Beams of Mulberry & Co. We confirm we are independent from the management of the financial controls and procedures of the council and neither the internal auditor or the firm have any conflicts of interest with the audit client, nor do they provide any management or financial assistance to the client.

Your auditor has over 30 years' experience in the financial sector with the last 11 years specialising in local government.

**Engagement Letter**

An engagement letter was issued to the council covering the 2021/22 internal audit assignment. Copies of this document are available on request.

**Planning and inherent risk assessment**

The scope and plan of works including fee structure was issued to the council under separate cover. Copies of this document are available on request. In summary, our work will address each of the internal control objectives as stated on the Annual Internal Audit Report of the AGAR.

- There have been no instances of breaches of regulations in the past
- The client uses an industry approved financial reporting package
- The client regularly carries out reconciliations and documents these
- There is regular reporting to council
- The management team are experienced and informed
- Records are neatly maintained and referenced
- The client is aware of current regulations and practices
- There has been no instance of high staff turnover

At the interim audit date, it is my opinion that the inherent risk of error or misstatement is low, and the controls of the council can be relied upon and as such substantive testing of individual transactions is not required. Testing to be carried out will be "walk through testing" on sample data to encompass the period of the council year under review. A final audit will be conducted after the year-end of 31 March 2022.

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**A. BOOKS OF ACCOUNT (INTERIM AUDIT)****Internal audit requirement**

*Appropriate accounting records have been properly kept throughout the financial year.*

**Recommended minimum testing:**

- Ensure the correct roll forward of the prior year cashbook balances to the new financial year
- Check a sample of financial transactions in cashbooks to bank statements, etc.: the sample size dependent on the size of the authority and nature of accounting records maintained

**Interim audit**

The council continues to use Sage for recording the day-to-day financial transactions of the council. This is a tried and tested accounting package and I make no recommendation to change.

The interim audit was conducted on site and the Clerk had provided links to key financial documents on the council website in advance of the meeting and had other information to hand on the day.

Meeting agendas are logically structured and minutes show clear resolutions being made by committee and council. I make no recommendation to change this system.

The council is not VAT registered and completes reclaims via a VAT 126 claim form on a quarterly basis. The last VAT reclaim was for the period 1 July to 30 September 2021 inclusive and showed a refund position of £5,171.51. This amount has not yet been received to the council's bank account, but I was able to trace previous refunds being received.

**Section conclusion**

I am of the opinion that the control assertion of "Appropriate accounting records have been properly kept throughout the financial year" has been met.

**B. FINANCIAL REGULATIONS, GOVERNANCE AND PAYMENTS (INTERIM AND FINAL AUDIT)****Internal audit requirement**

*This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for.*

**Recommended minimum testing:**

- Review the procedures in place for acquisition of formal tenders and quotes, ensuring they are in line with the Standing Orders and Financial Regulations which should be based on the latest version.
- Ensure that consistent values are in place for the acquisition of formal tenders between Standing Orders and Financial Regulations (frequently different limits are recorded in the two documents)
- Review the procedures for receipt of invoices, agreement of invoice detail and confirmation of goods /services delivery and approval for payment: ideally, a suitably designed certification stamp should be in place providing for evidencing of these checks and payment authorisation
- Check that there is effective segregation between the writing of cheques or the setting up of online payments, and physical release of payments
- Check that VAT reclaims are prepared and submitted in a timely manner in line with the underlying records and in accordance with current HMRC requirements
- Where debit / credit cards are in use, establish the total monthly and individual transaction limits and ensure appropriate controls over physical security and usage of the cards are in place

**Interim audit**

*Check the publication and minuting of the prior year audited AGAR and notice of conclusion of audit.*

The external auditor's report and Notice of Conclusion of Audit have been published on the council website. The external auditor drew attention to the fact that the previous year's conclusion was not formally received and noted by council at a meeting, and

the Clerk confirmed that arrangements are in place to complete this for the current year at the council meeting scheduled in November.

*Confirm by sample testing that councillors sign statutory office forms*

I confirmed by sample testing that councillors sign "Acceptance of Office" forms. The council website provides details of the Disclosable Pecuniary Interests of each Member.

*Confirm that the council is compliant with the relevant transparency code*

I reviewed the council website and was able to find a Financial Transparency page which explains the requirements of the code and has the applicable information published on it or directs the reader to where it is on the website.

*Confirm that the council is compliant with GDPR*

The council is fully aware of GDPR and has undergone training. It was noted the council has established common email addresses for all councillors. This is recommended because it gives a natural segregation between work and personal lives, making it clear beyond doubt in what capacity a councillor is acting. In addition to this it gives control to the council, adds a degree of professionalism and in the event of a FOI request limits access to personal computers.

The council has a Privacy Notice and Accessibility Statement on the home page of its website. It is clear the council takes its responsibilities seriously and has made every effort to comply with the legislation.

*Confirm that the council meets regularly throughout the year*

In addition to full council, the council has committees for Finance, Risk & Change Governance, Recreations & Open Spaces, Village Amenities, Museum and Plans Advisory. There are regular scheduled meetings during the year, and details of future meetings are available online.

*Check that agendas for meetings are published giving 3 clear days' notice.*

The Clerk was able to demonstrate that at least 3 clear days' notice is given on agendas. Whilst we have not tested every single committee and council meeting there was no evidence of non-compliance in giving three clear days' notice of the meeting. It was noted that supporting documentation for agendas is published on the council website for some meetings, but not all, and I **remind council it is required to also post any supporting documentation with the agendas as outlined by the Information Commissioner's Office** (page 3 of this link) [ico.org.uk/minutesandagendas.pdf](https://ico.org.uk/minutesandagendas.pdf)

*Check the draft minutes of the last meeting(s) are on the council's website*

Draft minutes are uploaded to the council website and clearly marked as draft. These are subsequently replaced with final versions once approved.

*Confirm that the Parish Council's Standing Orders have been reviewed within the last 12 months.*

The standing orders are based on the latest NALC model and were most recently adopted by council in July 2020. **Council is reminded that a review should be completed every twelve months, even if the resolution is to readopt unchanged.**

*Confirm that the Parish Council has adopted and recently reviewed Financial Regulations.*

Financial regulations are based on the latest NALC model and were last reviewed and adopted by council in March 2021. The council has made changes to the model to ensure that they are effective for this size of council. From discussion with the Clerk, he confirmed that the adopted Financial Regulations work effectively, and I found no inclusions which were unsuitable. The regulations contain provisions for the approval of spending, setting of budgets, reconciliation of the bank and reporting to council.

*Check that the council's Financial Regulations are being routinely followed.*

The council has thresholds in place at which authorisations to spend must be obtained. FR 6.5 states 'Expenditure items that are within the budget already approved by Council and are up to and including £10,000, may be paid away in line with normal banking arrangements and will not need to be referred to Parish Council for approval. At the next Council meeting the monthly payments should be summarised and reported by way of a schedule, as an appendix to the Agenda. Councillors will be invited to question any items which will be discussed under the Finance and General Purposes section of the Agenda, to ensure full transparency. The RFO should confirm that all expenditure items listed are within Committee budgets or highlight any exceptions and the total expenditure should be noted in the minutes.'

I tested a sample of invoices from July 2021 and found no evidence of the above expenditure authorisation not being adhered to. The invoices are neatly filed, clearly annotated and contain evidence of sign off by councillors. It is clear the Clerk has developed an effective system for the payment and authorisation of invoices.

The minutes of meetings demonstrate that Members are provided with sufficient information to make informed financial decisions, and I make no recommendation to change.

*Confirm all section 137 expenditure meets the guidelines and does not exceed the annual per elector limit of £8.41 per elector.*  
The council has expenditure within thresholds.

*Confirm that checks of the accounts are made by a councillor.*

The system noted above details internal review takes place and I am under no doubt that council properly approves expenditure.

#### **Section conclusion**

At the interim audit date, I am of the opinion that the control assertion "This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for" has been met.

### **C. RISK MANAGEMENT AND INSURANCE (INTERIM AND FINAL AUDIT)**

#### **Internal audit requirement**

*This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.*

#### **Recommended minimum testing:**

- Ensure that authorities have prepared, and formally adopted, at least once annually, an appropriate and comprehensive register of assessed risks, both regular and ad hoc
- Ensure that appropriate levels of insurance cover are in place for land, buildings, public, employers' and hirers' (where applicable) liability, fidelity / employees (including councillors) liability, business interruption and cyber security
- Ensure that appropriate arrangements are in place for monitoring play areas, open spaces and sports pitches: such reviews should be undertaken by appropriately qualified external inspectors or, if by officers or members, that they have received the appropriate training and accreditation

#### **Interim audit**

The council has a risk management strategy and risk registers in place. These include the types of risk, consequences, likelihood and severity of impact, existing mitigation measures and any required actions. Risks are categorised low/medium/high and these are reviewed annually in February.

I confirmed that the council has a valid insurance policy in place with Hiscox in a long-term agreement expiring on 1 June 2026. The policy includes Public Liability and Employers Liability cover of £10 million each and an Employee Dishonesty (Fidelity Guarantee) level of £400,000. These levels appear appropriate for a council of this size.

#### **Section conclusion**

At the interim audit date, I am of the opinion that the control objective of "This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these" has been met.

### **D. BUDGET, PRECEPT AND RESERVES (INTERIM AND FINAL AUDIT)**

#### **Internal audit requirement**

*The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.*

#### **Recommended minimum testing:**

- Ensure that the full authority, not a committee, has considered, approved and adopted the annual precept in accordance with the required parent authority timetable

- Ensure that budget reports are prepared and submitted to authority / committees periodically during the year with appropriate commentary on any significant variances
- Review the budget performance either during the year or at the financial year-end seeking explanations for any significant or unanticipated variances
- Ensure that the authority has considered the establishment of specific earmarked reserves and, ideally, reviews them annually as part of the budget assessment process
- Ensure that the precept in the accounts matches the submission form to the relevant authority and the public record of precepted amounts

### Interim audit

The Clerk confirmed that the budget setting process for 2022/23 has commenced. The Clerk is meeting with the Chairman later today to review the first draft of the budget, with this then circulated to committees for review at their scheduled meetings in November. The Finance, Risk and Change Governance committee will pull together all committee budgets in December and present a recommendation to council for approval in January 2022.

At the half year point for 2021/22, income is reported as 96.6% and expenditure as 51.8% of budget. I reviewed the individual cost codes, and those which are anticipated to be spent evenly throughout the year all appear to be on track.

The council holds circa £87,000 in earmarked reserves. Through discussion with the Clerk, these all appear to be for legitimate projects the council intends to deliver, and the levels are reviewed as part of the annual budget setting process. The council also holds circa £136,000 in general reserve, which is consistent with the council's adopted FR 5.2 which states '*Undistributed or General Reserve funds should be maintained within a maximum of 50% of the value of the Annual Precept amount other than in exceptional circumstances which must be approved by Full Council*'.

### Section conclusion

At the interim audit date, I am of the opinion that the control objective of "The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate" has been met.

## E. INCOME (INTERIM AND FINAL AUDIT)

### Internal audit requirement

*Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.*

### Recommended minimum testing:

- Review "aged debtor" listings to ensure appropriate follow up action is in place
- Allotments: ensure that appropriate signed tenancy agreements exist, that an appropriate register of tenants is maintained identifying, that debtors are monitored.
- Burials: ensure that a formal burial register is maintained that it is up-to-date and that a sample of interments and memorials are appropriately evidenced, that fees have been charged at the correct approved rate and been recovered within a reasonable time: (Authorities should also acquire and retain copies of Burial / Cremation certificates)
- Hall hire: ensure that an effective diary system for bookings is in place identifying the hirer, hire times and ideally cross-referenced to invoices raised
- Leases: ensure that leases are reviewed in a timely manner in accordance with the terms of the lease and rents similarly reviewed appropriately at the due time
- Other variable income streams: ensure that appropriate control procedures and documentation are in existence to provide a clear audit trail through to invoicing and recovery of all such income
- Where amounts are receivable on set dates during the year, ensure that an appropriate control record is maintained duly identifying the date(s) on which income is due and actually received / banked

**Interim audit**

Apart from the precept, the council receives income from the cemetery, the football and cricket clubs, grants, bank interest and the Kings Field Trust.

The cemetery fees were last reviewed and agreed in February 2020 by the Village Amenities committee, and subsequently confirmed by the Finance, Risk and Change Governance committee.

Most receipts are either paid directly into the bank account or by cheque. The council has not received any cash payments during the year, but the Clerk was able to confirm that if they did, a receipt would be issued and the cash securely locked away until it was paid into the bank.

**Section conclusion**

At the interim audit date, I am of the opinion that the control objective of "Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for" has been met.

**F. PETTY CASH (INTERIM AUDIT)****Internal audit requirement**

*Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.*

**Recommended minimum testing:**

- A number of authorities are now running down and closing their petty cash accounts and using debit / credit cards for ad hoc purchases. Consequently, a "not applicable" response is frequently required in this area.
- Review the systems in place for controlling any petty cash and cash floats (used for bar, catering, etc.)
- Check a sample of transactions during the financial year to ensure appropriate supporting documentation is held
- Review the existence of evidenced periodic independent verification of the petty cash and any other cash floats held
- Ensure that VAT is identified wherever incurred and appropriate
- Physically check the petty cash and other cash floats held
- Where bar or catering facilities are in place, ensure that appropriate cashing-up procedures are in place reconciling the physical cash takings to the till "Z" total readings

**Interim audit**

The council maintains a petty cash float of £50, used for incidental expenses. Since the council obtained a debit card for use, petty cash has been used less frequently, and is balanced on a quarterly basis. Given the limited number of transactions and the low balance retained in petty cash, I am satisfied that the council has sufficient safeguards in place for the handling of petty cash.

**Section conclusion**

I am of the opinion the control objective of "Petty cash payments were properly supported by receipts, all petty cash expenditure was approved, and VAT appropriately accounted for" has been met.

**G. PAYROLL (INTERIM AND FINAL AUDIT)****Internal audit requirement**

*Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.*

**Recommended minimum testing:**

- Ensure that, for all staff, a formal employment contract is in place together with a confirmatory letter setting out any changes to the contract
- Ensure that appropriate procedures are in place for the payment of members allowances and deduction of any tax liability

- Ensure that, for a sample of staff salaries, gross pay due is calculated in accordance with the approved spinal point on the NJC scale or hourly rate, if off-scale, and with the contracted hours
- Ensure that appropriate tax codes are being applied to each employee
- Where free or paid for software is used, ensure that it is up to date.
- For the test sample of employees, ensure that tax is calculated appropriately
- Check the correct treatment of pension contributions to either the Local Government pension scheme (non - taxable, deducted from the gross salary or DC schemes like NEST which already allow for tax deductions)
- For NI, ensure that the correct deduction and employer's contributions are applied: NB. The employers' allowance is not available to councils but may be used by other authorities
- Ensure that the correct employers' pension percentage contribution is being applied
- Ensure that for the test sample, the correct net pay is paid to the employee with tax, NI and pension contributions correctly paid to the respective agencies

### Interim audit

The council uses external company to provide payroll services. The external provider completes all the PAYE and NI calculations and provides the information to the council to make the salary and HMRC payments. A review of the accounting records shows that HMRC payments are up to date.

All employees have a signed contract of employment, and the council is registered with the West Sussex County Council (LGPS) Pension scheme. There are councillor allowances which are paid through payroll on a quarterly basis.

### Section conclusion

At the interim audit date, I am of the opinion that salaries are correctly stated on the AGAR and that the control object of "Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied" has been met.

## H. ASSETS AND INVESTMENTS (INTERIM AND FINAL AUDIT)

### Internal audit requirement

*Asset and investments registers were complete and accurate and properly maintained.*

### Recommended minimum testing:

#### Tangible fixed assets

- Ensure that the authority is maintaining a formal asset register and updating it routinely to record new assets at historic cost price, net of VAT and removing any disposed of / no longer serviceable assets
- Physically verifying the existence and condition of high value, high risk assets may be appropriate
- Ideally, the register should identify for each asset the purchase cost and, if practicable, the replacement / insured cost, the latter being updated annually and used to assist in forward planning for asset replacement
- Additions and disposals records should allow tracking from the prior year to the current
- Ensure that the asset value to be reported in the AGAR at Section 2, Box 9 equates to the prior year reported value, adjusted for the nominal value of any new acquisitions and /or disposals
- Compare the asset register with the insurance schedule to ensure that all assets as recorded are appropriately insured or "self-insured" by the authority

#### Fixed asset investments

- Ensure that all long-term investments (i.e., those for more than 12-month terms) are covered by the "Investment Strategy" and reported as Assets in the AGAR at Section 2, Box 9.

#### Borrowing and lending

- Ensure that the authority has sought and obtained appropriate DMO approval for all loans acquired
- Ensured that the authority has accounted for the loan appropriately (i.e., recorded the full value of the loan. Any arrangement fee should be regarded as an admin expense) in the year of receipt

- Ensure that the combined principal loan repayment and interest for the year is correctly recorded in the AGAR at Section 2 Box 5
- Ensure that the outstanding loan liability as of 31st March each year is correctly recorded in the AGAR at Section 2, Box 10 (value should be verified via the DMO website)
- Where the authority has issued loans to local bodies, they should ideally seek signed indemnities from the recipient body, or their members, agreeing to underwrite the loan debt

#### Interim audit

The council has a fixed asset register which is maintained in an Excel format. The register provides a description of the asset, its date of acquisition, location, original/proxy cost, replacement value and insurance value. The register has been updated this month and shows recent acquisitions by the council.

This is suitable for a council with assets of this nature and my only comment would be to consider adding columns to the existing register to indicate the expected useful life of an asset (to assist the council in budgeting for future replacements) and the date last physically checked (to support the council in recording regular checks of the asset are completed).

#### Section conclusion

At the interim audit date, I am of the opinion that the control objective of "Asset and investments registers were complete and accurate and properly maintained" has been met.

### I. BANK AND CASH (INTERIM AND FINAL AUDIT)

#### Internal audit requirement

*Periodic and year-end bank account reconciliations were properly carried out.*

#### Recommended minimum testing:

- Ensure that bank reconciliations are prepared routinely, are subject to independent scrutiny and sign-off by members
- Verify the accuracy of the year-end bank reconciliation detail and ensure accurate disclosure of the combined cash and bank balances in the AGAR, Section 2, Box 8
- Where the authority has bank balances in excess of £100,000 it has an appropriate investment strategy

#### Interim audit

Bank reconciliations are reviewed and signed off at Finance, Risk and Change Governance committee meetings. I reviewed the bank reconciliation records and was able to confirm this practice is completed, that councillors are signing the reconciliation and original bank statements, and that the balances were confirmed.

The council holds accounts with Barclays, Nat West and HSBC. I noted the balances with Barclays and Nat West are retained within the Financial Services Compensation Scheme (FSCS) limit of £85,000, but the HSBC balance regularly exceeds this level. I encourage the council to consider the benefits of additional accounts to maximise the protection offered by the FSCS. Further details can be found via this link [www.fscs.org.uk](http://www.fscs.org.uk)

#### Section conclusion

At the interim audit date, I am of the opinion that bank and cash balances are properly shown on the AGAR and that the control objective of "Periodic and year-end bank account reconciliations were properly carried out" has been met.

### J. YEAR END ACCOUNTS (FINAL AUDIT)

#### Internal audit requirement

*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.*

**Recommended minimum testing:**

- Ensure that, where annual turnover exceeds £200,000, appropriate records are maintained throughout the year on an Income and Expenditure basis to facilitate budget reporting in that vein
- Ensure that appropriate accounting arrangements are in place to account for debtors and creditors during the year and at the financial year-end

**Section conclusion**

To be reviewed at the year-end audit.

**K. LIMITED ASSURANCE REVIEW (FINAL AUDIT)****Internal audit requirement**

*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”)*

**Recommended minimum testing:**

- The correct exemption certificate was prepared and minuted in accordance with the statutory submission deadline
- That it has been published, together with all required information on the Authority’s website and noticeboard

**Section conclusion**

To be reviewed at the year-end audit.

**L: TRANSPARENCY (INTERIM AUDIT)****Internal audit requirement**

*If the authority has an annual turnover not exceeding £25,000, it 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*

**Recommended minimum testing:**

- This test applies only to those councils covered by the £25,000 External Audit exemption
- Internal auditors should review the authority’s website ensuring that all required documentation is published in accordance with the Transparency Code for Smaller Authorities

**Interim audit**

The council has an annual turnover exceeding £25,000, and this test does not apply.

**Section conclusion**

I am of the opinion that the control assertion of “*If the authority has an annual turnover not exceeding £25,000, it 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*” is not applicable due to the council turnover exceeding £25,000.

**M: EXERCISE OF PUBLIC RIGHTS - INSPECTION OF ACCOUNTS (FINAL AUDIT)****Internal audit requirement**

*The authority has demonstrated that during summer 2021 it correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations.*

**Recommended minimum testing:**

- Internal auditors should acquire / examine a copy of the required “Public Notice” ensuring that it clearly identifies the statutory 30 working day period when the authority’s records are available for public inspection.
- Internal auditors may also check whether councils have minuted the relevant dates at the same time as approving the AGAR

**Section conclusion**

To be reviewed at the year-end audit.

**N: PUBLICATION REQUIREMENTS (INTERIM AUDIT)****Internal audit requirement**

The authority has complied with the publication requirements for 2020/21. Under the Accounts and Audit Regulations 2015, authorities must publish the following information on the authority website / webpage.

**Recommended minimum testing:**

- Internal auditors should acquire / examine a copy of the required "Public Notice" ensuring that it clearly identifies the statutory 30 working day period when the authority's records are available for public inspection.
- Internal auditors may also check whether councils have minuted the relevant dates at the same time as approving the AGAR

Before 1 July 2021 authorities must publish:

- Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited
- Section 1 - Annual Governance Statement 2020/21, approved and signed, page 4
- Section 2 - Accounting Statements 2020/21, approved and signed, page 5

Not later than 30 September 2021 authorities must publish:

- Notice of conclusion of audit
- Section 3 - External Auditor Report and Certificate
- Sections 1 and 2 of AGAR including any amendments as a result of the limited assurance review.

It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report, page 3.

**Interim audit**

I was able to confirm that the publication requirements for 2020/21 have been met and the Notice of Public Rights is published on the council website.

**Section conclusion**

I am of the opinion that the control assertion of "the authority has complied with the publication requirements for 2019/20 AGAR. Under the Accounts and Audit Regulations 2015, authorities must publish the following information on the authority website / webpage" has been met.

**O. TRUSTEESHIP (INTERIM AUDIT)****Internal audit requirement**

Trust funds (including charitable) – The council met its responsibilities as a trustee.

**Recommended minimum testing:**

- Confirm that all charities of which the council is a Trustee are up to date with Charity Commission filing requirements
- that the council is the sole trustee on the Charity Commission register
- that the council is acting in accordance with the Trust deed
- that the charity meetings and accounts are recorded separately from those of the council
- review the level and activity of the charity and where a risk-based approach suggests such, review the Independent Examiner's report

**Interim audit**

The council has two trusts – The Kings Field (charity number 270451) and The George William Rothery Fund (charity 1005503). The Clerk was able to provide copies for the most recent reports submitted to the Charity Commission for both trusts.

The Kings Field trust has a separate bank account for managing the financial transactions. The George William Rothery Fund has no financial transactions.

**Section conclusion**

I am of the opinion that the control assertion of "Trust funds (including charitable) – The council met its responsibilities as a trustee" has been met.

Should you have any queries please do not hesitate to contact me.

Yours sincerely



**Andy Beams**

**For Mulberry & Co**

**Interim Audit - Points Forward**

<b>Audit Point</b>	<b>Audit Findings</b>	<b>Council comments</b>
<b>FINANCIAL REGULATIONS, GOVERNANCE AND PAYMENTS</b>	I remind council it is required to also post any supporting documentation with the agendas as outlined by the Information Commissioner's Office	
<b>FINANCIAL REGULATIONS, GOVERNANCE AND PAYMENTS</b>	Council is reminded that a review should be completed every twelve months, even if the resolution is to readopt unchanged.	