

# Annual Internal Audit Report 2019/20

## LANREATH 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**
Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	✓		
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.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic and year-end bank account reconciliations were properly carried out.	✓		
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.	✓		
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")	✓		
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.		✓	
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

Name of person who carried out the internal audit

08/06/2020 09/06/2020 10/06/2020

E. DEREK J HILTON AUDITOR

Signature of person who carried out the internal audit

*Derek J Hilton* **NOT REQUIRED**

Date

10/06/2020

\*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).



## 2019/20 Annual Internal Audit Report Internal Control Statement

The 2019/20 Internal Audit Report of Lanreath Parish Council identified that during the summer of 2019 the Parish Council had not correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations.

The Account and Audit Regulations require that when smaller authorities have finished preparing accounts for the financial year and approved them, they must publish them (including on a website). There must be a 30 working day period, called the 'period for the exercise of public rights', during which local government electors can exercise their statutory rights to inspect the accounting records. Smaller authorities must tell the public, including advertising this on their website, that the accounting records and related documents are available to inspect. The advertisement must set out the dates of the period for the exercise of public rights, how an elector can communicate to the smaller authority that they wish to inspect the accounting records and related documents, the name and address of the auditor, and the relevant legislation that governs the inspection of accounts and objections.

Although the Council was in the process of setting up its own website in order to comply with the requirements of the regulations this was not functioning when the Annual Governance and Accountability Return (AGAR) was completed in 2019. The 2018/2019 AGAR was subsequently published on the new Parish Council website but too late to advertise a 30-day period for public inspection within the timeframe required by the regulations.

A period for the exercise of public rights for the inspection of the 2019/20 Accounts will be advertised on the Lanreath Parish Council website in accordance with the time frame required by the Accounts and Audit Regulations, as amended for COVID 19.

Signed:

Peter Seaman  
Chairman and acting Clerk / RFO  
Lanreath Parish Council

SECTION 4: INTERNAL  
AUDIT REPORT

Agreed as above.

Derek J. Hill