



Tony Skeggs  
Parish Clerk  
Stoke Mandeville Parish Council  
The Community Centre  
Eskdale Road  
Stoke Mandeville  
Aylesbury  
Buckinghamshire  
HP22 5UJ

18 May 2020

Dear Tony,

Further to my Internal Audit visit of the Council in respect of the 2020 Annual Return, I am submitting my report and observations to the Council. As you will notice from the attached Internal Audit Report it was unfortunately necessary to issue a negative response in respect of Control Objective C.

### **Control Objective C**

“This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.”

### **Reason for the negative response Control Objective C**

As you are aware, it was not possible during the internal audit to confirm that the Council undertook a formal review of the Risk Register during financial year 2019-20.

The Practitioners Guide sets out that a Council “..needs to identify, assess and record risks..” and that “Having identified, assessed and recorded the risks, the authority needs to address them by ensuring that appropriate measures are in place to mitigate and manage risk.”

The normal practice by which a Council will meet the requirements of the Practitioners Guide is for the Council to maintain a risk register and for this register to be subject to review by Council on an annual basis.

From the records available, there is no evidence that the Council has undertaken such a review.

### **Implications in respect of the Annual Return**

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As previously advised it will be necessary for a negative response to be entered on the Internal Audit Report. In addition, the Council will also have to return a negative response in respect of Assertion 5 of the Annual Governance Statement.

In addition to the Negative Responses on the Internal Audit Report we have also responded 'Not Covered' in respect of the Control Objectives F, K, L and M we are required to explain why we have done this.

We have responded 'Not Covered' in response to Objective F as we understand that the Council does not maintain a Petty Cash. The reason for the Not Covered response for Objective K is that it is not applicable to your Council as you did not certify yourself as exempt from External Audit.

For Objective L we have given a 'Not Covered' response to this as, although we have seen the completed Notice document, there is no formal documentary evidence that the required Notice was posted as required. You will be aware that there is, in fact, no requirement for this documentary evidence to be maintained by you and therefore it is impossible for an auditor to independently verify this. We are aware that this issue has been discussed with the External Auditors and we expect most, if not all, Councils to also have 'Not Covered' as a response to Objective L from their Internal Auditors.

We have responded 'Not Applicable' in respect of Objective M as it is our understanding that the Council does not act as Trustee.

In addition to this letter and the statutory Internal Audit Report I have also submitted our Internal Audit Observations and Summary to you by email. I would be grateful if you could bring all of these to the Councils attention in due course.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'K. Rose'.

Kevin Rose ACMA  
Director