

# NORTHBOURNE PARISH COUNCIL

This authority's internal auditor, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls to be in operation during the financial year ended 31 March 2020.

The internal audit for 2019/20 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Agreed? Please choose one of the following		
	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	YES		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	YES		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	YES		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	YES		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	YES		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.			NOT COVERED NONE HELD
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	YES		
H. Asset and investments registers were complete and accurate and properly maintained.	YES		
I. Periodic and year-end bank account reconciliations were properly carried out.	YES		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	YES		
K. If the authority certified itself as exempt from a limited assurance review in 2018/19, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2018/19 AGAR tick "not covered")	YES		
L. The authority has demonstrated that during summer 2019 it correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations.			NOT COVERED - NEW AUDIT
M. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes	No	Not applicable
			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

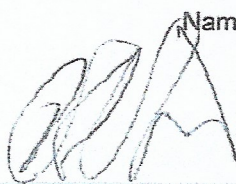
Date(s) internal audit undertaken

21/07/2020 26/08/2020

Name of person who carried out the internal audit

LIONEL ROBBINS

Signature of person who carried out the internal audit



Date

28/08/2020

\*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

\*\*Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

# **NORTHBOURNE PARISH COUNCIL INTERNAL AUDIT REPORT 2019-20**

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I am pleased to report to Members of the Parish Council that I have completed my internal audit of the Parish Council's records for 2019-20 and have been able to complete the Annual Internal Audit Report for the 2019-20 Annual Return.

Members should be aware that the audit tests that I undertook during the audit cannot be relied on to identify the occasional omission or insignificant error, nor to disclose breaches of trust or statute, neglect or fraud which may have taken place and which it is the responsibility of the Members of the Council to guard against through the Parish Council's internal control procedures.

Members will be pleased to know that I did not find anything major in my financial audit to report. As a result of my audit and my discussions with your Clerk I was able to answer 'YES' to all the relevant questions contained in the Annual Internal Audit Report.

I would like to take this opportunity to thank your Clerk for the assistance given to me in the conduct of the audit that took place on 21 July and 26 August 2020.

## **PREVIOUS AUDITS:**

### **External Audit Certificate 2018-19:**

The Council certified itself as exempt from the limited assurance review and there was no report from the external auditor.

### **Internal Audit 2018-19:**

I have not seen this report and am unable to address anything arising from it.

## **FINDINGS THIS VISIT:**

During the visit and later at home I carried out sufficient work to enable me to complete the Annual Internal Audit Report which included reviewing the minutes and checking the accounting records. In the main I have checked the accounting records by tracing and testing the audit trail from the Annual Accounting Statement back to the Receipts and Payments account then to the supporting invoices/remittances and bank statements. In passing I have also reviewed VAT, PAYE and budget setting and monitoring.

Initially the records were incomplete. Once the bank statement for the whole year was received the Clerk was able to complete the accounts and I was able to complete my testing. I found no errors.

I was unable to find minutes relating to the adoption of the 2020-21 budget and precept during my visit. The Council is legally required to adopt a budget and the method to be used is set out in legislation (s49A Local Government Finance Act 1992 cf s41(2) of the same Act). I have not been able to check for compliance in respect of the 2020-21 budget.

I have nothing further to report.

**Lionel Robbins  
Independent Internal Auditor  
28 August 2020**