

**Visit date:** 2 February 2021

**Interim Internal Audit Observations**

**Box B** This smaller authority met its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.

| No. | Audit Conclusion   | Observation  | Recommendation  | Priority | Comments |
|-----|--|--|---|----------|----------|
| 1   | Invoices have not been approved in accordance with the Council's Financial Regulations | <i>It was noted that the previous practice was for invoices to be signed (initialled) by two Councillors, but not for them to be signed by the Clerk/RFO. This does not comply with the Council's Financial Regulation 5.3. which states "All invoices for payment shall be examined, verified and certified by the RFO". It is understood that a new procedure has been introduced for invoices to be signed by the Deputy Clerk.</i> | <p>Council to note that invoices were not previously certified in accordance with the Council's Financial Regulations.</p> <p>Council to consider amending Financial Regulations to reflect that this will now be done by the Deputy Clerk.</p> | Medium   | Agreed   |

**Box D** The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.

| No. | Audit Conclusion  | Observation   | Recommendation  | Priority | Comments   |
|-----|---|---|---|----------|--|
| 1   | The Council has not published the AGS, Statement of Accounts and External Auditors report as required by the Accounts and Audit Regulations 2015 Regulation 13. | <p><i>Full Council approved the External Auditor's report and certificate on 11 January 2021. (Min C.085/20). The Minutes record that 'This certificate is now displayed on the website and noticeboards'.</i></p> <p><i>It was noted during the Interim Audit that the AGS and External Auditors report posted on the Council's website were those for 2018-19 and not for 2019-20. It is understood that this was due to a problem with the Council's website which had experienced a technical problem and the incorrect documents had been restored. This was amended during the audit visit.</i></p> | <p>Council to note this issue relating to publication of the 2019-20 AGAR and External Auditors report.</p> | Medium   | Noted. Website is to be developed over next 6 months |

|   |   |  |                  |        |       |
|---|---|--|------------------|--------|-------|
| 2 | The Council has not published the Notice of Conclusion of Audit as required by the Accounts and Audit Regulations 2015 Regulation 16. | <i>It was noted that the formal Notice of Conclusion of Audit for 2019-20 was not available on the website. It is understood that the Clerk has now updated the website.</i> | Council to note. | Medium | Noted |
|---|---|--|------------------|--------|-------|

**Box G** Salaries to employees and allowances to members were paid in accordance with this smaller authority's approvals, and PAYE and NI requirements were properly applied.

| No. | Audit Conclusion  | Observation  | Recommendation  | Priority | Comments |
|-----|---|--|---|----------|----------|
| 1   | It is understood that concern has been raised regarding the disclosure of salary payments in the Council's accounts due to potential Data Protection Issues | <i>From the records reviewed it does not appear that the salary data disclosed constitutes 'Personal Data' under GDPR as the identify of the individuals ('Data Subjects') being paid in each payment cannot be determined. The payments also relate to groups of staff and not individuals.</i><br><br><i>On this basis this data is not covered under GDPR / data protection act 2018.</i> | Council to note that as the payroll payments data does not identify individuals there are no additional disclosure requirements in respect of GDPR. | Low      |          |

**Box I** Periodic and year-end bank account reconciliations were properly carried out.

| No. | Audit Conclusion   | Observation  | Recommendation  | Priority | Comments   |
|-----|--|--|---|----------|--|
| 1   | It was noted that there were a number of reconciling items on the bank reconciliation. | <i>There were some unreconciled items on the november bank rec (which include August PWLB payment) Clerk advised that these are 'double entered' transactions from the migration. The Clerk is aware of them and is working with the bookkeeper to resolve these and expects that this will be done prior to year end.</i> | The Council must review all reconciling items on the bank reconciliation and take appropriate action to resolve any unexplained items | Medium   | The reconciliation for January has resolved all unreconciled items |

**Box M** Trust funds (including charitable) – The council met its responsibilities as a trustee.

| No. | Audit Conclusion   | Observation   | Recommendation  | Priority | Comments  |
|-----|--|---|---|----------|---|
| 1   | Trust assets have been recorded as assets of the Council | <i>It appears that assets located on Iver Heath may be assets of the Trust and not of the Council. The Clerk advised that this is in the process of being reviewed.</i> | The Council must review and update its asset register and exclude any assets which relate to Trusts | High     | This is recognised and is on the workplan of the clerk. It is not a recent issue and will require considerable resource to resarch the lawful status of the charity |