

Annual Internal Audit Report 2019/20

El Dittisham 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.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓	SEE NOTE ATTACHED	
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.	✓	SEE NOTE ATTACHED	
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	N/A	NOT USED	
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")	N/A		
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.			✓

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: 10/06/20 to 22/06/20

Name of person who carried out the internal audit: JOHN FREDERIC WELLS

Signature of person who carried out the internal audit: *[Signature]* Date: 22/06/20

*If the response is 'no' you must include a note to 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).

Note to be attached to the Annual Internal Audit Report 2019/20

Sections B and E -

The Parish Council sought advice from the Society of Local Council Clerks regarding the VAT position on car parking receipts. As a result of the advice, the Parish Council applied for VAT registration which was granted with effect from 1st February 2020.

J.F. Wells

A. Appropriate accounting records have been properly kept for the financial year			
B. This authority complied with its financial regulations in relation to the receipt of income and expenditure and approved and VAT was appropriately recorded			✓
C. The authority observed the requirement to disclose all relevant information in the annual statement of arrangements to service users			✓
D. The principal or other requirements required from an authority in relation to the financial year were regularly monitored, and resources were available to meet the requirements			✓
E. Expected income was fully received, based on current prices, and VAT was appropriately recorded			✓
F. Policy cost payments were properly audited by revenue and VAT appropriately recorded			✓
G. Policies to employees and officers were properly approved and VAT was appropriately recorded			✓
H. Assets and liabilities registers were correctly maintained and VAT was appropriately recorded			✓
I. Payments and liabilities were properly recorded and VAT was appropriately recorded			✓
J. Accounting documents prepared during the year were properly maintained and VAT was appropriately recorded			✓
K. If the authority carried itself as exempt from VAT, it had a valid exemption certificate and VAT was appropriately recorded			✓
L. The authority has demonstrated that it has complied with the requirements of the VAT Act 1994 and the VAT Regulations 2009			✓
M. (For local councils only) That funds (including charities) are carried and accounted for in accordance with the requirements of the Charities Act 2006			✓

For any other tax items identified by the authority's internal audit, the authority should provide a separate sheet if required.

Date of internal audit undertaken: 16/05/20

Signature of person who carried out the internal audit: J.F. Wells

Signature of person who carried out the external audit: J.F. Wells