

To members of Raynham Parish Council

28th April 2019

I have conducted an Internal Audit for Raynham Parish Council for 2018/19. I would like to thank the Clerk for providing me with all the required paperwork for the audit. I have undertaken random testing of key controls areas, such as book keeping, financial controls, risk management, payroll, VAT and budgetary controls. I have been able to complete all boxes of AGAR (Page 4) with a YES response. However, I have a few *advisory notes* for the council's consideration:

Website

The Council must display its FOI Publication Scheme on the website. The Budget should be displayed on the website. Councils who are "exempt" must display certain documents on their website. I have given the Clerk a list of these documents.

Financial Controls

It is noted that these were all reviewed in October 2018 (Standing Orders, Financial Regulations; Risk Management). There should be a review undertaken in 2019/20:

Standing Orders – Contracts should be changed to include recent legislative changes (I have given the Clerk a copy of these changes). I have forwarded the Clerk a copy of this revision.

Risk Management - Reference to the Annual Return should now be deleted and replaced by AGAR.

Budget – ensure that the budget is formally agreed with a council minute prior to setting the precept. Ensure the review of actuals against budget are minuted at the half year point.

Asset Register

The Asset Register should include any purchases made in 2019/20 – outdoor gym £1379; BT Kiosk. Council might consider the insurance valuation of the BT Box at its purchase cost of £1 as being too low – it should probably be £500.

AGAR

Completion of the Exemption Certificate should be approved by council in a minute. This should then be followed by the approval of the AGAR Governance Statement and then the Accounting Statement – and minuted in this order.

VAT

A VAT reclaim has been made up to and including September 2018. The council should note that it can claim VAT for expenses such as stationery provided a receipt with VAT number is obtained.

Other payments

It was noted that a Hamper was purchased in December 2018. Council should note that it cannot gift individuals. The way round this is to agree a budget for a Chairman's allowance (which does not necessarily have to be used). The council may have exceeded its S137 allowance for the year 2018/19 (S137 payments - purchases made where the council has no legal power are limited for the year 2018/19 to £7.86 per elector).