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15 April 2021

The Town Clerk

Alton Town Council

Town Hall

Market Square

Alton, Hants

GU34 1HD

Dear Leah

Final Internal Audit Review:
Alton Town Council – covering March 2021 and Year End procedures

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, 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 Annual Return AGAR).

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

- 'Accountability and Governance 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 Accountability and Governance for Smaller Authorities in England ensuring that compliance with proper practices is maintained.

A visit was carried out to complete and finalise the End of Year Internal Audit 2020/2021 on Friday 16 April 2021.

Further links were also carried out by video and telephone conference calls between the Internal Auditors with the Clerk, Administration and Finance Manager and Assistant to the Town Clerk to finalise the review.

The Assistant to the Town Clerk has also provided back-up information for the period 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 Regulation 2015 from the Council's website.

As we have carried out interim internal audit visits and reviews throughout 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 reviews. This is acceptable practice for the External Auditor.

It is also noted that during 2021/2022 the Town Clerk will be exploring the possibility of setting up a framework for contracting certain services that are currently outsources to Contractors that fall beneath the £25,000 Contracts threshold.

The new framework will allow the Town Clerk to use Contractors who are registered with the Town Council for certain types of service provision and this will be seen as a more efficient and transparent way of providing value for money to the Town Council.

If this is introduced Financial Regulations will be updated to reflect the new framework approach.

As part of this final Internal Audit Review, we checked:

Bank Reconciliations
• the Bank Reconciliation at 31 March 2021 was re-performed and no errors were noted.

Income and Expenditure including, VAT reimbursement and PWLB payments
• 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 was checked for March 2021.

Asset Register
•The Asset Register at 31 March 2020 was reviewed and additions for 2020/21 were agreed.

End of Year Procedures

• A full check was carried out on the End of Year documentation provided by the Clerk 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 completed and signed by Tim Light.

- The 2020/2021 AGAR Internal Audit Report requires the Internal Auditor to check the Council has correctly provided the proper opportunity for the Exercise of Public Rights in accordance with the requirements of the Accounts and Audit Regulations 2015.

- This includes the Internal Auditor being shown evidence that the posting of the notice on the website was done at least one clear day before the 30-working day period begins.
  (Audit Note; We are pleased to report that the Town Council have displayed the Notice correctly to comply with the requirements of the Accounts and Audit Regulation 2015).

This report should be circulated for 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.

Yours sincerely,
Tim Light FMAAT and Paul Reynolds FMAAT
Internal Auditors.