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To: The Chairman of Asby Parish Council
cc: the Clerk of Asby Parish Council
for the attention of Asby Parish Council

Internal Audit 2017-18

I have just carried out my year-end check of the Council's accounts & procedures etc for the financial year 2017-2018. In accordance with the plan agreed for this year's work:-

(a): I have checked the Council's account balances and bank reconciliation: and I have examined sample transactions and the related paperwork. The records are satisfactory.

I examined all the relevant Bank Statements to confirm the Council's financial situation at the beginning, and at the end, of the year, and can confirm that the position was and is as reported to the Council - summarised below:-

| | ASBY P-CCL BANK ACCOUNTS | |
|----------------------------|-----------------------------|-----------------|
| | YEAR END | |
| | 2017/18 | 2016/17 |
| | £ | £ |
| BANK | | |
| HSBC Current a/c ...246 | 11,073.86 | 8,150.46 |
| HSBC interest a/c ...746 | 1,421.80 | 1,421.13 |
| Cash | 0.00 | 0.00 |
| CQ437 unrepresented | -30.00 | 0.00 |
| TOTAL RESOURCES C/F | 12,465.66 | 9,571.59 |
| YR to YR | 2,894.07 | 2,324.51 |

(b): I have reviewed with the Clerk the drafting of the Council's entries in its Annual Return – to be considered by the Council at its meeting scheduled for 17 May - looking both at the financial information to be provided and at the statements required to be made by the Council, and by myself, in respect of the Council's procedures and governance.

This year there are some significant changes in content, in the procedure required of the Council in dealing with its entries {*compliance with which must be evidenced by the subsequent Council minutes*}, and in the publication of prescribed material now required of the Council. As a 'Smaller Authority' with neither its income nor its expenditure during the year exceeding £25,000, the Council needs only to complete AGAR Part 2, and will be able to claim exemption from external audit. The relevant form should be completed by the Council {*after other required material*} at its annual meeting.

(c): I have discussed again with the Clerk the implications for the Council of the new GDPR {General Data Protection Regulation}, that comes into force this month {*although some 'operational' details are still to be confirmed*}, and our initial view is that little or no change will be required in the Council's processes and procedures. When all the requirements are clear, however, it may be helpful to draft a brief statement for publication on how the Council is holding and managing personal data. /over

In my last report, I dealt again with the matter of Foreseeable Bills, and noted (i) that the Council had failed in its attempts to put improved arrangements in place because of the tightening of banking practices; and (ii) that it was hoped that HMRC would be introducing arrangements for Councils to make the PAYE payments of particular concern by way of suitable Direct Debit payments. I recommended that the Council should agree to those arrangements.

However, I now understand that HMRC is expressing a preference for payments to be made by BACS, which raises again the need to reconsider the Council's banking arrangements. I am clear that the present arrangements do not in practice meet the Council's needs, and I **recommend** that consideration of this matter be expedited.

There were no other matters for report which the Clerk specifically wished to bring to my attention, or which have been raised with me by the Council itself since I last reported: and there are no other items that I need to bring to the Council's attention.

A handwritten signature in black ink, appearing to read 'John Bevan', with a stylized flourish extending from the end.

John Bevan