

**INTERIM REPORT BY THE INTERNAL AUDITOR
TO
CLEATOR MOOR TOWN COUNCIL
FINANCIAL YEAR ENDING 31 MARCH 2021
PERIOD 1ST APRIL 2020– 30TH SEPTEMBER 2020**

The Local Audit and Accountability Act 2014 Sct 20(2) & 25 and The Accounts and Audit (England) Regulations 2015 (S1 2015/234) requires a Council to publish, as soon as reasonably practicable, after the conclusion of the audit, a statement on the website- that the audit has been completed.

At the time of the audit the Annual Governance and Accountability Return (AGAR) had not been received from the External Auditor – PKF Littlejohn.

The website will be checked and compliance noted in the final report for the year ending March 2021.

I confirm I have, on the 24th November 2020 undertaken the internal audit for the period 1st April 2020 – 30th September, 2020 in accordance with the Account and Audit Regulations 2015 and following the guidance in “Governance & Accountability for Smaller Authorities in England” A Practitioners” Guide (England) March 2020. The work plan consisted of an investigation to review whether the systems of financial and other controls over the Council’s activities and operating procedures are effective.

Proper Bookkeeping

The Council operates Receipts and Payments Accounts as allowed by the Regulations. The Cashbook is maintained and up to date. There were no arithmetical errors and there is a clear audit trail and a checking system for data input into the computerised records. Records are securely backed up and contained within a fireproof cabinet.

Financial Regulations, Standing Orders,

Standing Orders were drafted, presented to Council and adopted at the Meeting held on 9th May 2019 Min. No. 6/2019/1.

Financial Regulations are current and will be reviewed and updated (if applicable) prior to the year-end.

Transparency Regulations

The Clerk/RFO has ensured that all documentation required by the Local Government Transparency Code 2015 is displayed on the website to comply with the timescales in the Code.

Invoice procedure

There is a clear audit trail from the financial records, supported by invoices and all payments are authorised and duly recorded in the minutes. A random selection was reviewed to ensure compliance with Financial Regulations and Tendering/Quotation requirements. All were compliant and at all times adhered to the principle of Best Value.

VAT

Vat has been identified, recorded. A full check of all VAT records will be undertaken at the final audit of the year ending 31st March 2021.

Sct 137 Payments

The Council is fully compliant with the statutory requirement to maintain 'a separate account' of expenditure under Local Government Act 1972 section 137, by the inclusion in the accounts of a separate accounting column.

Risk Management

The Council has risk management documents, which are regularly reviewed and updated as and when new risks are identified. Financial Risks are covered by adequate insurance. A draft review will be presented to Council for adoption and approval prior to the end of the financial year - 2020-21

Internal Financial Controls

There is clear evidence by checks, dates and signatures on relevant documents that the council is in control of the use of public monies.

Register of Interests

Members have duly completed the Register of Interests and fulfilled their obligation to update the details annually.

Budgetary Control

A correct budget process is in place and the budget is regularly monitored.

The accounting method enables immediate identification of monthly and cumulative spends to each budget heading. The financial reports presented by the RFO enable the council to readily address any budget under/overspends and if necessary make the relevant virements.

Cash Balances at the Bank

The balances at the bank as at the 30th September 2020 are considered adequate to enable the Council to fulfil budgeted expenditure, deliver planned projects and retain an adequate cash flow.

Income Controls

All income is properly recorded and promptly banked and adequate measures are in force to ensure security.

Clerk's Expenses

All expenditure is reported to Council.

Sums drawn are allocated to the appropriate budget head and VAT is identified and claimed.

Payroll Controls

PAYE/NIC records are operated correctly and all payments to HMRC are up to date.

Asset Control

There is an asset register of all substantial assets which will be amended prior to the 2020-21 year end to record (if applicable) any acquisitions and disposals. All assets are adequately covered by insurance.

Bank Reconciliation

Bank statements are reconciled to financial records on receipt of bank statements and verified by a signature of a member on the respective bank statement.

I conclude and report that the Clerk/Responsible Financial Officer (RFO) has maintained a high standard of record keeping which has simplified the audit process. The Council's control systems are efficient and effective and give the appropriate level of confidence that the financial statements and reports reflect a true and accurate account of the Council's finance and governance records.

I wish to express my appreciation to the Clerk for his assistance in supplying information by e-mail and for the completeness of information on the website which facilitated the audit.



Georgina D Airey – Internal Auditor. 24th November 2020