

**INTERNAL AUDIT REPORT FOR YEAR ENDED 31ST MARCH 2019**

**GOWDALL PARISH COUNCIL**

TEST	RESULT
<p>A Appropriate books of account have been properly kept throughout the year.</p>	<p>All receipts and payments were found to be properly recorded and a balanced set of books provided to audit.</p>
<p>B The Council's Financial Regulations have been met, payments were supported by invoices, expenditure was approved and VAT was properly accounted for.</p>	<p>All payments in the test sample were authorised by the council and cheques signed by authorised signatories.                      A satisfactory control mechanism is in place in respect payments made when;                      a. Responsibility for checking of invoices lies with the clerk.                      b. Expenditure account analysis is clear.                      c. Payment is authorised by council and cheques are signed by authorised signatories.                      d. VAT is properly accounted for.</p> <p><b>Matters Arising</b> Omissions as shown on the vat reconciliation should be included on the next claim to bring the account into balance.</p>
<p>C The council assessed the significant risks to achieving its objectives and reviewed the adequacy of these.</p>	<p>The council is expected to have taken steps to identify and mitigate risks associated with users of the Council's services, members of the public or employees.                      Risks associated with service provision have been identified and basic assessments are in place.</p> <p><b>Matters Arising</b> The risk assessments are dated in respect of the year ended March 2017 and should be the subject of review.</p> <p>Evaluation of Insurance cover confirmed that the council has adequate cover for statutory risk.                      Fidelity Guarantee is adequate and cover extended to include members.</p>

<p>D</p> <p>The Annual Precept requirement resulted from an adequate budgetary process; progress against budget was regularly monitored; and reserves were appropriate.</p>	<p>A detailed budget/recommendation is prepared by the clerk and submitted to Council for review and determination.</p> <p>Reports on progress against budget are submitted to council periodically.</p> <p>Reserves, held at 31st March 2019, totalling £9,004 equate to about 148% of the annual precept and appear satisfactory having regard to the size and activity of the council.</p> <p><b>Matters Arising</b> 2019/2020</p> <p>The entry in the minutes should detail the specific sum required in respect of the</p>
<p>E</p> <p>Expected Income was fully received, based on correct prices, properly recorded and banked; and VAT was appropriately account for.</p>	<p>Satisfactory checks have been completed in respect of all income received.</p> <p>Checks carried out on the banking process proved satisfactory when all income due to the council has been correctly banked with no undue delay.</p> <p>Subject to minor adjustment VAT was properly accounted for during the year.</p> <p>Reconciliation is included in the working papers.</p>
<p>F</p> <p>Petty Cash payments were properly supported by receipts, expenditure was approved and VAT accounted for.</p>	<p>No petty cash imprest is held. Minor purchases are made by the clerk and reimbursed by council.</p>
<p>G</p> <p>Salaries to employees and allowances were paid in accordance with council approvals, and PAYE and NI requirements properly applied.</p>	<p>Test checks over several months verified the accuracy of wages paid and confirmed payments in respect of statutory deductions.</p> <p><b>Matters Arising</b> An overpayment of clerks salary and HMRC tax/NI in December 2018 was not adjusted in March 2019.</p>
<p>H</p> <p>Asset and investment registers were complete and accurate and properly carried out.</p>	<p>A copy of the council's completed asset register as at 31st March 2017 has been submitted to audit and found to be satisfactory.</p> <p><b>Matters Arising</b> The total of the register submitted to audit was £17,540, indicating no additions or deletions in the year under review. The total has been agreed to the Annual Return.</p>

I	Periodic and year-end bank account reconciliations were properly carried out.	Reconciliation is carried out regularly and an independent year- end reconciliation accompanies this report. Review established that reconciliation was properly completed and balanced to bank statements.
J	Year-end accounts were prepared on the correct accounting basis (receipts & payments/income & expenditure, agreed with the cashbook, were supported by an adequate audit trail from underlying records, and, where appropriate debtors and creditors were properly recorded.	The accounts are prepared on a Receipts and Payments basis. Adequate audit trail exists. Debtor/ Creditor adjustments are not necessary.
K	The council has met its responsibilities as a trustee.	Not applicable
L	Annual Return	The entries in the Return accurately summarise the financial activity of the council for the year under review.
M	Council Minutes	The general review of council minutes was satisfactory.
N	Audit Independence	The internal auditor has no relationship, financial or otherwise with any member or officer of the council and the audit has been carried out with integrity, objectivity and independence.
O	Summary	The accounts of the council continue to be well maintained and no significant matters arise that need be drawn to the attention of the council at this time.

Alan Johnson  
7th May 2019