

Annual Internal Audit Report 2019/20

BECKINGTON 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.	✓		
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.			✓

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

06/06/20

Name of person who carried out the internal audit

NATHALIE HETHERINGTON OR

Signature of person who carried out the internal audit

Nathalie Hetherington

Date

06/06/20

*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).

6th June 2020 Report for Councillors – Beckington Parish Council

Internal audit Report

Miss Nathalie Hetherington

Internal Control Objectives

A. Yes. I viewed cheque stubs from Cheque number 000971 – 000997 and three randomly selected from a previous cheque-book, of which 11 had been initialled by only one signatory. The active signatories up to March 2020 were Cllrs. Winterbourne & Cragg; the current signatories are Cllrs. Winterbourne & Wright. There is evidence from the minutes that the process of appointing signatories has been problematic; it is hoped that this situation will be resolved swiftly.

The Clerk's 3 monthly expenses claims forms were all signed off by a member except for Oct-Dec 2019.

B. Yes. Invoices are helpfully cross-referenced with cheque numbers and links to policies. Where VAT can be reclaimed, this is clearly shown in the cash book & the VAT relief claim forms submitted to HMRC are easy to cross-reference.

C. Yes. Members adopted the financial risk assessment 10.5.19 but the version on the website is dated 2018 (ACM32). Strategy for a regular checking of accounts by a member is yet to be put in place.

D. Yes. The increase in precept for 2019-2020 can clearly be accounted for by the allotment project.

E. Yes.

F. *The Council does not operate a petty cash system.

G. Yes.

H. Yes. The Asset Register at the time was adopted by members 10.5.19 (ACM34) but has since been updated (March 2020) and shows the loss of Item 12, a grit bin, reported missing in 2018, worth £135.

I. Yes. *Parish Council Accounts* is a standing item on the agenda of each meeting where payment information is shared/agreed and members receive the bank reconciliation and budget to date.

J. Yes. It is straightforward to cross-reference expenditure with the cash book, cheque book, bank statements and invoices.

K. Yes. The Certificate of Exemption is on the website; members voted to exempt the council 10.5.19 (ACM43).

L. Yes. The Clerk confirmed the time period 10.5.20 (ACM42) and the Notice of Public Rights is on the website.

Nathalie Hetherington
Deputy Clerk to Milborne Port Parish Council
6th June 2020

