

Great Denham Parish Council Internal Audit 2018/19

I have carried out an internal audit of the Accounts of the Parish Council in and have completed and signed Page 3 of the Audit Commission Annual Return. As reported in 2018, it was again pleasing to see the actions that had been taken forwards from last year's report.

I have also reviewed the Parish Council's website and it was pleasing to see so much information available online.

There are a few items the Council should review and consider:

- When reviewing the carry forward levels the Council has had an increase of £25k it is holding in funds from the start of 2018 to the end of the financial year. It is not clear why this is. When a Council determines the budget, there appears to be no clear consideration for the projected carry forward levels at the year end, and no documentation of what the levels of funds held in the back are for. There should be a clear understanding of the agreed allocation of reserves and there intended purpose documented.
- Given the above, and that there seems no reason to hold the majority of the PC funds in the current account, it would be prudent to transfer a sizeable amount of the funds into the deposit account so at least the PC could be gaining some more interest given its the level of monies held in the current account is much larger than it needs for transactions in the near future.
- The Risk Register has a setting of risk impact, a number of the items are rated as being high. Given the level of controls the PC clearly has in place, I feel a number of these are not 'high' risks to the Council. If the range of controls did fail for a reason, the consequence may be high to the Council, however, the chance of them happening is not high.
- The minutes and Asset Register refer to some disposal of items over the year. It is not clear in the Asset Register if they have been disposed of and therefore should or should not be included in the Annual Return figure for the year end.

The financial records and supporting documents provided show the Parish Council have maintained true and accurate financial records for the year 2018/19.

If you have questions on any of the above or require clarification then please do not hesitate to contact me.

Yours sincerely

Lizzie Barnicoat