

End of year Internal Audit Report

(to be read in conjunction with the Annual Internal Audit Report in the Annual Governance and Accountability Return)

Name of council:	Litchborough		
Name of Internal Auditor:	Dianne Isaacs	Date of report:	04/05/20
Year ending:	31 March 2020	Date audit carried out:	04/05/20

Internal audit is the periodic independent review of a council's internal controls resulting in an assurance report designed to improve the effectiveness and efficiency of the activities and operating procedures under the council's control. Managing the council's internal controls should be a day-to-day function of the council through its staff and management and not left for internal audit. It would be incorrect to view internal audit as the detailed inspection of all records and transactions of a council in order to detect error or fraud. This report is based on the evidence made available to me and consequently the report is limited to those matters set out below.

The council is required to take appropriate action on all matters raised in reports from internal and external audit and to respond to matters brought to its attention by internal and external audit. Failure to take appropriate action may lead to a qualified audit opinion.

COVID -19 instructions are constantly evolving and the Internal End of year audit will be carried out remotely this year.

With so many uncertainties at this present time I trust that you all stay safe and well and remain so in the future.

Clerk and R.F.O

Lynn Lavender was the Clerk and R.F.O. to the Parish Council until January 2020 .

Cllr Robinson was appointed the Acting Clerk until a new Clerk is appointed.

Chairman to the Council:-

Cllr Tim Sykes was elected Chairman of Litchborough Parish Council at the Annual meeting on 14th May 2019

Cllr David Aked-Walker was elected Vice Chairman.

To the Chairman of the Council:

External audit PKF

The Council was exempt from a Basis level audit review for 2018/19.

Payments for 2019 /20 Financial year exceeds £25,000 therefore the Council must complete Part 3 of the AGAR audit and is required to send additional information to PKF External audit.

I have attached the Accounts and Audit (Coronavirus Amendment regulations 2020 that extends the Statutory audit deadlines for 2019/20 .

Internal control checks

Cllr I Lowery carries out regular internal control for the Council.

There were no issues arising from the control checks throughout the year.

Due Process

Financial regulations and Standing Orders

The Council reviewed and agreed their Financial regulations and revised Standing Orders at the May meeting of the Council.

Annual risk assessment

The Council has reviewed their arrangements to manage identified risks in May 2019 and has a Risk assessment document in place to achieve their objectives.

Code of Conduct

The Council has adopted an up to date Code of Conduct.

GDPR

The Council has appointed a D.P.O through Ncalc and adopted all relevant Data Protection policies. The Clerk has registered with I.C.O and paid the annual fee of £40.00

Minutes of Meetings

I read through the minutes of Council meetings to 31.03.2020 and there were no unusual activities that came to my attention

Parish Council Assets

The Council has purchased and disposed of assets throughout the year.

The value of street lighting purchased was lower than the lights disposed of.

Total assets at 31.03.2020 **£ 23,205**, This figure is recorded correctly in AGAR Section 2 (9)

Precept

The Council has agreed a Precept of **£7800** to support its 2019/20 budget and recorded correctly in the Receipts and Payments account.

Staff costs

The Clerk is the sole employee to the Council.

The Clerk's salary is paid with Council approval and recorded in the Receipts and Payments ledger .

Staff costs 2019.20 - £1,918 .

V.A.T

V.A.T **£ 2427.60** received from HMRC is recorded in the Receipts ledger

Insurance Cover

The Council secured competitive insurance from Came and Co at a cost of **£ 340.58**

Fidelity Insurance is set at **£150,000**

Account Ledger

The Council received **£10654** from New Homes Bonus Fund during the year

The accounts are prepared on the correct accounting procedure – Receipts and Payment basis.

An audit trial was carried out on several Receipts and Payments entries in the Accounts ledger and the Minutes of the Council

There were no unexplained balancing entries from the accounts to the Council 's bank statements at 31.03.2020

Total balances on the accounts at 31.03.2020

Current Account	£8330.94
Cambridge building society	£1011.40
Total at 31.03.2020	£9342.34

The Council has achieved its control objectives for the year and I have signed the Annual Internal audit report accordingly.

Dianne Isaacs – Internal auditor Ncalc

Email:- di.isaacs01@gmail.com

07790269798

01327831243

The figures submitted in the Annual Governance and Accountability return 2019/20

	Year ending 31 March 2019	Year ending 31 March 2020
1. Balances brought forward	16561	14754
2. Annual precept	6300	7800

3. Total other receipts	2481	13093
4. Staff costs	2485	1918
5. Loan interest/capital repayments	-	-
6. Total other payments	8103	24387
7. Balances carried forward	14754	9342
8. Total cash and investments	14754	9342
9. Total fixed assets and long term assets	23916	23205
10. Total borrowings	-	

The proper practices referred to in Accounts and Audit Regulations are set out in *Governance and Accountability for Smaller Authorities in England (2019)*. It is a guide to the accounting practices to be followed by local councils and it sets out the appropriate standard of financial reporting to be followed. A copy of the guide is available for free download from:

<https://www.northantscalc.com/uploads/practitioners-guide-2019.pdf>

