

The Chairperson
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Dear Chairperson and Members of the Council

Clowne Parish Council – Internal Audit Report 2020-21

We have pleasure in preparing and submitting this report to the Members of the Council in a timely manner.

The Covid19 pandemic has had a massive impact on all our lives and resulted in the forced closures of a number of businesses in different sectors including the community centre, which due to change in legislation was not able to operate for large parts of the year. In past audit letters we have encouraged that the council review the profitability of the community centre, previously we have calculated a loss, and again I would reaffirm that a separate profit and loss account should be prepared for the community centre to be presented to the council. In the current year the profitability of the community centre has been skewed by the ability of the council to claim furlough payments for the community centre staff that have been unable to work due to its forced closure.

The council, over the past few years, has built up significant cash reserves, with the sale of Parish House contributing to the cash balance. Having reviewed Council Meeting Minutes, we are aware that the council have authorised the transfer of a significant amount of the reserves to Bolsover District Council, which is due to take place after the year end. Again we will remind council that the Financial Services Compensation Scheme is capped at £85,000 per bank.

As we have done in the past, we would like to reiterate that our Internal Audit is not designed to forensically review the system for errors or fraud, unless evidence becomes known during the course of our sample testing techniques. Our Internal Audit is to review the systems in place to determine their worthiness and whether they are robust enough so that the accounting data being generated by those systems can be relied upon and are adequate to protect the assets of the parish.

During the course of our audit testing we have found no errors. We welcome that the council has reviewed a number of key policies, reviewed and amended the budget plan and have addressed issues we have raised in previous reports.

We would like to add our thanks to the council finance team and Steve Singleton for assisting us during our audit work and as a result of the vastly improved accounting function we propose that starting from 21/22 financial year we reduce our fee to £2,000 + Vat, to be fixed for 3 years, assuming no major changes in the current efficiency of the accounting function.

Yours Sincerely



Butler Cook