

LIGHTATOUCH

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30 May, 2023

The Parish Clerk

South Wonston Parish Council

PO Box 324

South Wonston

Winchester

SO21 3WB

Dear Rachael

**Final Internal Audit Review:
South Wonston Parish Council – covering December 2022 to March 2023 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, taking into account public sector internal auditing standards or guidance.

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 Annual Internal Auditor's Report on the 2022-23 Accountability and Governance Annual Return (AGAR).

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

- 'Accountability and Governance for Smaller Authorities – A Practitioners' Guide (England)' 2022
- The Accounts and Audit (England) Regulations 2015 (as amended).

This is the final audit in 2022/2023 to check that the Council adheres to the requirements set out in the Accountability and Governance for Smaller Authorities in England ensuring that compliance with proper practices is maintained.

The final internal audit visit was carried out on Tuesday 30 May 2023. The Parish Clerk has also provided back-up information from RBS Omega Software for the period December 2022 to March 2023 and End of Year details to support the current governance and financial management position of the Council.

Further confirmation has been obtained of good practice and compliance with the Transparency Code Regulation 2015 from the Council's website.

As we have carried out an Interim Internal Audit review in 2022/2023, we are also using the information already recorded from these to support the completion of the internal control objectives on the (AGAR) Annual Internal Audit Report.

Where this is necessary, we will complete the AGAR Internal Audit Report on evidence already seen from the previous reviews. This is acceptable practice for the External Auditor.

We have noted as part of the end of year internal audit review the following details and would recommend that the Parish Council should:

- comply with the requirements of the Transparency Code Regulations 2015 by uploading financial management information to the Parish Council website on a regular basis.
- continue to review the high balances in its Current Account taking into account the Parish Council Reserves position to maximise its income.

As part of this final Internal Audit Review, we checked:

Bank Reconciliations

- the Bank Reconciliation at 31 March 2023 was re-performed and no errors were noted.

Income and Expenditure

- all income and expenditure items as at 31 March 2023 were confirmed and details are accurate to the records held by Council.

Risk Assessment 2022/2023

- the risks of the Parish Council were reviewed and approved in March 2023 to ensure that the requirements of the Governance and Accountability for Smaller Authorities in England (March 2022) is met.

Parish Council Minutes

- Minutes of the Council were checked for approvals and decisions made and approval of payments was checked for December 2022 to March 2023.

Asset Register

- The Asset Register at 31 March 2023 was reviewed and additions for 2022/23 were agreed.

End of Year Procedures 2022/2023

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 2021/22 and 2022/2023 shown on Section 2 of the AGAR as required by the External Auditor.

The 2022/2023 AGAR Internal Audit Report requires the Internal Auditor to check the Council has correctly provided the proper opportunity for the Exercise of Public Rights in accordance with the requirements of the Accounts and Audit Regulations during 2022.

This includes the Internal Auditor being shown evidence that the posting of the Notice on the website was done at least one clear day before the 30-working day period begins. *(Audit Note: The Council failed to make proper provision during 2022 as the posting of the Exercise for public right notice was done after the 1 July 2022.*

The Authority must answer No to Assertion 4 on the Annual Governance Statement 2022/2023. We have also answered "No" to Control Objective M and N.

The Annual Internal Audit Report to be submitted to the External Auditor was completed and signed by Tim Light.

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

Finally

We confirm that notice is given that 2022/2023 will be the final year for Internal Audit provision by Lightatouch.

Due to personal circumstances, we will no longer be able to commit to the time required to carry out the internal audit in 2023/2024.

Furthermore, best practice recommends market testing for the Internal Audit service every 3 to 5 years.

We would like to thank you for your business whilst I have undertaken the Internal Audit for the Parish Council.

Yours sincerely,
Tim Light FMAAT
Internal Auditor.