

NEWINGTON PARISH COUNCIL INTERNAL AUDIT REPORT 2019-20

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 Governance and Accountability 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 and that I found the record keeping to be of a good standard and the Parish Council's approach to the management of risks to be sound. 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 for 2019-20.

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 15 June 2020.

PREVIOUS AUDITS:

External auditor 2018-19:

The external auditor's report was issued on 13 September 2019 and includes qualification for two issues. I was unable to find a minute indicating that the Council had considered this report. The Council has a statutory duty to consider the auditor's report per the Accounts & Audit Regulations 2015.

I have discussed the apparent omission with the Clerk and advised that the report should go to Council as soon as practicable and before the Governance Statement for 2019-20 is approved.

Internal auditor 2018-19:

I have not seen my predecessor's 2018-19 audit report.

FINDINGS THIS VISIT:

During the visit I carried out sufficient work to enable me to complete the Annual Internal Audit Report which included reading the minutes and checking the accounting records. Review of the accounting records was by tracing the audit trail from the draft Accounting Statement to the receipts and payments account and by sample testing of transactions to the bank statements and invoices/remittances.

I found the financial records to be accurate and up to date. There were no unexplained entries in the bank reconciliations.

The minutes of the meeting in December 2019 recording the budget and precept for 2020-21 indicate that the Council is unaware of the provisions of S41(2) and s49A Local Government Finance Act 1992 which mandate certain budget calculations whose result becomes the council tax requirement i.e. the precept. The practical upshot is that once the budget is adopted the precept is fixed. From the minute it appears that the budget for 2020-21 was not formally adopted.

I have nothing further to report.

**Lionel Robbins
Independent Internal Auditor
12 July 2020**