

Fair Account

Fair Account
1 Roker Way
Fair Oak
Eastleigh
Hants
SO50 7LD

TEL: 07815 435 380

11 May 2021

Frome Town Council
Town Clerk
Christchurch Street West
Frome
Somerset
BA11 1EB

Dear Mr Wynne

End of Year Internal Audit Report for Frome Town Council 2020/21

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 by 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 2020-21 Annual Accountability and Governance and Accounts Return AGAR.

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

- 'Governance and Accountability for Local Councils – A Practitioners' Guide (England)' 2020
- The Accounts and Audit (England) Regulations 2015 (as amended).

This is the final audit in 2020/2021 to check that the Council adheres to the requirements set out in the Governance and Accountability for Smaller Authorities in England ensuring that compliance with proper practices is maintained.

The current Coronavirus outbreak has delayed further visits taking place, but consultations have continued by video link and telephone conference calls with the Clerk, Business Manager (RFO) and Assistant Finance Officer. The Business Manager has also provided back-up information from the RBS Omega and continued access to the Audit folder held on the Town Council Server for the period February - March 2021 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 Regulations 2015 from the Council's website.

As we have carried out interim internal audit visits and reviews through 2020/2021, we are also using the information already recorded from these visits to complete the internal control objectives on the (AGAR) Internal Audit Report. Where this is necessary, we will complete the AGAR Internal Audit Report on evidence already seen from the previous visit. This is acceptable practice for the External Auditor.

As part of this final Internal Audit Review we checked:

Bank Reconciliations including all bank accounts, Petty Cash, CCLA Deposit Fund

- all Bank Reconciliations as at 31 March 2021 were re-performed and no errors were noted.

Income and Expenditure incl. VAT reimbursements, PWLB Loan payments and balances

- all income and expenditure items as at 31 March 2021 were confirmed and details are accurate to the records held by Council.

Town Council Minutes

- Minutes of the Council were checked on the website for approvals and decisions made and approval of payments were checked for February and March 2021. *(Audit Note: The Budget 2021/2022 was noted but not formally approved by the Council at their meeting on 20 January 2021. The Business Manager has agreed that this will be remedied by including on the Council Agenda for the meeting on 19 May 2021 an item to ratify the decision to approve the Budget for 2021/2022).*

Asset Register

- The Asset Register was reviewed, & additions / disposals for 2020/21 were agreed.

Insurance

NB It may be prudent to review Council's Cyber cover, as malware attacks are now becoming more commonplace on Local Councils.

End of Year Procedures

- A full check was carried out on the End of Year documentation provided by the Assistant Finance Officer 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 2019/20 and 2020/21 shown on Section 2 of the AGAR as required by the External Auditor.
- The Annual Internal Audit Report to be submitted to the External Auditor was signed.

We are pleased to report that the various records and procedures in place for the Council provide a very good standard of control.

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.

Your sincerely
Paul Reynolds FMAAT and Tim Light FMAAT